U. S. Congress

# Congressional Record

## PROCEEDINGS AND DEBATES

OF THE

## FIRST SESSION OF THE SIXTY-EIGHTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

AND INDEX

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# Congressional Record

PROCEEDINGS AND DEBATES OF THE SIXTY-EIGHTH CONGRESS
FIRST SESSION

## SENATE

THURSDAY, *June 5, 1924*

*(Legislative day of Tuesday, June 3, 1924)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had concurred in Senate Concurrent Resolution No. 18, providing for the printing of additional copies of the revenue act of 1924.

The message also announced that the House had passed the following bills and joint resolutions of the Senate:

S. 113. An act changing the name of Keokuk Street in the County of Washington, D. C., to Military Road;

S. 699. An act authorizing the addition of certain lands to the Medicine Bow National Forest, Wyo., and for other purposes;

S. 1203. An act to amend an act entitled "An act authorizing an appropriation to meet proportionate expenses of providing a drainage system for Piute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service," approved February 14, 1923;

S. 1308. An act authorizing an appropriation to enable the Secretary of the Interior to purchase a tract of land, with sufficient water right attached, for the use and occupancy of the Temoak Band of homeless Indians, located at Ruby Valley, Nev.;

S. 1785. An act to amend an act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, and acts amendatory thereof;

S. 2236. An act to designate the time and place of holding terms of the United States district court in the first division of the district at Kansas City;

S. 2699. An act to amend an act creating the Custer State Park Game Sanctuary in the State of South Dakota;

S. 3111. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes;

S. 3116. An act to authorize the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct a bridge across the White River, near the city of De Valls Bluff, Ark.;

S. 3263. An act to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Court House, Va.;

S. 3355. An act granting the consent of Congress to the Counties of Marion and Florence, in the State of South Carolina, to construction a bridge across the Peedee River at or near Savage Landing, S. C.;

S. J. Res. 90. Joint resolution providing an extension of time for payment by entrymen of lands on the Fort Assinniboine abandoned military reservation in the State of Montana;

S. J. Res. 103. Joint resolution authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians of Montana in the Treasury of the United States;

S. J. Res. 106. Joint resolution authorizing the erection on public grounds in the city of Washington, D. C., of an equestrian statue of General San Martin which the people of Argentina have presented to the United States; and

S. J. Res. 115. Joint resolution to provide for the free transmission through the mails of certain publications for the blind.

The message further announced that the House had passed a bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, in which it requested the concurrence of the Senate.

DIRECTOR OF THE COLUMBIA HOSPITAL FOR WOMEN

The PRESIDENT pro tempore. In accordance with the provisions of the act of Congress of June 10, 1872, touching the appointment of directors of the Columbia Hospital for Women and Lying-in Asylum, the Chair appoints the Senator from Delaware [Mr. BALL] to fill the vacancy caused by the death of the late Senator Dillingham.

REPORTS OF COMMITTEES

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (S. 3281) for the relief of Ralph Ole Wright and Varina Belle Wright, reported it with an amendment and submitted a report (No. 747) thereon.

Mr. HARRELD, from the Committee on Claims, to which was referred the bill (S. 708) for the relief of various owners of vessels and cargoes damaged by the U. S. S. *Lamberton*, reported it with an amendment and submitted a report (No. 766) thereon.

He also, from the same committee, to which was referred the bill (S. 1221) for the relief of J. W. Neil, reported it with amendments and submitted a report (No. 748) thereon.

He also, from the Committee on Indian Affairs, to which was referred the bill (S. 1392) authorizing the Ponca Tribe of Indians residing in the States of Oklahoma and Nebraska to submit claims to the Court of Claims, reported it with amendments and submitted a report (No. 750) thereon.

He also, from the same committee, to which was referred the bill (S. 3247) providing for the payment of any unappropriated moneys belonging to the Apache, Kiowa, and Comanche Indians to Jacob Crew, reported it without amendment and submitted a report (No. 751) thereon.

He also, from the same committee, to which was referred the bill (S. 3080) for the relief of the Uintah and White River Tribes of Ute Indians of Utah, reported it with an amendment and submitted a report (No. 752) thereon.

Mr. HALE, from the Committee on Naval Affairs, to which was referred the bill (S. 1569) to compensate Lieut. L. D. Webb, United States Navy, for damages to household effects while being transported by Government conveyance, reported it without amendment and submitted a report (No. 753) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 2976) to authorize the Comptroller General of the United States to relieve Fred A. Gosnell, former disbursing clerk, Bureau of the Census, and the estate of Richard C. Lappin, former supervisor of the Fourteenth Decennial Census for the Territory of Hawaii, and special disbursing agent, in the settlement of certain accounts (Rept. No. 754);

A bill (H. R. 914) granting six months' gratuity pay to Stansfield A. and Elizabeth G. Fuller (Rept. No. 755); and

A bill (H. R. 1326) for the relief of Clara T. Black (Rept. No. 756).

Mr. MAYFIELD, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 6506) for the relief of John Baumen (Rept. No. 757); and

A bill (H. R. 7052) for the relief of Geston P. Hunt (Rept. No. 758).

Mr. McNARY, from the Committee on Commerce, to which was referred the bill (S. 3352) to provide for the appointment of an appraiser of merchandise at Portland, Oreg., reported it without amendment and submitted a report (No. 764) thereon.

He also, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 4830) to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor, reported it without amendment.

Mr. ODDIE, from the Committee on Naval Affairs, to which was referred the bill (S. 1807) to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve, reported it with amendments and submitted a report (No. 749) thereon.

Mr. BAYARD, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 4760) for the relief of the estate of C. M. Cole (Rept. No. 759);

A bill (H. R. 5819) for the relief of the estate of the late Capt. D. H. Tribou, chaplain United States Navy (Rept. No. 760);

A bill (H. R. 7420) for the relief of Albert E. Laxton (Rept. No. 761); and

A bill (H. R. 8258) for the relief of Capt. Frank Geere (Rept. No. 762).

Mr. SWANSON, from the Committee on Naval Affairs, to which was referred the bill (S. 3433) for the relief of Lieut. Richard Evelyn Byrd, jr., United States Navy, reported it without amendment and submitted a report (No. 763) thereon.

Mr. TRAMMELL, from the Committee on Claims, to which was referred the bill (S. 615) for the relief of Grover Ashley, reported it with amendments and submitted a report (No. 767) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 1682) for the relief of the Stone Towing Line (Rept. No. 768); and

A bill (H. R. 6241) for the relief of Lieut. E. J. McAllister (Rept. No. 769).

ENROLLED BILLS PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on June 4, 1924, that committee presented to the President of the United States enrolled bills of the following titles:

S. 112. An act providing for a comprehensive development of the park and playground system of the National Capital;

S. 709. An act for the relief of the Commercial Pacific Cable Co.; and

S. 799. An act for the relief of F. A. Maron.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of California:

A bill (S. 3465) granting a pension to Sophronia O'Neill; to the Committee on Pensions.

By Mr. NORRIS:

A bill (S. 3466) granting an increase of pension to Sarah E. Richards; and

A bill (S. 3467) granting an increase of pension to Maria A. Martindale; to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 3468) for the relief of the estate of Jesus Maria Vigil; to the Committee on Claims.

A bill (S. 3469) granting increase of pension to certain maimed soldiers, and for other purposes; to the Committee on Pensions.

By Mr. DILL:

A bill (S. 3470) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Okanogan and Colville Indians may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. McNARY:

A bill (S. 3471) granting an increase of pension to Henry C. King; to the Committee on Pensions.

By Mr. KEYES:

A bill (S. 3472) granting an increase of pension to Mary A. Whitcher; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 3473) granting a pension to Charles D. Stearns; to the Committee on Pensions.

By Mr. WADSWORTH:

A bill (S. 3474) for the relief of the R. S. Howard Co.; to the Committee on Claims.

By Mr. LODGE:

A joint resolution (S. J. Res. 145) extending the sovereignty of the United States over Swains Island and making the island a part of American Samoa; to the Committee on Foreign Relations.

NATIONAL CEMETERY ROAD AT VICKSBURG

Mr. STEPHENS. Mr. President, I ask unanimous consent for the present consideration of House bill 4816. It will take just a moment.

The PRESIDENT pro tempore. The Senator from Mississippi asks unanimous consent for the present consideration of House bill 4816. It will be read for information.

The bill (H. R. 4816) authorizing the Secretary of War to permit the city of Vicksburg, Miss., to construct and maintain water mains on and under the National Cemetery Road at Vicksburg, Miss., was read as follows:

*Be it enacted, etc.*, That the Secretary of War be, and he is hereby, authorized and empowered, under such terms and conditions as are deemed advisable by him, to permit the city of Vicksburg, Miss., to construct, operate, and maintain water mains in connection with the waterworks of said city, on and under the National Cemetery Road at Vicksburg, Miss.

Mr. SMOOT. Is it a unanimous report?

Mr. STEPHENS. It is a unanimous report and is favorably reported upon by the Secretary of War.

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PENSIONS AND INCREASE OF PENSIONS

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 6426) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, which had been reported from the Committee on Pensions with amendments.

The PRESIDENT pro tempore. The Secretary will state the first committee amendment.

The first amendment of the Committee on Pensions was, on page 1, after line 5, to strike out:

The name of Clarence L. Wimer, late of Company A, Signal Corps, United States Army, Regular Establishment, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 2, after line 2, to strike out:

The name of Reuben Waller, late of Company H, Tenth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, at the top of page 3, to strike out:

The name of Clare D. Fielding, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 3, after line 9, to strike out:

The name of Xaver Becherer, late of Company I, Fifteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 4, after line 12, to strike out:

The name of Charles Wilson, late of Troop G, Tenth Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 4, after line 19, to strike out:

The name of Jennie E. Buckley, widow of Daniel J. Buckley, late first-class fireman, United States Navy, and pay her a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 4, after line 22, to strike out:

The name of Tamar Ervin, mother of Grover Cleveland Ervin, late seaman United States ship *Nina*, United States Navy, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 5, after line 10, to strike out:

The name of David C. Preston, late private Company F, Eighth Regiment California Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 5, line 16, after the words "rate of" to strike out "$50" and to insert "$30," so as to read:

The name of William W. Kinne, late of Company D, Fourteenth Regiment Minnesota Infantry, war with Spain, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 6, after line 10, to strike out:

The name of Edith Hampel, former widow of Edward J. Hampel, late of United States Navy, Regular Establishment, and pay her a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 6, after line 13, to strike out:

The name of Samuel J. Haslett, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of $18 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 7, after line 14, to strike out:

The name of Michael J. Haggerty, late of the United States Navy, United States ship *Bennington*, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 7, after line 18, to strike out:

The name of Charles W. Crofoot, late of Company L, Twelfth Regiment Minnesota Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 8, after line 4, to strike out:

The name of Levi T. Miller, late of Captain Randall's Company B, Second Regiment Idaho Volunteers, Indian wars, and pay him a pension at the rate of $20 per month.

The amendment was agreed to.

The next amendment was, on page 9, after line 6, to strike out:

The name of Jeremiah B. Thomson, late of Captain W. H. Latshaw's Company A, Second Regiment Oregon Mounted Volunteers, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 10, after line 18, to strike out:

The name of William Lanier, late of Company F, Sixteenth Regiment, and Company D, Second Regiment, United States Infantry, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 11, after line 13, to strike out:

The name of John Dudley, late of Company L, Eighteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 11, after line 21, to strike out:

The name of John Oberschmid, formerly of Troop E, Sixth United States Cavalry, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, at the top of page 12, to strike out:

The name of Helena Bunt, mother of Joseph W. Bunt, late of Troop B, Thirteenth Regiment United States Cavalry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 12, after line 20, to strike out:

The name of Lambert Weiss, late of Company M, Thirteenth Regiment Minnesota Infantry, war with Spain, and pay him a pension at the rate of $18 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 13, after line 18, to strike out:

The name of Edmond L. Klamoth, late of band, Fourth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 13, after line 21, to strike out:

The name of Margaret Davy, dependent mother of Harry N. Davy, late of the United States Navy, Regular Establishment, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, at the top of page 14, to strike out:

The name of Margaret A. Harris, mother of the late Hardy A. Harris, late of the United States Marine Corps, Regular Establishment, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 14, after line 4, to strike out:

The name of George H. Klein, jr., late of Company D, Sixty-fifth Regiment New York Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 14, after line 7, to strike out:

The name of Frank A. Klein, late of Hospital Corps, United States Army, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, at the top of page 15, to strike out:

The name of Francis M. Collins, late prison guard, United States Marine Corps, Regular Establishment, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 16, after line 11, to strike out:

The name of Elizabeth F. Hampton, dependent mother of Otto L. Hampton, late of Fourth Company, United States Coast Artillery, Regular Establishment, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 16, after line 20, to strike out:

The name of Flora B. Warren, widow of Louis W. Warren, late of Company H, Twenty-third Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving and the continuance of the additional $2 per month for each of the soldier's minor children until they reach the age of 16 years.

The amendment was agreed to.

The next amendment was, on page 17, after line 21, to strike out:

The name of William Estes, late of Troop I, Ninth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 18, after line 14, to strike out:

The name of Robert L. McFarland, late of Company M, Seventh Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 18, after line 21, to strike out:

The name of Benjamin F. Johnson, late of Company G, Signal Corps, United States Army, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 19, after line 12, to strike out:

The name of Charles N. Cannon, late of Company E, Third Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, at the top of page 20, to strike out:

The name of Robert L. Abston, late of Company I, First Regiment United States Infantry, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 20, after line 20, to strike out:

The name of Isaac Townsend, late of the Fourteenth Company, United States Coast Artillery, Regular Establishment, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 21, after line 9, to strike out:

The name of William G. Jones, late of the Eighteenth Company, United States Coast Artillery, Regular Establishment, and pay him a pension at the rate of $14 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 21, line 17, after the words "rate of," to strike out "$20" and to insert "$12"; so as to read:

The name of Lafayette R. Kincaid, dependent father of Marcus L. Kincaid, late of Troop A, Ninth Regiment United States Cavalry, war with Spain, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 22, after line 22, to strike out:

The name of Marguerite R. Fitzgerald, widow of John Fitzgerald, late of Signal Corps, United States Army, Regular Establishment, and pay her a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 23, after line 2, to strike out:

The name of Clara J. Gillespie, dependent mother of Edward D. Gillespie, late of Battery D, Fifth Regiment United States Field Artillery, Regular Establishment, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 23, after line 10, to strike out:

The name of Henry E. Rubendall, late of Company D, Tenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month.

The amendment was agreed to.

The next amendment was, on page 24, after line 7, to strike out:

The name of Francis M. Coats, dependent father of Lafayette Coats, late of Company L, Twenty-fourth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 25, after line 7, to strike out:

The name of Edward F. Reed, late of Company E, First United States Infantry, and Company A, Nineteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 26, line 3, after the words "rate of," to strike out "$50" and to insert "$24," so as to read:

The name of William Richey, late of Company D, Forty-fifth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, at the top of page 28, to strike out:

The name of Mary R. Philbrick, dependent mother of John Philbrick, late of Company C, Twenty-sixth Regiment United States Volunteer Infantry, Philippine insurrection, and pay her a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 29, after line 7, to strike out:

The name of Mary V. Webster, widow of George O. Webster, late major Fourth Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 29, after line 22, to strike out:

The name of Albert S. Riddle, late of Troop I, Fourth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 31, after line 19, to strike out:

The name of Charles L. Dewey, late of Company F, Fourth Regiment Illinois Infantry, war with Spain, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 31, after line 23, to strike out:

The name of Vance Perkins, late of Company K, Third Regiment Georgia Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 32, after line 13, to strike out:

The name of Michael V. Murray, late of Company H, Twelfth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, at the top of page 33, to strike out:

The name of Mary E. Brubaker, dependent mother of Charles E. Brubaker, late of Company F, Sixth Regiment Ohio Infantry, war with Spain, and pay her a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 33, after line 18, to strike out:

The name of Richard Howe, late of Company G, Thirtieth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 36, after line 4, to strike out:

The name of Martin E. McMichael, late of Company F, Ninth Regiment Illinois Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 36, after line 14, to strike out:

The name of Mary T. Schmidt, widow of John F. Schmidt, late of Company B, Twenty-first Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of $12 per month, with $2 additional per month for each minor child of the soldier until they reach the age of 16 years.

The amendment was agreed to.

The next amendment was, on page 36, after line 23, to strike out:

The name of Hannah Dougherty, dependent mother of Cornelius P. Dougherty, late of Company F, Eighth Regiment Pennsylvania Infantry, war with Spain, and pay her a pension at the rate of $20 per month.

The amendment was agreed to.

The next amendment was, on page 39, after line 8, to strike out:

The name of Laura Hendrickson, widow of George D. Hendrickson, late of Company K, Signal Corps, United States Army, Regular Establishment, and pay her a pension at the rate of $12 per month and $2 per month additional on account of each of the minor children of said George D. Hendrickson until they reach the age of 16 years.

The amendment was agreed to.

The next amendment was, on page 39, after line 14, to strike out:

The name of John W. Thompson, late of Troop L, Third Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, at the top of page 41, to strike out:

The name of John E. Williams, late of Company G, Twenty-eighth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 41, after line 21, to strike out:

The name of Orville H. Mills, late of Company B, Thirty-third Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 42, after line 4, to strike out:

The name of Robert McQueen, late of Company G, Twenty-seventh Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The next amendment was, on page 42, after line 8, to strike out:

The name of James A. Childers, late of Company I, Eighteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The amendment was agreed to.

The next amendment was, on page 43, after line 2, to strike out:

The name of Joseph Houser, late of Company K, Nineteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

Mr. BROOKHART obtained the floor.

Mr. BURSUM. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Ernst | Kendrick | Sheppard |
| Ashurst | Ferris | King | Shields |
| Borah | Fess | Ladd | Shipstead |
| Brandegee | Frazier | La Follette | Simmons |
| Brookhart | George | Lodge | Smith |
| Broussard | Gerry | McKellar | Smoot |
| Bruce | Glass | McLean | Stanfield |
| Bursum | Gooding | McNary | Stephens |
| Cameron | Hale | Moses | Sterling |
| Capper | Harreld | Neely | Swanson |
| Caraway | Harris | Norris | Trammell |
| Copeland | Harrison | Oddie | Wadsworth |
| Cummins | Heflin | Overman | Walsh, Mass. |
| Curtis | Howell | Pepper | Walsh, Mont. |
| Dale | Johnson, Calif. | Pittman | Weller |
| Dill | Johnson, Minn. | Ransdell | Willis |
| Edge | Jones, N. Mex. | Reed, Pa. | |
| Edwards | Jones, Wash. | Robinson | |

Mr. CURTIS. I wish to announce that the Senator from Wyoming [Mr. WARREN], the Senator from Wisconsin [Mr. LENROOT], the Senator from Colorado [Mr. PHIPPS], the Senator from New Hampshire [Mr. KEYES], and the Senator from Delaware [Mr. BAYARD] are engaged in a meeting of the Committee on Appropriations.

Mr. NEELY. I was requested to announce that the Senator from Missouri [Mr. SPENCER] and the Senator from Indiana [Mr. WATSON] are engaged in a hearing of the Mayfield case before the Committee on Privileges and Elections.

The PRESIDENT pro tempore. Seventy Senators have answered the roll call. A quorum is present.

Mr. EDGE. Mr. President, will the Senator from Iowa yield to me?

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from New Jersey?

Mr. BROOKHART. I yield.

### POSTMASTERS AND POSTAL EMPLOYEES (S. DOC. NO. 131)

Mr. EDGE. It is my desire to call up the conference report on the bill (S. 1898) reclassifying the salaries of postmasters and employees of the Postal Service and readjusting their salaries and compensation on an equitable basis, and for other purposes. It being a privileged matter, and it being necessary to have the report acted on by the House, I would like to have it disposed of at this time.

Mr. BROOKHART. I yield that the report may be presented.

The PRESIDENT pro tempore. The Chair lays before the Senate the conference report on Senate bill 1898.

### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses to the bill (S. 1898) reclassifying the salaries of postmasters and employees of the Postal Service and readjusting their salaries and compensation on an equitable basis, and for other purposes, having met, after a full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recedes from its disagreement to the amendment of the House and agrees to the same with an amendment as follows: In lieu of the matter proposed by the House amendment insert the following:

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:*

"TITLE I.—RECLASSIFICATION OF SALARIES OF POSTAL EMPLOYEES

"SECTION 1. That on and after July 1, 1924, postmasters and employees of the Postal Service shall be reclassified and their salaries and compensation readjusted, except as otherwise provided as follows:

"CLASSIFICATION OF POSTMASTERS

"That postmasters shall be divided into four classes, as follows:

"The first class shall embrace all those whose annual salaries are $3,200 or more.

"The second class shall embrace all those whose annual salaries are less than $3,200, but not less than $2,400.

"The third class shall embrace all those whose annual salaries are less than $2,400, but not less than $1,100.

"The fourth class shall embrace all postmasters whose annual compensation amounts to less than $1,100, exclusive of commissions on money orders issued.

"The respective compensation of postmasters of the first, second, and third classes shall be annual salaries, graded in even hundreds of dollars, and payable in semimonthly payments to be ascertained and fixed by the Postmaster General from their respective quarterly returns to the General Accounting Office, or copies or duplicates thereof to the First Assistant Postmaster General, for the calendar year immediately preceding the adjustment, based on gross postal receipts at the following rates, namely:

"First class—$40,000, but less than $50,000, $3,200; $50,000, but less than $60,000, $3,300; $60,000, but less than $75,000, $3,400; $75,000, but less than $90,000, $3,500; $90,000, but less than $120,000, $3,600; $120,000, but less than $150,000, $3,700; $150,000, but less than $200,000, $3,800; $200,000, but less than $250,000, $3,900; $250,000, but less than $300,000, $4,000; $300,000, but less than $400,000, $4,200; $400,000, but less than $500,000, $4,500; $500,000, but less than $600,000, $5,000; $600,000, but less than $7,000,000, $6,000; $7,000,000 and upward, $8,000.

"Second class—$8,000, but less than $12,000, $2,400; $12,000, but less than $15,000, $2,500; $15,000, but less than $18,000, $2,600; $18,000, but less than $22,000, $2,700; $22,000, but less than $27,000, $2,800; $27,000, but less than $33,000, $2,900; $33,000, but less than $40,000, $3,000.

"Third class—$1,500, but less than $1,600, $1,100; $1,600, but less than $1,700, $1,200; $1,700, but less than $1,900, $1,300; $1,900, but less than $2,100, $1,400; $2,100, but less than $2,400, $1,500; $2,400, but less than $2,700, $1,600; $2,700, but less than $3,000, $1,700; $3,000, but less than $3,500, $1,800; $3,500, but less than $4,200, $1,900; $4,200, but less than $5,000, $2,000; $5,000, but less than $6,000, $2,100; $6,000, but less than $7,000, $2,200; $7,000, but less than $8,000, $2,300: *Provided*, That when the gross postal receipts of a post office of the third class for each of two consecutive calendar years are less than $1,500, or when in any calendar year the gross postal receipts are less

than $1,400, it shall be relegated to the fourth class: *Provided*, That postmasters at offices of the third class shall be granted for clerk hire an allowance of $240 per annum where the salary of the postmaster is $1,100 per annum; an allowance of $330 per annum where the salary of the postmaster is $1,200 per annum; an allowance of $420 per annum where the salary of the postmaster is $1,300 per annum; an allowance of $510 per annum where the salary of the postmaster is $1,400 per annum; an allowance of $600 per annum where the salary of the postmaster is $1,500 per annum; an allowance of $690 per annum where the salary of the postmaster is $1,600 per annum; an allowance of $780 per annum where the salary of the postmaster is $1,700 per annum; an allowance of $870 per annum where the salary of the postmaster is $1,800 per annum; an allowance of $960 per annum where the salary of the postmaster is $1,900 per annum; an allowance of $1,050 per annum where the salary of the postmaster is $2,000 per annum; an allowance of $1,140 per annum where the salary of the postmaster is $2,100 per annum; an allowance of $1,400 per annum where the salary of the postmaster is $2,200 per annum; an allowance of $1,600 per annum where the salary of the postmaster is $2,300 per annum: *Provided further*, That the Postmaster General may modify these allowances for clerk hire to meet varying needs, but in no case shall they be reduced by such modification more than 25 per cent: *Provided, however*, That the aggregate of such allowances, as modified, shall not exceed in any fiscal year the aggregate of allowances herein prescribed for postmasters of the third class;

"That section 4 of the act of March 3, 1883 (22 Stats., p. 528), entitled "An act to modify the postal money-order system, and for other purposes," as amended by the act approved June 29, 1886 (24 Stats., p. 87), entitled "An act to make the allowances for clerk hire to postmasters of the first and second class post offices cover the cost of clerical labor in money-order business, and for other purposes," as amended by section 3 of the act approved January 27, 1894 (28 Stats. p. 31), entitled "An act to improve the methods of accounting in the Post Office Department, and for other purposes," be amended so that the third paragraph of the last-mentioned section shall read as follows:

"The allowances for clerk hire made to postmasters of the first, second, and third class post offices by the Postmaster General out of the annual appropriations therefor shall cover the cost of clerical service of all kinds in such post offices, including the cost of clerical labor in the money-order business, and excepting allowances for separating mails at third-class post offices, as provided by law.

"Fourth class: The compensation of postmasters of the fourth class shall be fixed upon the basis of the whole of the box rents collected at their offices and commissions upon the amount of canceled postage-due stamps and on postage stamps, stamped envelopes, and postal cards canceled, on matter actually mailed at their offices, and on the amount of newspaper and periodical postage collected in money, and on the postage collected in money on identical pieces of third and fourth class matter mailed under the provisions of the act of April 28, 1904, without postage stamps affixed, and on postage collected in money on matter of the first class mailed under provisions of the act of April 24, 1920, without postage stamps affixed, and on amounts received from waste paper, dead newspapers, printed matter, and twine sold, at the following rates, namely:

"On the first $75 or less per quarter the postmaster shall be allowed 160 per cent on the amount; on the next $100 or less per quarter, 85 per cent; and on all the balance, 75 per cent, the same to be ascertained and allowed by the General Accounting Office in the settlement of the accounts of such postmasters upon their sworn quarterly returns: *Provided*, That when the total compensation of any postmaster at a post office of the fourth class for the calendar year shall amount to $1,100, exclusive of commissions on money orders issued, and the receipts of such post office for the same period shall aggregate as much as $1,500, the office shall be assigned to its proper class on July 1, following, and the salary of the postmaster fixed according to the receipts: *Provided further*, That in no case shall there be allowed any postmaster of this class a compensation greater than $300 in any one of the first three quarters of the fiscal year, exclusive of money-order commissions, and in the last quarter of each fiscal year there shall be allowed such further sums as he may be entitled to under the provisions of this act, not exceeding for the whole fiscal year the sum of $1,100, exclusive of money-order commissions: *And provided further*, That whenever unusual conditions prevail the Postmaster General, in his discretion, may advance any post office from the fourth class to the appropriate class indicated by the receipts of the preceding quarter, notwithstanding the proviso which requires the compensation of fourth-class postmasters to reach $1,100 for the calendar year, exclusive of commissions on money-order business, and that the receipts of such post office for the same period shall aggregate as much as $1,500 before such advancement is made: *And provided further*, That when the Postmaster General has exercised the authority herein granted he shall, whenever the receipts are no longer sufficient to justify retaining such post office in the class to which it has been advanced, reduce the grade of such office to the appropriate class indicated by its receipts for the last preceding quarter.

"SEC. 2. That post-office inspectors shall be divided into six grades, as follows: Grade 1—salary, $2,800; grade 2—salary, $3,000; grade 3—salary, $3,200; grade 4—salary, $3,500; grade 5—salary, $3,800; grade 6—salary, $4,000, and there shall be 15 inspectors in charge at $4,500: *Provided*, That in the readjustment of grades for inspectors to conform to the grades herein provided, inspectors who are now in present grades 1 and 2 shall be included in grade 1; inspectors who are now in present grade 3 shall be included in grade 2; inspectors who are now in present grade 4 shall be included in grade 3; inspectors who are now in present grade 5 shall be included in grade 4; inspectors who are now in present grade 6 shall be included in grade 5; and inspectors who are now in present grade 7 included in grade 6: *Provided further*, That inspectors shall be promoted successively to grade 5 at the beginning of the quarter following a year's satisfactory service in the next lower grade, and not to exceed 35 per cent of the force to grade 6 for meritorious service after not less than one year's service in grade 5; and the time served by inspectors in their present grade shall be included in the year's service required for promotion in the grades provided herein, except as to inspectors in present grade 1.

"Inspectors and supervisory employees of the Railway Mail Service and post offices shall be paid their actual expenses as fixed by law.

"That clerks at division headquarters of post-office inspectors shall be divided into six grades, as follows:

"Grade 1—salary, $1,900; grade 2—salary, $2,000; grade 3—salary $2,150; grade 4—salary, $2,300; grade 5—salary, $2,450; grade 6—salary, $2,600; and there shall be one chief clerk at each division headquarters at a salary of $3,000: *Provided*, That in the readjustment of grades for clerks at division headquarters to conform to the grades herein provided, clerks who are now in present grade 1 shall be included in grade 1; clerks who are now in present grade 2 shall be included in grade 2; clerks who are now in present grade 3 shall be included in grade 3; clerks who are now in present grade 4 shall be included in grade 4; clerks who are now in present grade 5 shall be included in grade 5; and clerks who are now in present grade 6 shall be included in grade 6: *Provided further*, That clerks at division headquarters shall be promoted successively to grade 5 at the beginning of the quarter following a year's satisfactory service in the next lower grade and not to exceed 35 per cent of the force to grade 6 for meritorious service after not less than one year's service in grade 5, and the time served by clerks in their present grades shall be included in the year's service required for promotion in the grades provided herein: *And provided further*, That whenever in the discretion of the Postmaster General the needs of the service require such action, he is authorized to transfer clerks or carriers in the city City Delivery Service from post offices at which division headquarters of post-office inspectors are located to the position of clerk at such division headquarters after passing a noncompetitive examination at a salary not to exceed $2,300. After such transfer is made effective clerks so transferred shall be eligible for promotion to the grades of salary provided for clerks at division headquarters of post-office inspectors. Hereafter when any clerk in the office of division headquarters in the post-office inspection service is absent from duty for any cause other than leave with pay allowed by law, the Postmaster General, under such regulations as he may prescribe, may authorize the employment of a substitute for such work, and payment therefor from the lapsed salary of such absent clerk at a rate not to exceed the grade of pay of the clerk absent without pay.

"SEC. 3. That at offices of the second class the annual salaries of assistant postmasters shall be in even hundreds of dollars, based on the gross postal receipt for the preceding calendar year, as follows: $8,000, but less than $10,000, $2,200; $10,000, but less than $12,000, $2,200; $12,000, but less than $15,000, $2,200; $15,000, but less than $18,000, $2,300; $18,000, but less than $22,000, $2,300; $22,000, but less than $27,000, $2,400; $27,000, but less than $33,000, $2,400; $33,000, but less than $40,000, $2,500.

"That at offices of the first class the annual salaries of the employees, other than those in the automatic grades, shall

be in even hundreds of dollars, based on the gross postal receipts for the preceding calendar year, as follows:

"Receipts $40,000, but less than $50,000—assistant postmaster, $2,600; superintendent of mails, $2,400. Receipts $50,000, but less than $60,000—assistant postmaster, $2,600; superintendent of mails, $2,400. Receipts $60,000, but less than $75,000—assistant postmaster, $2,600; superintendent of mails, $2,400. Receipts $75,000, but less than $90,000—assistant postmaster, $2,700; superintendent of mails, $2,500. Receipts $90,000, but less than $120,000—assistant postmaster, $2,700; superintendent of mails, $2,600; foremen, $2,500. Receipts $120,000, but less than $150,000—assistant postmaster, $2,800; superintendent of mails, $2,700; foremen, $2,500. Receipts $150,000, but less than $200,000—assistant postmaster, $2,900; superintendent of mails, $2,800; foremen, $2,500. Receipts $200,000, but less than $250,000—assistant postmaster, $3,000; superintendent of mails, $2,900; foremen, $2,500. Receipts $250,000, but less than $300,000—assistant postmaster, $3,100; superintendent of mails, $3,000; assistant superintendent of mails, $2,600; foremen, $2,500. Receipts $300,000, but less than $400,000—assistant postmaster, $3,200; superintendent of mails, $3,100; assistant superintendent of mails, $2,600; foremen, $2,500. Receipts $400,000, but less than $500,000—assistant postmaster, $3,300; superintendent of mails, $3,200; assistant superintendent of mails, $2,600; foremen, $2,500. Receipts $500,000, but less than $600,000—assistant postmaster, $3,500; superintendent of mails, $3,300; assistant superintendent of mails, $2,600; foremen, $2,500; postal cashier, $2,900; money-order cashier, $2,600. Receipts $600,000, but less than $1,000,000—assistant postmaster, $3,700; superintendent of mails, $3,500; assistant superintendent of mails, $2,800; foremen, $2,500; postal cashier, $3,100; money-order cashier, $2,800. Receipts, $1,000,000, but less than $2,000,000—assistant postmaster, $3,900; superintendent of mails, $3,700; assistant superintendents of mails, $2,700, $2,800, and $3,100; foremen, $2,500 and $2,600; postal cashier, $3,300; assistant cashiers, $2,600; money-order cashier, $3,000; bookkeepers, $2,400; station examiners, $2,400. Receipts $2,000,000, but less than $3,000,000—assistant postmaster, $4,000; superintendent of mails, $3,800; assistant superintendents of mails, $2,700, $2,800, $3,000, and $3,300; foremen, $2,500 and $2,600; postal cashier, $3,400; assistant cashiers, $2,600 and $2,900; money-order cashier, $3,100; bookkeepers, $2,400 and $2,500; station examiners, $2,600. Receipts $3,000,000, but less than $5,000,000—assistant postmaster, $4,100; superintendent of mails, $3,900; assistant superintendents of mails, $2,700, $2,800, $3,100, and $3,500; foremen, $2,500 and $2,600; postal cashier, $3,600; assistant cashiers, $2,600, $2,800, and $3,100; money-order cashier, $3,300; bookkeepers, $2,400 and $2,500; station examiners, $2,600 and $2,800. Receipts $5,000,000, but less than $7,000,000—assistant postmaster, $4,300; superintendent of mails, $4,100; assistant superintendents of mails, $2,700, $2,800, $3,100, $3,300, and $3,700; foremen, $2,500 and $2,600; postal cashier, $3,800; assistant cashiers, $2,600, $2,900, and $3,100; money-order cashier, $3,500; bookkeepers, $2,400, $2,500, and $2,600; station examiners, $2,600 and $2,800. Receipts $7,000,000, but less than $9,000,000—assistant postmaster, $4,600; superintendent of mails, $4,300; assistant superintendents of mails, $2,700, $2,800, $3,100, $3,500, and $3,900; foremen, $2,500 and $2,600; postal cashier, $4,000; assistant cashiers, $2,600, $2,800, $3,100, and $3,400; money-order cashier, $3,600; bookkeepers, $2,400, $2,500, and $2,600; station examiners, $2,600 and $2,800. Receipts $9,000,000, but less than $20,000,000—assistant postmasters, $4,700 and $4,800; superintendent of mails, $4,500; assistant superintendents of mails, $2,800, $2,900, $3,100, $3,500, $3,700, and $4,100; foremen, $2,500, $2,600, and $2,700; postal cashier, $4,100; assistant cashiers, $2,600, $2,800, $3,200, and $3,600; money-order cashier, $3,700; bookkeepers, $2,400, $2,500, $2,600, and $2,800; station examiners, $2,600 and $2,800. Receipts $20,000,000 and upward—assistant postmasters, $4,800 and $4,900; superintendent of mails, $4,700; assistant superintendents of mails, $2,800, $2,900, $3,100, $3,500, $3,900, and $4,100; superintendent of delivery, $4,700; assistant superintendents of delivery, $2,800, $2,900, $3,100, $3,500, $3,900, and $4,100; foremen, $2,500, $2,600, and $2,700; superintendent of registry, $4,300; assistant superintendents of registry, $2,800, $2,900, $3,100, $3,500, and $4,100; superintendent of money order, $4,300; assistant superintendent of money order, $4,100; auditor, $4,000; postal cashier, $4,300; assistant cashiers, $2,600, $2,800, $3,100, $3,300, and $3,800; money-order cashier, $3,900; bookkeepers, $2,400, $2,600, $2,800, and $3,300; station examiners, $2,600, $2,800, and $3,000.

"The salary of superintendents of classified stations shall be based on the number of employees assigned thereto and the annual postal receipts. No allowance shall be made for sales of stamps to patrons residing outside of the territory of the stations. At classified stations each $25,000 of postal receipts shall be considered equal to one additional employee.

"At classified stations the salary of the superintendent shall be as follows: One and not exceeding 5 employees, $2,400; 6 and not exceeding 18 employees, $2,500; 19 and not exceeding 32 employees, $2,600; 33 and not exceeding 44 employees, $2,700; 45 and not exceeding 64 employees, $2,800; 65 and not exceeding 90 employees, $2,900; 91 and not exceeding 120 employees, $3,000; 121 and not exceeding 150 employees, $3,100; 151 and not exceeding 350 employees, $3,300; 351 and not exceeding 500 employees, $3,500; 501 or more employees, $3,800.

"At classified stations having 45 or more employees there shall be assistant superintendents of stations with salaries as follows: Forty-five and not exceeding 64 employees, $2,400; 65 and not exceeding 90 employees, $2,500; 91 and not exceeding 120 employees, $2,600; 121 and not exceeding 150 employees, $2,700; 151 and not exceeding 350 employees, $2,900; 351 and not exceeding 500 employees, $3,100; 501 employees and upward, $3,400: *Provided*, That not more than 2 assistant postmasters shall be employed at offices where the receipts are $9,000,000 and upward: *Provided further*, That at post offices where the receipts are $14,000,000 but less than $20,000,000, there shall be a superintendent of delivery whose salary shall be the same as that provided for the superintendent of mails, and assistant superintendents of delivery at the salaries provided for assistant superintendents of mails: *Provided further*, That in fixing the salaries of the postmaster and supervisory employees in the post office at Washington, D. C., the Postmaster General may, in his discretion, add not to exceed 75 per cent to the gross receipts of that office: *Provided further*, That not more than 1 assistant superintendent of mails, 1 assistant superintendent of delivery, 1 assistant superintendent of registry, and 1 assistant cashier shall be paid the maximum salary provided for these positions, except where receipts are $9,000,000 and less than $14,000,000, to which offices 2 assistant superintendents of mails shall be assigned at the maximum salary, 1 to be in charge of city delivery: *And provided further*, That State depositories for surplus postal funds and central accounting offices, where the gross receipts are less than $500,000, and no postal cashier is provided, the employee in charge of such records and adjustments of the accounts shall be allowed an increase of $200 per annum; if receipts are $500,000 and less than $5,000,000, the postal cashier shall be allowed an increase of $200 per annum: *And provided further*, That at all central accounting offices where the bookkeeper in charge performs the duties of auditor, he shall be designated chief bookkeeper, at a salary equal to that of the assistant cashier of the highest grade at that office: *And provided further*, That when an office advances to a higher grade because of increased gross postal receipts for a calendar year, promotion of all supervisory employees shall be made to the corresponding grade at the higher salary provided for the same titles or designations under the higher classification of the office based on its postal receipts: *And provided further*, That no employee in the supervisory grades shall receive a salary less than $100 more than that paid to the highest grade of clerk or special clerk: *Provided further*, That in the readjustment of salaries of all employees above the highest grade for special clerks, those at present designated by titles for which more than one grade of salary is provided shall be placed in the same relative grade and designation and receive the increased salary provided in this title.

"SEC. 4. That clerks in first and second class post offices and letter carriers in the City Delivery Service shall be divided into five grades, as follows: First grade—salary, $1,700; second grade—salary, $1,800; third grade—salary, $1,900; fourth grade—salary, $2,000; fifth grade—salary, $2,100: *Provided*, That in the readjustment of grades for clerks at first and second class post offices and letter carriers in the City Delivery Service to conform to the grades herein provided, grade 1 shall include present grade 1, grade 2 shall include present grade 2, grade 3 shall include present grade 3, grade 4 shall include present grade 4, and grade 5 shall include present grade 5: *Provided further*, That hereafter substitute clerks in first and second class post offices and substitute letter carriers in the City Delivery Service when appointed regular clerks or carriers shall have credit for actual time served on a basis of one year for each 306 days of 8 hours served as substitute, and appointed to the grade to which such clerk or carrier would have progressed had his original appointment as substitute been to grade 1: *And provided further*, That clerks in first and second class post offices and letter carriers in the City Delivery Service shall be promoted succes-

sively after one year's satisfactory service in each grade to the next higher grade until they reach the fifth grade. All promotions shall be made at the beginning of the quarter following one year's satisfactory service in the grade: *And provided further*, That there shall be two grades of special clerks, as follows: First grade—salary, $2,200; second grade—salary, $2,300: *Provided*, That in the adjustment of grades for special clerks to conform to the grades herein provided special clerk grade 1 shall include present grade 1, and special grade 2 shall include present grade 2: *Provided further*, That in all special-clerk promotions the senior competent employee shall have preference: *Provided further*, That printers, mechanics, and skilled laborers, employees of the United States Stamped Envelope Agency at Dayton, Ohio, shall for the purpose of promotion and compensation be deemed a part of the clerical force.

"That the pay of substitute, temporary, or auxiliary clerks at first and second class post offices and substitute letter carriers in the City Delivery Service shall be at the rate of 65 cents per hour: *Provided*, That marine carriers assigned to the Detroit River Marine Service shall be paid annual salary of $300 in excess of the highest salary paid carriers in the City Delivery Service: *Provided further*, That hereafter special clerks, clerks, and laborers, in first and second class post offices and carriers in the City Delivery Service shall be required to work not more than 8 hours a day: *Provided further*, That the 8 hours of service shall not extend over a longer period than 10 consecutive hours, and the schedules of duty of the employees shall be regulated accordingly: *Provided further*, That in cases of emergency, or if the needs of the service require, and it is not practicable to employ substitutes, special clerks, clerks, and laborers in first and second class post offices and carriers in the City Delivery Service can be required to work in excess of 8 hours per day, and for such overtime service they shall be paid on the basis of the annual pay received by such employees: *And provided further*, That in computing the compensation for such overtime the annual salary or compensation for such employees shall be divided by 306, the number of working days in the year less all Sundays and legal holidays enumerated in the act of July 28, 1916; the quotient thus obtained will be the daily compensation which divided by 8 will give the hourly compensation for such overtime service: *And provided further*, That when the needs of the service require the employment on Sundays and holidays of foremen, special clerks, clerks, carriers, watchmen, messengers, or laborers at first and second class post offices, they shall be allowed compensatory time on one day within six days next succeeding the Sunday, except the last three Sundays in the calendar year, and on one day within 30 days next succeeding the holiday and the last three Sundays in the year on which service is performed: *Provided, however*, That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime for service on the last three Sundays in the calendar year or on Christmas Day in lieu of compensatory time.

"SEC. 5. That messengers, watchmen, and laborers in first and second class post offices shall be divided into two grades, as follows: First grade, salary $1,500; second grade, salary $1,600: *Provided*, That watchmen, messengers, and laborers shall be promoted to the second grade after one year's satisfactory service in grade 1: *Provided further*, That the pay of substitute watchmen, messengers, and laborers shall be at the rate of 55 cents per hour.

"SEC. 6. That employees in the motor-vehicle service shall be classified as follows: Superintendents, $2,400, $2,600, $2,800, $3,000, $3,400, $3,600, $3,800, $4,000, and $5,000 per annum; assistant superintendents, $2,500, $2,600, and $2,800 per annum; chiefs of records, $2,200, $2,300, $2,400, $2,500, $2,600, $2,800, and $3,000; chiefs of supplies, $2,200, $2,300, and $2,400; chief dispatchers, $2,300 and $2,500; route supervisors, $2,400, $2,500, and $2,600; dispatchers, $2,100, $2,200, and $2,300; chief mechanics, $2,400, $2,500, $2,600, $2,800, and $3,000; mechanics in charge, $2,200, $2,300, and $2,400; and special mechanics, $2,100, $2,200, and $2,300: *Provided*, That assistant superintendents shall not be authorized at offices where the salary of the superintendent is less than $3,000 per annum.

"That general mechanics employed in the motor-vehicle service shall be divided into three grades: First grade, salary $1,900; second grade, salary $2,000; third grade, salary $2,100; and clerks employed in the motor-vehicle service shall be divided into five grades, as follows: First grade, salary $1,700; second grade, salary $1,800; third grade, salary $1,900; fourth grade, salary $2,000; fifth grade, salary $2,100: *Provided*, That in the readjustment of grades for clerks in the motor-vehicle service to conform to the grades above provided, grade 1 shall include present grade 1, grade 2 shall include present grade 2, grade 3 shall include present grade 3, grade 4 shall include present grade 4, and grade 5 shall include present grade 5: *Provided*, That general mechanics employed in the motor-vehicle service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the third grade, and clerks employed in the motor-vehicle service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the fifth grade, at the respective offices where employed, and promotion shall be made at the beginning of the quarter following one year's satisfactory service in the grade: *Provided further*, That at first-class post offices there shall be two grades of special clerks in the motor-vehicle service—grade 1, salary $2,200; grade 2, salary $2,300: *Provided further*, That in the readjustment of grades for special clerks to conform to the grades herein provided, special clerk, grade 1, shall include present special clerk grade 1, and special clerk, grade 2, shall include present special clerk grade 2.

"Mechanics' helpers employed in the motor-vehicle service shall receive a salary of $1,600 per annum: *Provided*, That on satisfactory evidence of their qualifications after one year's service mechanics' helpers shall be promoted to the first grade of general mechanics as vacancies may occur.

"That driver-mechanics employed in the motor-vehicle service shall be divided into five grades: First grade, salary $1,600; second grade, salary $1,700; third grade, salary $1,800; fourth grade, salary $1,900; fifth grade, salary $2,000; and garagemen-drivers employed in the motor-vehicle service shall be divided into two grades: First grade, salary $1,550; second grade, salary $1,650: *Provided*, That in the readjustment of salaries provided for in this act all driver-mechanics shall be classified in the respective grades as follows: Those with less than one year's service shall be placed in grade 1; those with more than one year's service and less than two years' service shall be placed in grade 2; those with more than two years' service and less than three years' service shall be placed in grade 3; those with more than three years' service and less than four years' service shall be placed in grade 4; those with more than four years' service shall be placed in grade 5: *Provided further*, That driver-mechanics employed in the motor-vehicle service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the fifth grade at the respective offices where employed: *Provided further*, That garagemen-drivers in the motor-vehicle service shall be promoted after one year's satisfactory service in the first grade to the second grade at the respective offices where employed, and promotions of driver-mechanics and garagemen-drivers shall be made at the beginning of the quarter following one year's satisfactory service in the grade.

"That the pay of substitute, temporary, or auxiliary employees in the motor-vehicle service shall be as follows: Special mechanics at the rate of 75 cents per hour; general mechanics at the rate of 70 cents per hour; clerks and driver-mechanics at the rate of 65 cents per hour; and garagemen-drivers at the rate of 55 cents per hour.

"That special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service shall be required to work not more than 8 hours a day: *Provided*, That the 8 hours of service shall not extend over a longer period than 10 consecutive hours, and the schedules of duties of the employees shall be regulated accordingly: *Provided further*, That in cases of emergency, or if the needs of the service require, special clerks, clerks, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service can be required to work in excess of 8 hours per day, and for such overtime service they shall be paid on the basis of the annual pay received by such employees: *Provided further*, That in computing the compensation for such overtime the annual salary or compensation for such employees shall be divided by 306, the number of working days in the year less all Sundays and legal holidays enumerated in the act of July 28, 1916; the quotient thus obtained will be the daily compensation which divided by 8 will give the hourly compensation for such overtime service: *Provided further*, That when the needs of the service require the employment on Sundays and holidays of route supervisors, special clerks, clerks, dispatchers, mechanics in charge, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service, they shall be allowed compensatory time on one day within six days next succeeding the Sunday, except the last three Sundays in the calendar year, and on one day within 30 days next succeeding the holiday and the last three Sundays in the year on which service is performed: *Provided, however*, That the Post-

master General may, if the exigencies of the service require it, authorize the payment of overtime in lieu of compensatory time for service on Sundays and holidays.

"SEC. 7. That the annual salaries of employees of the Railway Mail Service shall be as follows: Division superintendents, $4,500; assistant division superintendents and assistant superintendents at large, $3,600; assistant superintendent in charge of car construction, $3,300; chief clerks, $3,300; assistant chief clerks, $2,800: *Provided*, That the clerks in charge of sections in the offices of the division superintendents shall be rated as assistant chief clerks at $2,800 salary.

"That railway postal clerks shall be divided into two classes, class A and class B, and into seven grades with annual salaries as follows: Grade 1, salary $1,900; grade 2, salary $2,000; grade 3, salary $2,150; grade 4, salary $2,300; grade 5, salary, $2,450; grade 6, salary $2,600; grade 7, salary $2,700.

"Laborers in the Railway Mail Service shall be divided into two grades with annual salaries as follows: Grade 1, salary $1,500; grade 2, $1,600.

"Laborers shall be promoted to grade 2 after one year's satisfactory service in grade 1: *Provided*, That in the readjustment of the service to conform to the grades herein provided for laborers, grade 1 shall include laborers in present grade 1, and grade 2 shall include laborers in present grade 2.

"Substitute railway postal clerks shall be paid for services actually performed at the rate of $1,850 per annum, the first year of service to constitute a probationary period, and when appointed regular clerks shall receive credit on the basis of one year of actual service performed as a substitute and be appointed to the grade to which such clerk would have progressed had his original appointment as a substitute been to grade 1. Any fractional part of a year's substitute service will be included with his service as a regular clerk in determining eligibility for promotion to the next higher grade following appointment to a regular position.

"All original appointments shall be made to the rank of substitute railway postal clerk, and promotions shall be made successively at the beginning of the quarter following a total satisfactory service of 306 days in the next lower grade.

"In the readjustment of the service to conform to the grades herein provided, grade 1 shall include clerks in present grade 1, grade 2 shall include clerks in present grade 2, grade 3 shall include clerks in present grade 3, grade 4 shall include clerks in present grade 4, grade 5 shall include clerks in present grade 5, and grade 6 shall include clerks in present grade 6.

"That the act approved February 28, 1919, be amended to read as follows:

"*Provided*, That the act of August 24, 1912 (37 Stat. p. 548), amended by the act approved March 3, 1917, be further amended to read as follows:

"'That hereafter, in addition to the salaries provided by law, the Postmaster General is hereby authorized to make travel allowances in lieu of actual expenses, at fixed rates per annum, not exceeding in the aggregate the sum annually appropriated, to railway postal clerks, acting railway postal clerks, and substitute railway postal clerks, including substitute railway postal clerks for railway postal clerks granted leave with pay on account of sickness, assigned to duty in railway post-office cars, while on duty, after 10 hours from the time of beginning their initial run, under such regulations as he may prescribe, and in no case shall such an allowance exceed $3 per day.'"

"Substitute railway postal clerks shall be credited with full time while traveling under orders of the department to and from their designated headquarters to take up an assignment, together with actual and necessary travel expenses, not to exceed $3 per day, while on duty away from such headquarters. When a substitute clerk performs service in a railway post office starting from his official headquarters he shall be allowed travel expenses under the law appiying to clerks regularly assigned to the run.

"Railway post-office lines shall be divided into two classes, class A and class B, and clerks assigned to class A lines shall be promoted successively to grade 4 and clerks in charge to grade 5. Clerks assigned to class B lines shall be promoted successively to grade 5 and clerks in charge to grade 6: *Provided*, That lines in present class A shall be continued in class A, and lines in present class B shall be continued in class B.

"Terminal railway post offices shall be divided into two classes, class A and class B; those having less than 20 employees shall be assigned to class A, and those having 20 or more employees shall be assigned to class B. Clerks in class A terminals shall be promoted successively to grade 4, and clerks in charge of tours to grade 5. Clerks in class B terminals shall be promoted successively to grade 5, and clerks in charge of tours to grade 6.

"Transfer offices shall be divided into two classes, class A and class B; those having less than five employees shall be assigned to class A and those having five or more employees to class B. Clerks in class A shall be promoted successively to grade 4, and clerks in charge of tours to grade 5. Clerks in class B shall be promoted successively to grade 5, and clerks in charge of tours to grade 6.

"Clerks assigned to the office of division superintendent or chief clerk shall be promoted successively to grade 4, and in the office of division superintendent four clerks may be promoted to grade 5 and eight clerks to grade 6, and in the office of chief clerk one clerk may be promoted to grade 5 and two clerks to grade 6.

"Examiners shall be promoted successively to grade 6 and assistant examiners to grade 5 whether assigned to the office of division superintendent or chief clerk: *Provided*, That service of clerks shall be based on an average of not exceeding 8 hours daily for 306 days per annum, including proper allowance for all service required on lay-off periods. Clerks required to perform service in excess of 8 hours daily, as herein provided, shall be paid in cash at the annual rate of pay or granted compensatory time at their option for such overtime. Railway postal clerks assigned to terminal railway post offices and transfer offices and laborers in the Railway Mail Service shall be required to work not more than 8 hours a day, and that the 8 hours of service shall not extend over a longer period than 10 consecutive hours, and that in cases of emergency, or if the needs of the service require, they may be required to work in excess of 8 hours a day, and for such additional service they shall be paid in proportion to their salaries as fixed by law.

"That clerks assigned to road duty shall be credited with full time for delay to trains equal to the period of time between the scheduled arrival and actual arrival of the train at destination of run.

"That section 3 of the act approved June 19, 1922, (41 Stats. p. 600), providing for leaves of absence of employees in the Postal Service, be amended by adding the following proviso: '*Provided*, That hereafter not exceeding 5 days of the 15 days' annual leave with pay, exclusive of Sundays and holidays, granted to railway postal clerks assigned to road duty each fiscal year may be carried over to the succeeding fiscal year.'

"RURAL MAIL DELIVERY SERVICE

"SEC. 8. That the salary of carriers in the Rural Mail Delivery Service for serving a rural route of 24 miles, six days in the week, shall be $1,800; on routes 22 miles and less than 24 miles, $1,728; on routes 20 miles and less than 22 miles, $1,620; on routes 18 miles and less than 20 miles, $1,440; on routes 16 miles and less than 18 miles, $1,260; on routes 14 miles and less than 16 miles, $1,080; on routes 12 miles and less than 14 miles, $1,008; on routes 10 miles and less than 12 miles, $936; on routes 8 miles and less than 10 miles, $864; on routes 6 miles and less than 8 miles, $792; on routes 4 miles and less than 6 miles, $720. Each rural carrier assigned to a route on which daily service is performed shall receive $30 per mile per annum for each mile said route is in excess of 24 miles or major fraction thereof, based on actual mileage, and each rural carrier assigned to a route on which triweekly service is performed shall receive $15 per mile for each mile said route is in excess of 24 miles or major fraction thereof, based on actual mileage.

"Deductions for failure to perform service on a standard rural delivery route for 24 miles and less shall not exceed the rate of pay per mile for service for 24 miles and less; and deductions for failure to perform service on mileage in excess of 24 miles shall not exceed the rate of compensation allowed for such excess mileage.

"In addition to the salary herein provided, each carrier in Rural Mail Delivery Service shall be paid for equipment maintenance a sum equal to 4 cents per mile per day for each mile or major fraction of a mile scheduled. Payments for equipment maintenance as provided herein shall be at the same periods and in the same manner as payments for regular compensation to rural carriers.

"A rural carrier serving one triweekly route shall be paid a salary and equipment allowance on the basis of a route one-half the length of the route served by him. A rural carrier serving two triweekly routes shall be paid a salary and equipment allowance on the basis of a route one-half of the combined length of the two routes.

"SEC. 9. That the salary of requisition fillers and packers in the division of equipment and supplies shall be as follows: One

foreman, $2,100 per annum; 10 requisition filiers and 9 packers, at $1,800 each per annum.

"SEC. 10. That the pay of carriers in the village delivery service, under such rules and regulations as the Postmaster General may prescribe, shall be from $1,150 to $1,350 per annum. The pay of substitute letter carriers in the village delivery service shall be at the rate of 50 cents per hour.

"SEC. 11. Employees in the Postal Service shall be granted 15 days' leave of absence with pay, exclusive of Sundays and holidays, each fiscal year, and sick leave with pay at the rate of 10 days a year, exclusive of Sundays and holidays, to be cumulative, but no sick leave with pay in excess of 30 days shall be granted during any one fiscal year. Sick leave shall be granted only upon satisfactory evidence of illness, in accordance with regulations to be prescribed by the Postmaster General.

"The 15 days' leave shall be credited at the rate of 1¼ days for each month of actual service.

"Whenever an employee herein provided for shall have been reduced in salary for any cause, he may be restored to his former grade or advanced to an intermediate grade at the beginning of any quarter following the reduction, and a restoration to a former grade or advancement to an intermediate grade shall not be construed as a promotion within the meaning of the law prohibiting advancement of more than one grade within one year.

"Whenever the promotion of an employee herein provided for is withheld because of unsatisfactory service, such employee may be promoted at the beginning of the second quarter thereafter, or at any subsequent quarter, on evidence that his record has been satisfactory during the intervening period.

"Hereafter when the needs of the service require the employment on Sundays or holidays of laborers or railway postal clerks at terminal railway post offices and transfer offices, they shall be allowed compensatory time on one day within six days next succeeding the Sunday, except the last three Sundays in the calendar year, and on one day within 30 days next succeeding the holiday and the last three Sundays in the year on which service is performed: *Provided, however*, That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime for service on the last three Sundays in the calendar year or on Christmas Day in lieu of compensatory time.

"All employees herein provided for in automatic grades, who have not reached the maximum grades to which they are entitled to progress automatically, shall be promoted at the beginning of the quarter following the completion of one year's satisfactory service since their last promotion, regardless of any increases in salaries granted them by the provisions of this title.

"The Postmaster General may, when the interest of the service requires, transfer any clerk to the position of carrier or any carrier to the position of clerk and interchange the clerical force between the post office and the motor-vehicle service. Such transfer or interchange to be made to the corresponding grade and salary of the clerk or carrier transferred or interchanged.

"Substitute clerks in first and second class post offices and the Railway Mail Service and substitute letter carriers in the City Delivery Service when appointed regular clerks, railway postal clerks or carriers shall have credit for actual time served on a basis of one year for each 306 days of 8 hours served as substitute, and appointed to the grade to which such clerk or carrier would have progressed had his original appointment as substitute been to grade 1.

"Postal employees and substitute postal employees who served in the military, marine, or naval service of the United States during the World War and have not reached the maximum grade of salary shall receive credit for all time served in the military, marine, or naval service on the basis of one day's credit of eight hours in the Postal Service for each day served in the military, marine, or naval service, and be promoted to the grade to which such postal employee or substitute postal employee would have progressed had his original appointment as substitute been to grade 1. This provision shall apply to such postal employees and substitute postal employees who were in the Postal Service on October 1, 1920.

"No employee in the Postal Service shall be reduced in rank or salary as the result of the provisions of this title.

"SEC. 12. That the sums appropriated for salaries and compensation of postmasters and employees of the Postal Service in the act making appropriations for the fiscal year ending June 30, 1925, approved April 4, 1924, shall be available for the payment of salaries and compensation of postmasters and postal employees at the rates of pay herein provided; and such additional sums as may be necessary are hereby authorized to be appropriated to carry out the provisions of this title.

"SEC. 13. All acts and parts of acts inconsistent or in conflict with this title are hereby amended or repealed."

"TITLE II.—FEDERAL CORRUPT PRACTICES ACT, 1924

"SEC. 101. This title may be cited as the 'Federal corrupt practices act, 1924.'

"SEC. 102. When used in this title—

"(a) The term 'election' includes a general or special election, and, in the case of a Resident Commissioner from the Philippine Islands, an election by the Philippine Legislature, but does not include a primary election or convention of a political party;

"(b) The term 'candidate' means an individual whose name is presented at an election for election as Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, whether or not such individual is elected;

"(c) The term 'political committee' includes any committee, association, or organization which accepts contributions or makes expenditures for the purpose of influencing or attempting to influence the election of candidates or presidential and vice presidential electors (1) in two or more States, or (2) whether or not in more than one State if such committee, association, or organization (other than a duly organized State or local committee of a political party) is a branch or subsidiary of a national committee, association, or organization;

"(d) The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution;

"(e) The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or any thing of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure;

"(f) The term 'person' includes an individual, partnership, committee, association, corporation, and any other organization or group of persons;

"(g) The term 'Clerk' means the Clerk of the House of Representatives of the United States;

"(h) The term 'Secretary' means the Secretary of the Senate of the United States;

"(i) The term 'State' includes Territory and possession of the United States.

"SEC. 103. (a) Every political committee shall have a chairman and a treasurer. No contribution shall be accepted, and no expenditure made, by or on behalf of a political committee for the purpose of influencing an election until such chairman and treasurer have been chosen.

"(b) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

"(1) All contributions made to or for such committee;

"(2) The name and address of every person making any such contribution, and the date thereof;

"(3) All expenditures made by or on behalf of such committee; and

"(4) The name and address of every person to whom any such expenditure is made, and the date thereof.

"(c) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure by or on behalf of a political committee exceeding $10 in amount. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for a period of at least two years from the date of the filing of the statement containing such items.

"SEC. 104. Every person who receives a contribution for a political committee shall, on demand of the treasurer, and in any event within five days after the receipt of such contribution, render to the treasurer a detailed account thereof, including the name and address of the person making such contribution, and the date on which received.

"SEC. 105. (a) The treasurer of a political committee shall file with the Clerk between the 1st and 10th days of March, June, and September, in each year, and also between the 10th and 15th days, and on the 5th day, next preceding the date on which a general election is to be held, at which candidates are to be elected in two or more States, and also on the 1st day of January, a statement containing, complete as of the day next preceding the date of filing—

"(1) The name and address of each person who has made a contribution to or for such committee in one or more items of the aggregate amount or value, within the calendar year, of $100 or more, together with the amount and date of such contribution;

"(2) The total sum of the contributions made to or for such committee during the calendar year and not stated under paragraph (1);

"(3) The total sum of all contributions made to or for such committee during the calendar year;

"(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such committee, and the amount, date, and purpose of such expenditure;

"(5) The total sum of all expenditures made by or on behalf of such committee during the calendar year and not stated under paragraph (4);

"(6) The total sum of expenditures made by or on behalf of such committee during the calendar year.

"(b) The statements required to be filed by subdivision (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

"(c) The statement filed on the 1st day of January shall cover the preceding calendar year.

"SEC. 106. Every person (other than a political committee) who makes an expenditure in one or more items, other than by contribution to a political committee, aggregating $50 or more within a calendar year, for the purpose of influencing in two or more States the election of candidates, shall file with the Clerk an itemized detailed statement of such expenditure in the same manner as required of the treasurer of a political committee by section 105.

"SEC. 107. (a) Every candidate for Senator shall file with the Secretary, and every candidate for Representative, Delegate, or Resident Commissioner shall file with the Clerk not less than 10 nor more than 15 days before, and also within 30 days after, the date on which an election is to be held, a statement containing, complete as of the day next preceding the date of filing—

"(1) A correct and itemized account of each contribution received by him or by any person for him with his knowledge or consent, from any source, in aid or support of his candidacy for election, or for the purpose of influencing the result of the election, together with the name of the person who has made such contribution;

"(2) A correct and itemized account of each expenditure made by him or by any person for him with his knowledge or consent, in aid or support of his candidacy for election, or for the purpose of influencing the result of the election, together with the name of the person to whom such expenditure was made; except that only the total sum of expenditures for items specified in subdivision (c) of section 109 need be stated;

"(3) A statement of every promise or pledge made by him or by any person for him with his consent, prior to the closing of the polls on the day of the election, relative to the appointment or recommendation for appointment of any person to any public or private position or employment for the purpose of procuring support in his candidacy, and the name, address, and occupation of every person to whom any such promise or pledge has been made, together with the description of any such position. If no such promise or pledge has been made, that fact shall be specifically stated.

"(b) The statements required to be filed by subdivision (a) shall be cumulative, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

"(c) Every candidate shall inclose with his first statement a report, based upon the records of the proper State official, stating the total number of votes cast for all candidates for the office which the candidate seeks, at the general election next preceding the election at which he is a candidate.

"SEC. 108. A statement required by this title to be filed by a candidate or treasurer of a political committee or other person with the Clerk or Secretary, as the case may be—

"(a) Shall be verified by the oath or affirmation of the person filing such statement, taken before any officer authorized to administer oaths;

"(b) Shall be deemed properly filed when deposited in an established post office within the prescribed time, duly stamped, registered, and directed to the Clerk or Secretary at Washington, D. C., but in the event it is not received, a duplicate of such statement shall be promptly filed upon notice by the Clerk or Secretary of its nonreceipt;

"(c) Shall be preserved by the Clerk or Secretary for a period of two years from the date of filing, shall constitute a part of the public records of his office, and shall be open to public inspection.

"SEC. 109. (a) A candidate, in his campaign for election, shall not make expenditures in excess of the amount which he may lawfully make under the laws of the State in which he is a candidate, nor in excess of the amount which he may lawfully make under the provisions of this title.

"(b) Unless the laws of his State prescribe a less amount as the maximum limit of campaign expenditures, a candidate may make expenditures up to—

"(1) The sum of $10,000 if a candidate for Senator, or the sum of $2,500 if a candidate for Representative, Delegate, or Resident Commissioner; or

"(2) An amount equal to the amount obtained by multiplying 3 cents by the total number of votes cast at the last general election for all candidates for the office which the candidate seeks, but in no event exceeding $25,000 if a candidate for Senator or $5,000 if a candidate for Representative, Delegate, or Resident Commissioner.

"(c) Money expended by a candidate to meet and discharge any assessment, fee, or charge made or levied upon candidates by the laws of the State in which he resides, or expended for his necessary personal, traveling, or subsistence expenses, or for stationery, postage, writing, or printing (other than for use on billboards or in newspapers), for distributing letters, circulars, or posters, or for telegraph or telephone service, shall not be included in determining whether his expenditures have exceeded the sum fixed by paragraph (1) or (2) of subdivision (b) as the limit of campaign expenses of a candidate.

"SEC. 110. It is unlawful for any candidate to directly or indirectly promise or pledge the appointment, or the use of his influence or support for the appointment of any person to any public or private position or employment, for the purpose of procuring support in his candidacy.

"SEC. 111. It is unlawful for any person to make or offer to make an expenditure, or to cause an expenditure to be made or offered, to any person, either to vote or withhold his vote, or to vote for or against any candidate, and it is unlawful for any person to solicit, accept, or receive any such expenditure in consideration of his vote or the withholding of his vote.

"SEC. 112. Section 118 of the act entitled 'An act to codify, revise, and amend the penal laws of the United States,' approved March 4, 1909, is amended to read as follows:

"'SEC. 118. It is unlawful for any Senator or Representative in, or Delegate or Resident Commissioner to, Congress, or any candidate for, or individual elected as, Senator, Representative, Delegate, or Resident Commissioner, or any officer or employee of the United States, or any person receiving any salary or compensation for services from moneys derived from the Treasury of the United States, to directly or indirectly solicit, receive, or be in any manner concerned in soliciting or receiving, any assessment, subscription, or contribution for any political purpose whatever, from any other such officer, employee, or person.'

"SEC. 113. It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution in connection with any election to any political office, or for any corporation whatever to make a contribution in connection with any election at which presidential and vice presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to, Congress are to be voted for, or for any candidate, political committee, or other person to accept or receive any contribution prohibited by this section. Every corporation which makes any contribution in violation of this section shall be fined not more than $5,000; and every officer or director of any corporation who consents to any contribution by the corporation in violation of this section shall be fined not more than $1,000, or imprisoned not more than one year, or both.

"SEC. 114. (a) Any person who violates any of the foregoing provisions of this title, except those for which a specific penalty is imposed by sections 112 and 113, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(b) Any person who willfully violates any of the foregoing provisions of this title, except those for which a specific penalty is imposed by sections 112 and 113, shall be fined not more than $10,000 and imprisoned not more than two years.

"SEC. 115. This title shall not limit or affect the right of any person to make expenditures for proper legal expenses in contesting the results of an election.

"SEC. 116. This title shall not be construed to annul the laws of any State relating to the nomination or election of candidates, unless directly inconsistent with the provisions of this title, or to exempt any candidate from complying with such State laws.

"SEC. 117. If any provision of this title or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the act and of the application of

such provision to other persons and circumstances shall not be affected thereby.

"SEC. 118. The following acts and parts of acts are hereby repealed: The act entitled 'An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected, approved June 25, 1910 (ch. 392, 36 Stat. p. 822), and the acts amendatory thereof, approved August 19, 1911 (ch. 33, 37 Stat. p. 25), and August 23, 1912 (ch. 349, 37 Stat. p. 360); the act entitled 'An act to prevent corrupt practices in the election of Senators, Representatives, or Delegates in Congress,' approved October 16, 1918 (ch. 187, 40 Stat. p. 1013); and section 83 of the Criminal Code of the United States, approved March 4, 1909 (ch. 321, 35 Stat. p. 1088).

"SEC. 119. This title shall take effect 30 days after its enactment."

WALTER E. EDGE,
GEO. H. MOSES,
KENNETH MCKELLAR,
*Managers on the part of the Senate.*
W. W. GRIEST,
CALVIN D. PAIGE,
THOS. M. BELL,
*Managers on the part of the House.*

Mr. SMOOT. Mr. President, I notice in the report that it is an absolutely new bill. Everything the House did and everything the Senate did is stricken out and a new proposal made.

Mr. EDGE. As a matter of fact, it is not a new bill. The conference report has been presented in that form because it is following a precedent that has been established in previous times—for instance, in the matter of the immigration bill. In five minutes I can explain the changes in the report from the bill as it left the Senate.

Mr. ROBINSON. I understand that the House struck out the amendment proposed by the Senator from Idaho [Mr. BORAH] as agreed to by the Senate relating to corrupt practices in elections, and inserted what is known as the Cable bill.

Mr. EDGE. That is correct. I intended to draw the attention of the Senate to that fact and briefly explain the Cable bill.

Mr. ROBINSON. What action does the Senator from New Jersey propose to take respecting the Cable bill, or the House amendment or substitute for the Borah provision?

Mr. EDGE. As the conference report indicates, the conferees, the managers on the part of the Senate as well as the House, unanimously agreed to the substitution. Every effort was made, it is unnecessary for me to state, I am sure, to include the Borah amendment, as we were directed by the Senate. However, an examination of the so-called Cable bill will demonstrate that the Cable bill covers practically all that the Borah amendment covered, with very much more in addition, to try to safeguard both primary and general elections.

Mr. ROBINSON. The Cable bill proposes to repeal all existing statutes regulating campaign contributions and publicity respecting the same, and creates a new system.

Mr. EDGE. That is entirely correct.

Mr. ROBINSON. It appears to be a somewhat comprehensive statement of the whole subject. Does the conference report contemplate an agreement to the House provision, or what action does the Senator propose?

Mr. EDGE. The conference report contemplates an agreement to the postal bill as well as the addition of the so-called Cable bill. The Cable bill, may I say in answer to the suggestion of the Senator from Arkansas, was prepared with the intention, and I assume it accomplishes it, of correcting various inconsistencies and some parts of existing legislation which it was deemed was made unconstitutional through the Newberry decision, all of which we handled through the Cable bill.

Mr. ROBINSON. The Cable bill has no relation to primaries or expenditures in primary elections?

Mr. EDGE. No.

Mr. ROBINSON. It does not attempt to deal with that subject?

Mr. EDGE. No.

Mr. ROBINSON. What I am anxious to know and what I have been asking the Senator is whether the action which he contemplates the Senate shall now take will result in agreeing to the House amendment, which is the Cable bill?

Mr. EDGE. It is my intention to ask the Senate to agree to the entire report of the conferees, which is a unanimous report.

Mr. McKELLAR. Mr. President, I will say to the Senator from Arkansas——

Mr. BROOKHART. Mr. President, I think this matter is going to involve quite a controversy, and I do not desire to yield for any length of time.

Mr. McKELLAR. I hope the Senator will yield. I do not think it will take long to dispose of the matter.

Mr. BROOKHART. We can try it and see.

Mr. McKELLAR. Will the Senator permit me to explain just one matter?

Mr. ROBINSON. May I ask one further question, and then I shall conclude my inquiry? Have the conference committee agreed upon the report as a whole?

Mr. EDGE. They have.

Mr. ROBINSON. I think we might give the Senate just a few minutes to look into the conference report and let the Senator from Iowa proceed with his remarks. I think that a little later there will be no difficulty in agreeing to the conference report.

Mr. MOSES. Mr. President, before that is done, if the Senator from Iowa will be good enough to grant me a few minutes' time, I wish to say that I do not want the Senator from Arkansas or any other Senator to be under any misapprehension regarding my attitude as to the legislation. It is true that I signed the conference report. I did so because there were matters relating to the Postal Service to which I wished to give my approval. I do not mean by this to intimate that I am opposed to legislation to prevent corrupt practices in elections or primaries either, but I am unalterably opposed to this manner of producing legislation.

I think that putting a rider of any sort on a bill such as the postal salaries bill is an entirely inexcusable method of producing legislation, however desirable. In the last days of the session, with a great bill here in which every Member of both Houses of Congress is deeply interested, affecting the interests of more than 300,000 Government employees, a bill to which substantially every Member of the Senate and substantially every Member of the House has given his approval, a bill representing the result of work and labor on the part of a joint subcommittee which spent days in taking testimony exhaustively—to put into the bill anything like the Cable bill, comprehensive in its subject matter and to which we have had no time to give attention in committee or the Senate to examine, I maintain is an entirely indefensible method of producing legislation of that sort. I want my personal position to be made known.

Mr. ROBINSON. May I ask the Senator a question?

Mr. MOSES. Certainly; if the Senator from Iowa [Mr. BROOKHART] will permit.

Mr. ROBINSON. The Senator from New Hampshire signed the conference report, did he not?

Mr. MOSES. I signed the conference report, and I have tried to say why I did so.

Mr. ROBINSON. Do I understand that the Senator signed the conference report and yet is opposed to it?

Mr. MOSES. I am opposed to this method of producing this kind of legislation; but if I have to take this method of legislation in order to get relief for the men in the Postal Service, I will take it. However, that is not going to prevent me from making my protest against the legislation.

Mr. ROBINSON. The Senator, then, is opposed to the Cable bill?

Mr. MOSES. No; I said not. I said that I am not opposed to that class of legislation, but I am opposed to this method of legislation.

Mr. ROBINSON. The Senator realizes that there could have been no legislation on the subject unless the amendment of the Senator from Idaho or some similar provision had been adopted?

Mr. MOSES. The Congress might have adopted it earlier in the session rather than to wait until there was a parliamentary tangle and then put it through as a rider on this bill.

Mr. ROBINSON. If it has been adopted and is satisfactory, I do not know why the Senator should give vent to his resentment.

Mr. MOSES. Because I try to stand for some orderly method of conducting the business of the Senate.

### BLIND VETERANS OF THE WORLD WAR

Mr. REED of Pennsylvania. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Pennsylvania?

Mr. BROOKHART. I yield.

Mr. REED of Pennsylvania. I thank the Senator for yielding to me for a moment. I wish to ask unanimous consent for the immediate consideration of House bill 4526, for the reason that I shall not be able to be present at the session to-night. It is a bill which we are all very anxious to get through this week if it is possible. It proposes to incorporate under a Dis-

trict of Columbia charter the United States Blind Veterans of the World War, of whom there are several hundred.

The bill carries no appropriation, and, if passed, will not in any way commit the United States to any liability. These men are about to start a campaign for the erection of a clubhouse in connection with their hospital near Baltimore, and are anxious to have their charter so as to enable them to do it. The bill has passed the House of Representatives unanimously and is unanimously recommended by the Senate Committee on the Judiciary.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That the following persons, to wit: James P. Funk, of Pennsylvania; Bernard Corcoran, of New York; James Kozeluh, of Arkansas; Earl Booher, of Kansas; Carl Bronner, of Michigan; Samuel Hendrickson, of Cincinnati; Harvey E. Gilbert, of Illinois; Quiller Cole, of Georgia; Lawrence A. Bunce, of Colorado; Ludwig Guminish, of New York; Richard H. Miller, jr., of Maryland; Charles R. Fear, of Pennsylvania; Oscar M. Simpkins, of Oklahoma; Everett L. Radford, of Texas; Thomas H. Huskey, of Missouri; Lee M. Brame, of Alabama; Frank O. Berg, of Wisconsin; Henry G. Beggs, of Georgia; Lawrence V. Morrow, of Missouri; Charles R. Leguerrir, of Missouri; Walter Taylor, of Missouri; Laigear Antee, of Louisiana; Alois F. Greene, of Illinois; Loyal M. Holmes, of Maryland; Newton A. Kulp, of Pennsylvania; Roswell D. Pitman, of New York; Connie L. McLean, of Texas; Hamilton C. Miles, of Ohio; John J. Austin, of South Dakota; Irvine E. Barnes, of Missouri; Bertie W. Randall, of Missouri; Max N. Kujawski, of Indiana; Charles Freeland, of Illinois; James M. Daniels, of Tennessee; William E. Yates, of Texas; Mike Kercli, of Ohio; Peter Lionudakes, of Utah; Vaclav T. Jesek, of Texas; Samuel Hillman, of Ohio; Herbert S. Journeau, of Michigan; Charles F. Ross, of New York; Morgan Rose, of New York; Walter F. Develing, of Illinois; Rudolph E. Frye, of Maryland; Steve D. Tanner, of Montana; Joseph Hulin, of North Carolina; Blaine G. Yeoman, of Oklahoma; Thomas Williams, of West Virginia; William J. Murray, of New York; Ivan E. Bushong, of Washington; Raymond Washburn, of Ohio; William P. Alexander, of Kentucky; Burl Glover, of Ohio; John H. Williams, of Washington; Joseph L. Herver, of Oklahoma; Daniel Carbone, of Pennsylvania; John J. Varga, of Connecticut; John J. Rapp, of Pennsylvania; Charles S. Bennett, of Arkansas; Richard Knigge, of Idaho; Walter Man, of New York; Domenico Capuczi, of New York; John Kosic, of Massachusetts; Raymond S. Day, of Pennsylvania; Harry Herring, of Pennsylvania; Samuel Singer, of Massachusetts; George Graves, of Missouri; Abe Kittay, of New York; John Hanahan, of Pennsylvania; Frank J. Lhota, of Pennsylvania; Edward J. Paulson, of Pennsylvania; Ellis DeWitt, of the District of Columbia; Bernard Cady, of Maryland; John Marzullo, of Illinois; Joe Brew, of Pennsylvania; Lloyd Pierson, of Nebraska; Philip N. Harrison, of Pennsylvania, and their successors, are hereby created and declared to be a body corporate of the District of Columbia. The name of this corporation shall be "The United States Blind Veterans of the World War."

SEC. 2. That said persons named in section 1 are hereby authorized to meet to complete the organization of said corporation by the selection of officers, the adoption of a constitution and by-laws, and to do all other things necessary to carry into effect the provisions of this act.

SEC. 3. That the purposes of said corporation are to bind together for their mutual fellowship and assistance those citizens of the United States of America who have served their country in war, and who bear as a mark of such service the loss of their sight, and to perpetuate and keep alive the memories of their comradeship and to enable them by their organization to render what aid they can to the blind in general.

SEC. 4. That the corporation created by this act shall have the following powers: To have perpetual succession, with power to sue and be sued in courts of law and equity; to receive, hold, own, use, and dispose of such real estate and personal property as shall be necessary for its corporate purposes; to adopt a corporate seal and alter the same at pleasure; to adopt a constitution, by-laws, and regulations to carry out its purposes, not inconsistent with the laws of the United States or of any State; to use in carrying out the purposes of the corporation such emblems and badges as it may adopt; to establish and maintain offices for the conduct of its business; to establish State and Territorial organizations and local chapter or post organizations; to publish a magazine or other publications; and generally do any and all such acts and things as may be necessary and proper in carrying into effect the purposes of the corporation.

SEC. 5. That any honorably discharged American veteran of the allied forces who participated in the World War and whose vision has become defective to such an extent that he is eligible for training under supervisor for the blind of the United States Veterans' Bureau, and any ex-service man who is eligible for such training, shall be eligible for "active membership" in the United States Blind Veterans of the World War. The members of this corporation shall have the power to admit such other persons to "honorary" membership as they may see fit.

SEC. 6. That this organization shall be nonpolitical, and shall not be used for the dissemination of partisan principles.

SEC. 7. That said corporation and its State and local subdivisions shall have the sole and exclusive right to have and to use in carrying out its purposes the name "The United States Blind Veterans of the World War."

SEC. 8. That the right to repeal, alter, or amend this act at any time is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 668. An act to establish the Utah National Park in the State of Utah;

S. 966. An act for the continuance of construction work on the San Carlos Federal irrigation project in Arizona, and for other purposes;

S. 1192. An act to confer jurisdiction upon the United States district court, northern district of California, to adjudicate the claims of American citizens;

S. 1309. An act for the relief of settlers and town-site occupants of certain lands in the Pyramid Lake Indian Reservation, Nev.; and

S. 3093. An act granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes.

The message also announced that the House had passed the following bills and joint resolution of the Senate, severally with amndments, in which it requested the concurrence of the Senate:

S. 2704. An act to amend paragraph (3), section 16, of the interstate commerce act;

S. 2573. An act to amend and reenact sections 20, 22, and 50 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes"; and

S. J. Res. 114. Joint resolution authorizing an investigation of the proposed Casper-Alcova irrigation project, Natrona County, Wyo.

The message further announced that the House had passed bills and a joint resolution of the following titles, in which it requested the concurrence of the Senate:

H. R. 25. An act authorizing a per capita payment of $50 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation;

H. R. 466. An act to amend section 90 of the Judicial Code of the United States, approved March 3, 1911, so as to change the time of holding certain terms of the district court of Mississippi;

H. R. 597. An act regulating switching and switching charges on railroads in the District of Columbia, and for other purposes;

H. R. 1414. An act to authorize the payment of certain taxes to Stevens and Ferry Counties, in the State of Washington, and for other purposes;

H. R. 3669. An act to provide for the inspection of the battle fields of the siege of Petersburg, Va.;

H. R. 4275. An act authorizing the Ponca Tribe of Indians residing in the States of Oklahoma and Nebraska to submit claims to the Court of Claims;

H. R. 5318. An act to authorize an exchange of lands with the State of Washington;

H. R. 5420. An act to provide fees to be charged by clerks of the district courts of the United States;

H. R. 5423. An act to amend section 2 of the act of August 1, 1888 (25 Stat. L. p. 357);

H. R. 5425. An act to provide for the disposition of moneys paid to or received by any official as a bribe, which may be used as evidence in any case growing out of any such transaction;

H. R. 6584. An act amending the law providing for special taxes on business and trades in Alaska;

H. R. 7144. An act to relinquish to the city of Battle Creek, Mich., all right, title, and interest of the United States in two unsurveyed islands in the Kalamazoo River;

H. R. 7731. An act authorizing the Secretary of War to sell a portion of the Carlisle Barracks reservation;

H. R. 7996. An act to regulate and fix rates of wages for employees of the Government Printing Office;

H. R. 8090. An act authorizing the Secretary of the Treasury to remove the quarantine station now situated at Fort Morgan, Ala., to Sand Island, near the entrance of the port of Mobile, Ala., and to construct thereon a new quarantine station;

H. R. 8545. An act conferring jurisdiction on the Court of Claims to determine and report upon the interest, title, ownership, and right of possession of the Yankton Band of Santee Sioux Indians to the Red Pipestone Quarries, Minn.;

H. R. 8657. An act to amend section 98 of the Judicial Code, providing for the holding of the United States district court at Shelby, N. C.;

H. R. 8906. An act to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920;

H. R. 9076. An act to amend section 2 of the act entitled "An act to provide the necessary organization of the customs service for an adequate administration and enforcement of the tariff act of 1922 and all other customs revenues laws," approved March 4, 1923;

H. R. 9177. An act granting the consent of Congress to the counties of Kittitas and Grant, in the State of Washington, to construct a bridge across the Columbia River at or near Vantage Ferry, Wash.;

H. R. 9345. An act granting the consent of Congress for the construction of a bridge across the Ohio River between Vanderburgh County, Ind., and Henderson County, Ky.;

H. R. 9561. An act making additional appropriations for the fiscal year ending June 30, 1925, to enable the heads of the several departments and independent establishments to adjust the rates of compensation of civilian employees in certain of the field services; and

H. J. Res. 257. Joint resolution providing for the procurement of a design for the use of grounds in the vicinity of the Mall by the United States Botanic Garden.

REHOBOTH CANAL BRIDGE, DELAWARE

Mr. BAYARD. I ask unanimous consent for the present consideration of the bill (S. 3409) granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the canal near Rehoboth, Del.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Commerce with an amendment, on page 2, line 4, after the numerals "1906," to insert:

*Provided*, That the Secretary of War is hereby authorized, upon the recommendation of the Chief of Engineers, United States Army, to grant permission to the said Delaware State Highway Department, its successors and assigns, under such terms and conditions as the said Secretary may deem equitable and fair to the public, to cross and occupy such public lands pertinent to the United States Canal as may be necessary for the bridge and approaches thereto.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

So as to make the bill read:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the Delaware State Highway Department, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the canal between Rehoboth Bay and the Delaware Bay, being a part of an inland waterway, partly natural and partly artificial, from Chincoteague Bay to Delaware Bay, at a point suitable to the interests of navigation, at or near Rehoboth, in the county of Sussex, in the State of Delaware, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906: *Provided*, That the Secretary of War is hereby authorized, upon the recommendation of the Chief of Engineers, United States Army, to grant permission to the said Delaware State Highway Department, its successors and assigns, under such terms and conditions as the said Secretary may deem equitable and fair to the public, to cross and occupy such public lands pertinent to the United States Canal as may be necessary for the bridge and approaches thereto.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles, and referred as indicated below:

H. R. 7996. An act to regulate and fix rates of wages for employees of the Government Printing Office; to the Committee on Printing.

H. R. 597. An act regulating switching and switching charges on railroads in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

H. R. 8906. An act to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; to the Committee on Civil Service.

H. R. 9076. An act to amend section 2 of the act entitled "An act to provide the necessary organization of the customs service for an adequate administration and enforcement of the tariff act of 1922, and all other customs revenues laws," approved March 4, 1923; ordered to be placed on the calendar.

H. R. 6584. An act amending the law providing for special taxes on business and trades in Alaska; to the Committee on Territories and Insular Possessions.

H. R. 5318. An act to authorize an exchange of lands with the State of Washington; and

H. R. 7144. An act to relinquish to the city of Battle Creek, Mich., all right, title, and interest of the United States in two unsurveyed islands in the Kalamazoo River; to the Committee on Public Lands and Surveys.

H. R. 3669. An act to provide for the inspection of the battle fields of the siege of Petersburg, Va.; and

H. R. 7731. An act authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation; to the Committee on Military Affairs.

H. R. 9559. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes; and

H. R. 9561. An act making additional appropriations for the fiscal year ending June 30, 1925, to enable the heads of the several departments and independent establishments to adjust the rates of compensation of civilian employees in certain of the field services; to the Committee on Appropriations.

H. R. 8090. An act authorizing the Secretary of the Treasury to remove the quarantine station now situated at Fort Morgan, Ala., to Sand Island, near the entrance of the port of Mobile, Ala., and to construct thereon a new quarantine station;

H. R. 9177. An act granting the consent of Congress to the counties of Kittitas and Grant, in the State of Washington, to construct a bridge across the Columbia River at or near Vantage Ferry, Wash.; and

H. R. 9345. An act granting the consent of Congress for the construction of a bridge across the Ohio River between Vanderburgh County, Ind., and Henderson County, Ky.; to the Committee on Commerce.

H. R. 466. An act to amend section 90 of the Judicial Code of the United States, approved March 3, 1911, so as to change the time of holding certain terms of the District Court of Mississippi;

H. R. 5420. An act to provide fees to be charged by clerks of the district courts of the United States;

H. R. 5423. An act to amend section 2 of the act of August 1, 1888 (25 Stat. L. p. 357);

H. R. 5425. An act to provide for the disposition of moneys paid to or received by any official as a bribe, which may be used as evidence in any case growing out of any such transaction; and

H. R. 8657. An act to amend section 98 of the Judicial Code, providing for the holding of the United States District Court at Shelby, N. C.; to the Committee on the Judiciary.

H. R. 25. An act authorizing a per capita payment of $50 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation;

H. R. 1414. An act to authorize the payment of certain taxes to Stevens and Ferry Counties, in the State of Washington, and for other purposes;

H. R. 4275. An act authorizing the Ponca Tribe of Indians residing in the States of Oklahoma and Nebraska to submit claims to the Court of Claims; and

H. R. 8545. An act conferring jurisdiction on the Court of Claims to determine and report upon the interest, title, ownership, and right of possession of the Yankton Band of Santee Sioux Indians to the Red Pipestone Quarries, Minn.; to the Committee on Indian Affairs.

H. J. Res. 257, Joint resolution providing for the procurement of a design for the use of grounds in the vicinity of the Mall by the United States Botanic Garden; to the Committee on the Library.

ORGANIZATION OF THE CUSTOMS SERVICE

The bill (H. R. 9076) to amend section 2 of the act entitled "An act to provide the necessary organization of the customs service for an adequate administration and enforcement of the tariff act of 1922 and all other customs revenue laws," approved March 4, 1923, was read twice by its title.

Mr. EDGE. I ask unanimous consent that the bill be substituted and take the place on the calendar of Senate bill 3357, Order of Business 688, which is exactly the same bill, and which has been reported. Then, when we consider the calendar we can consider the bill which passed the House, which is precisely the same as the Senate bill.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Without objection, a similar bill being on the calendar, this bill will go to the calendar.

Mr. EDGE. My idea being that it should go to the calendar instead of the committee, so that it may be considered when we take up bills on the calendar.

SAN CARLOS FEDERAL IRRIGATION PROJECT, ARIZONA

The PRESIDING OFFICER laid before the Senate the amendment of the House to the bill (S. 966) for the continuance of construction work on the San Carlos Federal irrigation project in Arizona, and for other purposes, which was to strike out all after the enacting clause and to insert:

That the Secretary of the Interior, through the Indian Service, is hereby authorized to construct a dam across the canyon of the Gila River near San Carlos, Ariz., as a part of the San Carlos irrigation project, as contemplated in the report of the chief engineer of the Indian irrigation service submitted to the Commissioner of Indian Affairs on November 1, 1915, at a limit of cost of $5,500,000, for the purpose, first, of providing water for the irrigation of lands allotted to Pima Indians on the Gila River Reservation, Ariz., now without an adequate supply of water and, second, for the irrigation of such other lands in public or private ownership as, in the opinion of the said Secretary, can be served with water impounded by said dam without diminishing the supply necessary for said Indian lands: *Provided*, That the total cost of the project shall be distributed equally per acre among the lands in Indian ownership and the lands in public or private ownership that can be served from the waters impounded by said dam.

SEC. 2. That the construction charge assessed against the Indian lands shall be reimbursable to the Treasury of the United States on a per acre basis under such rules and regulations as the Secretary of the Interior may prescribe, and there is hereby created a lien against all such lands, which lien shall be recited in any patent issued therefor, prior to the reimbursement of the total amount chargeable against such land: *Provided*, That after said project is completed, the Secretary of the Interior is hereby authorized, in his discretion, with the approval of the Pima Indians, to sell, at public auction, at not less than the appraised value thereof, such surplus lands not now allotted within said Gila River Indian Reservation as he may determine to be irrigable from return and drainage waters, the proceeds of such sales to be deposited in the Treasury to reimburse the United States in part for the construction charge assessed against the Indian lands.

SEC. 3. The Secretary of the Interior shall by public notice announce the date when water is available for lands in private ownership under the project and the amount of the construction charge per irrigable acre against the same, which charge shall be payable in annual installments, the first installment to be 5 per cent of the total charge and be due and payable on the 1st day of December of the third year following the date of said public notice, the remainder of the construction charge, with interest on deferred amounts from date of said public notice at 4 per cent per annum, to be amortized by payment on each December 1 thereafter of 5 per cent of said remainder until the obligation is paid in full: *Provided*, That the operation and maintenance charges on account of land in private ownership or of land in Indian ownership operated under lease shall be paid annually in advance not later than March 1, no charge being made for operation and maintenance for the first year after said public notice. It shall be the duty of the Secretary of the Interior to give such public notice when water is actually available for lands in private ownership.

SEC. 4. That no part of the sum provided for herein shall be expended for construction on account of any lands in private ownership until an appropriate repayment contract in accordance with the terms of this act and in form approved by the Secretary of the Interior shall have been properly executed by a district organized under State law, embracing the lands in public or private ownership irrigable under the project, and the execution thereof shall have been confirmed by decree of a court of competent jurisdiction, which contract, among other things, shall contain an appraisal approved by the Secretary of the Interior, showing the present actual bona fide value of all such irrigable lands fixed without reference to the proposed construction of said San Carlos Dam, and shall provide that until one-half the construction charges against said lands shall have been fully paid no sale of any such lands shall be valid unless and until the purchase price involved in such sale is approved by the Secretary of the Interior, and shall also provide that upon proof of fraudulent representation as to the true consideration involved in any such sale the Secretary of the Interior is authorized to cancel the water right attaching to the land involved in such fraudulent sale; and all public lands irrigable under the project shall be entered subject to the conditions of this section which shall be applied thereto: *Provided further*, That no part of any sum provided for herein shall be expended for construction on account of any lands in private ownership until all areas of land irrigable under the project and owned by any individual in excess of 160 irrigable acres shall have been conveyed in fee to the United States free of encumbrance to again become a part of the public domain under a contract between the United States and the individual owner providing that the value as shown by said appraisal of the land so conveyed to the United States shall be credited in reduction of the construction charge thereafter to be assessed against the land retained by such owner; and lands so conveyed to the United States shall be subject to disposition by the Secretary of the Interior in farm units at the appraised price, upon such terms and conditions as he may prescribe.

SEC. 5. The Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect; and the money hereby authorized to be appropriated shall be available for the acquiring of necessary right of way by purchase or judicial proceedings and for other purposes necessary in successfully prosecuting the work to complete the project.

Mr. ASHURST. I move that the Senate concur in the House amendment.

The motion was agreed to.

AMENDMENT OF INTERSTATE COMMERCE ACT

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2704) to amend paragraph (3), section 16, of the interstate commerce act, which were: On page 1, line 9, after the word "accrues," to insert a comma; on page 2, line 1, after the word "accrues," to insert a comma; on page 2, line 6, after the word "accrues," to insert a comma; on page 2, line 25, after the word "carrier," to insert a comma; and on page 3, line 4, after the word "order," to insert a comma.

Mr. SMITH. Those amendments are simply marks of punctuation which were necessary; and I move that the Senate concur in the amendments of the House.

The motion was agreed to.

LANDS IN THE CITY OF PHOENIX, ARIZ.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3093) granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes, which was, on page 3, line 4, after the word "has," to insert a comma and the words "for more than one year."

Mr. CAMERON. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

INVESTIGATION OF IRRIGATION PROJECTS

Mr. WARREN. I ask the Chair to lay before the Senate the amendments of the House to Senate Joint Resolution 114.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 114) authorizing an investigation of the proposed Casper-Alcova irrigation project, Natrona County, Wyo., which were, on page 1, line 8, after the word "Wyoming," to insert: "the Deschutes project in the State of Oregon and the Southern Lassen irrigation project in Lassen County, Calif.: *Provided*, That at least one-half the cost of all such investigations, plans, and estimates shall be advanced by the State in which the project is located or by parties interested," and to amend the title so as to read: "Joint resolution authorizing an investigation of the proposed Casper-Alcova irrigation project, Natrona County, Wyo.; the Deschutes project in the State of Oregon, and the Southern Lassen irrigation project in Lassen County, Calif."

Mr. ROBINSON. What are the amendments?

Mr. WARREN. The amendments simply include four other projects. The original resolution involved only one project. There is no money connected with it.

Mr. ROBINSON. Very well.

Mr. WARREN. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

SUPPLEMENTAL ESTIMATES OF APPROPRIATIONS

The PRESIDING OFFICER (Mr. JONES of Washington in the chair) laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the War Department, fiscal year 1924, for the purchase of capital stock of the Inland Waterways Corporation, created by law, in amount $3,000,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed (S. Doc. No. 140).

He also laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Interior Department, pertaining to the Indian Service, fiscal year 1924, for rebuilding dairy and horse barn, Carson School, Nevada, in amount $7,500, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed (S. Doc. No. 139).

PRESERVATION OF WORLD PEACE

Mr. SHIPSTEAD. On day before yesterday I submitted Concurrent Resolution No. 17. I find that there were some errors made in the printing of the resolution in the RECORD. I therefore ask unanimous consent to substitute for that resolution the corrected resolution which I now send to the desk, which I ask may be printed in the RECORD, if there be no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and it is so ordered.

The resolution (S. Con. Res. 20) is as follows:

Whereas a fundamental menace to world peace in the last century and a quarter has been the momentum of competitive armaments, all predicated upon untrammeled governmental power of life and death over vast populations at any time liable to be summoned and hurled against each other; and

Whereas the moral and material welfare of the world calls for a constructive measure for pacification: Therefore be it

*Resolved by the Senate (the House of Representatives concurring)*, That the President is hereby respectfully requested to propose to all the nations of the world the conclusion of a convention definitely binding them to terminate all compulsory military, naval, and related service in terms substantially as follows:

I. The high contracting parties to such convention be requested to solemnly engage each within three years from the date of its ratification of this instrument to place all their military, naval, aerial, and subsidiary services of offense and defense, and all human labor required for the preliminary preparation of material for such services, on a strictly voluntary basis, and never, during the life of this treaty, in peace or in war, in any circumstances, or on any grounds whatsoever, to compel their nationals, or to permit them to be compelled, by conscription, or by any other form of compulsion, whether direct or indirect, whether public or private, to perform military, naval, aerial, or subsidiary service at home or abroad, or wage any war for the collection of any public or private debt.

II. This treaty shall be unconditionally binding upon each of the high contracting parties for 30 years from the date of its ratification, and may not be denounced by any high contracting party within that time. It shall continue to be binding upon each of the high contracting parties indefinitely thereafter, unless denounced by that high contracting party, formal notice given, or the withdrawal three full years in advance of its effective date.

III. The high contracting parties, having in view the possibility that in some countries constitutional provisions may require considerable time to be adjusted so that this treaty may in no way conflict with any fundamental law, agree to regard the adoption by national legislatures of resolutions, or equivalent formal expressions, recording formal acceptance in principle of the treaty as ample guaranty of eventual ratification and as sufficient warrant for action in good faith by each and all of themselves.

CAUSES AND EFFECTS OF DEFLATION OF 1920

Mr. SHIPSTEAD. I ask unanimous consent to submit a resolution, and ask that it may be read, printed, and referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and the Secretary will read the resolution.

The reading clerk read the resolution (S. Res. 246), as follows:

Whereas it has been repeatedly charged on the floor of the Senate, upon the authority of responsible experts, that the policy of deflation inaugurated in 1920 has caused a shrinkage in the value of agricultural and other properties amounting to more than $50,000,000,000; and

Whereas this deflation policy has been in large measure responsible for the financial failure and bankruptcy of more than 600,000 farmers in the 15 wheat-producing States alone, and for the failure during the four years of 1920 to 1923 of 1,357 State and National banks, with liabilities of more than $500,000,000, and for the failure of more than 50,000 manufacturing and commercial concerns; and

Whereas the agricultural, commercial, and financial distress thus created in the agricultural sections of the Nation is now being reflected in rapidly increasing industrial and commercial depression in other sections of the country, attended by widespread unemployment and wage reductions; and

Whereas these effects are aggravated by the present policy of the Secretary of the Treasury in issuing Treasury certificates at excessive rates of interest, thus tending to increase the interest charges to all classes of borrowers; and

Whereas accurate knowledge of the causes of this unprecedented deflation is necessary as a basis for effective action by Congress to prevent the recurrence of such a calamity; and

Whereas no adequate investigation of this question has ever been made and no investigation whatever has been attempted since the production of certain vital documents, such as the confidential minutes of the secret meeting of the Federal Reserve Board on May 18, 1920: Now, therefore, be it

*Resolved*, That a select committee of five Members be elected by the Senate, with authority to investigate the causes, methods, and results of the deflation of agriculture, commerce, finance, and industry which originated in 1920, and particularly the part played in such deflation by the Federal Reserve Board, the advisory council, the class A directors, and the regional boards of the Federal reserve system, and to report its findings and recommendations to the Senate.

*Resolved further*, That for the purpose of this investigation, the said committee, or any subcommittee thereof, is authorized to conduct its investigations during the recesses of the Senate, and is empowered to administer oaths, summon and compel the attendance of witnesses, and send for and compel the production of books and papers, including all books and records of the Federal reserve system and national banks; to employ a stenographer at a cost not exceeding 25 cents per hundred words to report such hearings as may be had in pursuance hereof. All expenses incident to the accomplishment of the purposes of this resolution to be paid out of the contingent fund of the Senate.

The PRESIDING OFFICER. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. CURTIS. Mr. President, I desire to know whether the resolution provides for a separate committee to make the investigation contemplated, or does it provide that it shall be made by the Committee on Banking and Currency?

The PRESIDING OFFICER. The resolution provides for the election of the committee by the Senate.

Mr. CURTIS. Then I ask that the resolution go over, Mr. President.

The PRESIDING OFFICER. The Senator from Kansas asks that the resolution submitted by the Senator from Minnesota go over.

Mr. MOSES. The introducer of the resolution has asked that it be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as I understand.

Mr. CURTIS. I am perfectly willing to have that done.

The PRESIDING OFFICER. The Chair has referred the resolution to the Committee to Audit and Control the Contingent Expenses of the Senate.

STATEMENT OF SENATOR SIMMONS ON THE REVENUE LAW

Mr. HARRISON. I ask unanimous consent to have inserted in the RECORD a statement which appears in the New York Times of this morning, issued by the senior Senator from North Carolina [Mr. SIMMONS], the ranking member of the minority of the Finance Committee, touching the revenue law, in answer to a statement issued by the President when he signed the Democratic measure.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the statement will be printed in the RECORD.

The statement is as follows:

[From the New York Times, June 5, 1924]

SIMMONS ACCEPTS TAX AS AN ISSUE—DEMOCRATIC SENATOR SAYS PARTY WILL GLADLY GO TO COUNTRY ON REVISION—HE CONTRADICTS COOLIDGE—DISPUTES THE CONTENTION THAT INCOME TAXES THROTTLE ENTERPRISE

WASHINGTON, June 4.—President Coolidge's recent statement that the new income-tax rates would throttle business initiative and new enterprises, and similar declarations by Secretary Mellon, were sharply denied to-day by Senator SIMMONS, ranking Democrat of the Finance Committee, who asserted that Treasury figures showed that the President and the Secretary were wrong.

Terming the argument that investors would rush to tax-free securities only a "bogy," and stoutly claiming that the income-tax rates he had had written into the bill would actually release more money to industry than the Mellon plan, Senator SIMMONS accused President Coolidge of attacking Congress through bitterness over the defeat of the administration program.

Tax revision as a campaign issue would be hailed with gladness by the Democrats, the Senator said, broadly intimating that Congress was sure it reflected the wishes of the country when it amended the tax bill as it did.

"The President and Mr. Mellon," said Senator SIMMONS, "evidently die hard. It was to be expected, after their strenuous efforts in behalf of the Mellon plan, that they would be somewhat resentful, not to say humiliated, at its emphatic repudiation by the representatives of the people in both branches of the Congress. But it was not to be expected that the President would make the signing of the bill an occasion for a quasi-political speech and an ill-disguised attempt to justify this discredited Mellon scheme by an indirect assault upon the Congress.

"Manifestly, the President and Secretary of the Treasury found it hard to endure the thought that their pet plan had been rejected and a Democratic plan adopted by a Republican Congress.

AN "EXHIBITION OF CHAGRIN"

"The President's statement advances no new arguments or facts. It is merely an adroit and clever recapitulation of the overworked propaganda in favor of the Mellon plan. By many it will be regarded as a somewhat painful exhibition of disappointment and chagrin, and by others as a shrewd political move to play both ends against the middle.

"Like the statements which have heretofore emanated from Mr. Mellon, the statement of the President consists largely of a general statement based upon assumed facts. Both carefully avoid any statement of the evidence upon which their assumptions are based.

"I do not overstate the case when I say the facts of the record in the Treasury Department furnish ample evidence to refute every contention made by the President and Mr. Mellon with reference to the effect upon productive industries of the income-tax provisions of the new law and that the broad statements made by the President in this respect are not confirmed by these record facts.

"The Democratic indictment against the Mellon plan is based upon its gross discrimination against the vast multitude of taxpayers of relatively small incomes in favor of a few thousand taxpayers of great wealth.

"Clearly it does not require argument to confirm this contention, because the facts upon which it is based are disclosed in the Mellon surtax schedule and can not be camouflaged, evaded, or explained away.

"Under that plan the average reduction of surtax rates from the 1921 basis on incomes of less than $64,000 is 22 per cent; on incomes between $64,000 and $100,000, 35 per cent; and on incomes in excess of $200,000, 50 per cent. The purpose and effect of this discrimination is unmistakable.

"The President overlooks this patent discrimination and adroitly seeks to create the impression that the Mellon plan, if adopted, would have worked to the interest of the masses.

"He also treats as a matter of little or no consequence the fact that under the substituted Democratic rates over 6,500,000 taxpayers will pay less than under the Mellon rates, while only 5,400 taxpayers would pay less under the Mellon rates than under the Democratic rates.

"Surely, if the President and the Republican Party wish to make the Mellon plan, as against the Democratic plan as written in the new law, an issue in the approaching campaign they may rest assured that the issue will be heartily welcomed by the Democratic Party.

SEES GAIN TO 6,500,000 TAXPAYERS

"No proposition of legislation advanced by an administration having control of both branches of Congress, after full discussion and due consideration inside and outside of Congress, was ever more crushingly repudiated by the Representatives and accredited spokesmen of the people than was the Mellon plan. On direct votes it received only about one-half of the Republican vote of the House of Representatives and met signal defeat in the Senate.

"Assuredly, in casting their votes against this plan the Representatives of the people in Congress reflected not only their individual views with reference to its merits, but as well what they regarded as the attitude of their respective constituencies.

CONCERNING TAX-FREE SECURITIES

"Both the President and Mr. Mellon base their arguments in favor of the Mellon maximum rate of 25 per cent almost solely on the contention that any higher rate would invite investment in tax-free securities. They not only offer no evidence to support their conjectures in this regard, but they shut their eyes to the undisputed facts of record in the Treasury Department, which completely confute their contentions. They refuse to consider or discuss the indisputable fact that out of $2,879,000,000 of assets listed in 1922 for estate taxes there were found tax-free securities barely sufficient to cover funeral and administrative expenses.

"The President and Mr. Mellon refuse to discuss the well-established contention that for every dollar that escapes surtax through investment in tax-free securities more than $10 escapes surtax through failure of corporations to distribute their surplus earnings, and they denounce as rank economic heresy any proposition to force a distribution of these earnings through the imposition of surtaxes such as would have to be paid on similar earnings by an individual or partnership.

"Divest the arguments and contentions of the President and Mr. Mellon of this bogy of investment in tax-free securities and their whole case against a higher surtax rate falls to the ground.

"Not only is there no foundation for their contention that productive business is being undermined by investments in tax-exempt securities, but there is no foundation for their argument that the Mellon plan and its distribution of reductions as compared with the Democratic plan with its distribution of reductions would result in more capital being attracted to new enterprises.

"On the contrary, the record evidence shows the reverse of that contention would result.

"Leaving out of consideration the earned income provisions suggested by Mr. Mellon, under these new rates as applied to the tax collected in 1922, 5,400 individuals would pay more taxes under the Democratic plan than under the Mellon plan; but because of the lower rates of the Democratic plan upon incomes below $67,000 over 6,500,000 taxpayers with incomes of less than $67,000 would pay less tax than under the Mellon plan.

"The record shows that of the total net income returned from business for the year 1921, amounting to $2,366,318,000, only $47,000,000 of this was returned by individuals whose incomes were in excess of $70,000. Taking these several statements of facts together, it must therefore be apparent that the Democratic plan, because of its lower rates on incomes below $67,000, would result in releasing much more money for investment in productive enterprises than would the rates of the Mellon plan.

"The argument for the Democratic plan is not based upon assumptions and conjectures but upon facts disclosed in the rates of the two plans and in the data in the Treasury Department."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 3104) granting 160 acres of land to the Western State College of Colorado, at Gunnison, Colo., for the use of the Rocky Mountain biological station of said college.

The message also announced that the House had passed the following bill and joint resolution of the Senate:

S. 3188. An act for the abandonment of a portion of the present channel of the south branch of the Chicago River; and

S. J. Res. 142. Joint resolution providing for the United States Government to have representation at the celebration of the centennial of the first meeting of the Legislative Council of the Territory of Florida.

The message further announced that the House had concurred in the concurrent resolution (S. Con. Res. 16) authorizing a reprint of the annotated Constitution.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker of the House had signed enrolled bills and a joint resolution of the following titles, and they were thereupon signed by the President pro tempore:

S. 3181. An act to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide additional hospital facilities;

H. R. 5478. An act to amend sections 1, 3, and 6, of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment";

H. R. 7877. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 8143. An act for the protection of the fisheries of Alaska, and for other purposes; and

H. J. Res. 194. Joint Resolution to print as a House document the proceedings of the national encampments of the Grand Army of the Republic, the United Spanish War Veterans, and the American Legion, for the use of the House and Senate.

COMPARISON OF MELLON INCOME-TAX PLAN WITH PRESENT LAW

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD a very fair and illuminating analysis and comparison of the merits and effects of the Mellon bill and the Simmons Democratic revenue bill, written by Mr. R. M. Lynn, an able newspaper correspondent of this city, and printed in the News Leader, of Richmond, Va.

The article referred to is as follows:

[From the News Leader, Richmond, Va., Wednesday, June 4, 1924]

LOWER TAXES ON MAJORITY OF INCOMES BY NEW LAW THAN UNDER MELLON PLAN

WASHINGTON, June 4.—Against the background of propaganda for the Mellon tax plan, the bill which finally passed Congress and became a law stands before the Nation somewhat like an orphan wished on the family. They wanted a baby, but a scientifically bred eugenic prodigy, not a run-of-mine child without pedigree or pretensions.

At least it is properly born. Congress is the constitutional body intrusted with the laying of taxes and the production of revenue. So it can be set down that the tax bill is of respectable parentage.

In spite of all that was preached about the plan advanced by Mr. Mellon, tax reduction did not depend upon the acceptance of that plan. But thousands of persons who were instigated to write to their Congressman undoubtedly had the idea that unless the Mellon plan—and no other—passed Congress there would be no tax reduction.

If the reader is a tiny taxpayer, if he is a small taxpayer, if he is a modest taxpayer, if he is a fairly prosperous taxpayer, if he is a genuinely prosperous taxpayer, if he is an almost-rich taxpayer, if he is a rich taxpayer he will pay less in income taxes under the bill Congress passed than he would had the Mellon plan been adopted.

MOST WOULD PAY LESS

If he is a very rich taxpayer, he would pay less under the Mellon plan.

Every taxpayer in Richmond, for instance, from the smallest up to the man whose net income is $64,000 a year, pays less under the bill which took the place of the Mellon plan.

Those whose net incomes range from $64,000 up to $100,000 pay slightly more under the bill than they would pay under the Mellon plan. At $100,000 the tax is $2,900 more.

The bill it will be seen does not "swat" the rich. Whether it swats the very rich depends upon the definition of swat.

Another thing: If the business of the United States is conducted for the most part upon capital furnished by persons whose individual net incomes range up to $64,000 a year, the bill as passed does more to encourage these persons than the Mellon plan undertook to do. And the vast bulk of the business of the country—take Richmond for instance—is done on capital in firms and corporations furnished by persons whose net income is within the $64,000 outside limit. To put it differently, if the investors in business enterprises whose net income is under $64,000 were to withdraw their capital there would be revolution. If the persons whose individual income is above $64,000 a year were to withdraw their capital it would be a serious thing, but no such catastrophic consequences would follow. Given time the deficiency could be supplied by persons of smaller income.

MUCH WILL BE SAID

In the coming months it is likely that much will be said about the tax bills—the one that Mr. Mellon proposed and the one the Democrats substituted. The former is assumed to be familiar in its outlines, but the latter in several of its larger aspects needs much more publicity than it has gotten if the country is to pass intelligent judgment as between the two plans. Hence the remarks which immediately follow.

In the bill of more than 350 pages Mr. Mellon attempted to translate correct principles into a vast body of rates which would yield sufficient revenue and yet lighten the total of the tax burden. Adjustments were made in accordance with the author's theory of what constituted an equitable distribution upon all subjects of taxation. Mr. Mellon, in a word, actually undertook to write the revenue bill in its entirety. No other Secretary of the Treasury had ever done this. Under the Constitution revenue measures originate in the House.

Incidentally, the Secretary linked tax reduction with the demand that the proposed soldier bonus bill be defeated. This, as it turned out, did much finally to discredit the claim for the Mellon plan that it was a "scientific" bill, for the two proposals are essentially independent, although, of course, the passage of any law contemplating additional expenditures increases the cost of government. As Senator ROBINSON, Democratic floor leader, expressed it to the writer: "Every appropriation of Federal moneys has, of course, some relationship to proposals for tax reduction, and the unfairness of making the latter dependent upon the defeat of adjusted compensation legislation is manifest, even to many who oppose measures of the latter character."

GREAT IMPETUS TO PLAN

Great impetus was given the plan in the three weeks from the date of its publication, November 10, to the assembling of Congress December 3. When Congress met the country had been "sold" the idea that tax reduction and the Mellon plan were synonomous.

Debate in committee and on the floor extending over a period of several months developed one clear line of cleavage between the backers of the Mellon plan and its critics. On the one side were those who accepted the Secretary's arguments, figures, and principles practically without question and who contributed singularly little to the meat of the discussion. On the other side were those who challenged, not so much the taxation theories of the Secretary, but their practical application. These, chiefly Democrats, were in the majority and in the end wrote the bill substantially as it went to the President.

It was necessary for the critics to answer the Secretary's arguments, for two reasons: First, during the debates, more especially that in the Senate, there was doubt how the vote would go, and those who offered substitute proposals sought to win over the wavering; and, second, enlightenment of the public, or a large section of the public, which had taken the Mellon plan on faith, was highly desirable, as a matter of principle as well as of expediency.

LEADERS ON DEFENSIVE

No candid reader of the RECORD can fail to be impressed with the fact that the opponents of the bill embodying the views of the Secretary pressed the issue, put the administration leaders on the defensive, and outgeneraled them at all points. In the Senate SIMMONS, who is recognized as a "financial wizard," demonstrated a mastery of the subject—from the angle he saw it, at any rate—which was in striking contrast with the equipment of SMOOT, in charge of the committee bill. The latter showed to advantage only as he displayed a memory for detached facts and figures. He made no attempt to build up his case. Apparently he assumed that Mr. Mellon had said all that needed to be said as argument in chief and either could not reply to the attacks on the bill or preferred to treat them with a sort of affected disdain. At any rate, the significant fact is that bombardment of the Mellon plan encountered only the feeblest rejoinder.

To illustrate: There was no reply when the Secretary's theory of loss of income from taxpayers in the high surtax brackets was challenged. Secretary Mellon had said:

> "Taxpayers subject to the higher rates are withdrawing their capital from productive business and investing it in tax-exempt securities and adopting other lawful methods of avoiding the realization of taxable income. The result is to stop business wealth from taking the risks which are incidental to the development of new business."

Senator RALSTON made the attack which opened the way to demolition of the Secretary's contention as to the utilization of tax exempts by high-bracket taxpayers.

WOULD BE SERIOUS INDEED

Alluding to the quotation from the Secretary just above, Senator RALSTON said in the course of his speech:

> "If these statements were well founded, they would indeed be serious, but they do not seem to be supported by the Secretary's figures. The figures show that in 1920, with total net income returned of $23,735,629,183, the deduction on account of tax-exempt bonds was only $61,459,572, or about one-fourth of 1 per cent of the incomes. But in 1921 the exemptions on this account dropped to $46,994,406. A decrease in one year of $14,550,162, or almost one-fourth of the total similar exemption in 1920, on account of tax bonds can not be seriously considered as indicating any growing peril to national revenues or any alarming tendency of large income-tax payers to flee to tax-exempt bonds for refuge."

As to decedent's estates (mentioned by Secretary Mellon) the Senator produced figures from the Secretary's report to show that tax-exempt bonds constituted less than 8 per cent of such estates, or scarcely sufficient to discharge the funeral and settlement expenses. One incidental effect of the disclosure was effectually to dispose of the isolated and widely quoted case of William Rockefeller, whose estate did consist principally of tax-exempt holdings.

The Senator further presented figures on the total taxables of the country and drew the conclusion that "in reality tax-exempt securities represent about 6 per cent of the taxable wealth of the Nation." He added that "the State and local tax-exempt securities are less than 2 per cent of the taxable wealth of the country."

CHECKED UP RALSTON

Senator GLASS, a former Secretary of the Treasury, afterwards checked up on Senator RALSTON'S figures, and in a speech in the Senate said:

> "I think, just as the distinguished Senator from Indiana stated, that the relation of tax-exempt securities to the general issues of National, State, and municipal bonds has been greatly exaggerated. I confess, to my surprise, that a more careful examination and analysis of the subject, prompted by the address made by the Senator from Indiana, has convinced me that that is a fact.
>
> "I fail to find that the proportion is such, at this time at least, as to seriously menace the fiscal policy of the United States Government. What it will be at some time in the future no man may say. We are, however, now engaged in issuing tax-exempt securities at a rather alarming extent in excess of $200,000,000 by the farm loan and joint-stock land banks and many more millions by the States and subdivisions of the States; but even at the present rate it will be a long time before the issuance of these securities will become an actual menace to the fiscal affairs of the Government."

In further destruction of one of the main contentions of the Mellon plan, Senator SIMMONS and Senator JONES of New Mexico presented figures from the report of the Secretary showing that the total net income of corporations had increased from 1921, when they were over $4,000,000,000, to $6,578,000,000 in 1922, and presented the estimate of the Treasury Actuary of a further increase to $8,500,000,000 in 1923. These figures were the basis of the charge that taxpayers in the high brackets were turning to the device of corporate organization, where earnings piled up in undistributed form and escaped taxation, rather than investing in tax-exempt securities.

INCOME IS INCREASING

That corporation income is increasing, in the aggregate, and at a rapid rate, as shown above, is only one phase of the subject: Nondistribution of income is of equal importance. Figures from the Secretary's report were presented showing that in 1922 the total number of corporations making income-tax returns was 108,611. Of these 30,048 distributed no dividend, though they had total net income of $896,254,485, and despite the fact that they had previously accumulated an undivided surplus of $3,954,000,000. Of the remaining corporations, those disbursing less than 10 per cent of income were 1,867 in number, with a net taxable income of $247,000,000; their payments in dividends aggregated only a little more than $14,000,000.

One of the fundamentals of the Simmons-Jones argument against too great reduction of the surtaxes was insistence that the subject of income taxes must be viewed in relation to all the taxes which the citizens are required to pay. Wealth as represented by material things, and as represented by service, is one thing. Wealth as represented by money is another thing. The tax imposed upon the former may be, and is, passed on to somebody else. The manufacturer adds the tax item to the cost of the article he produces, and the doctor can make his bill to cover his taxes.

But great emphasis was put upon the fact as alleged—and not challenged—that the tax upon wealth as represented by income can not be passed on. It stays where it is put. It is the one and only tax which can not be handed on. Only Congress can afford relief.

Developing their theory, the opponents of the reductions in the surtax rates which Mr. Mellon advocated cited the tax totals of the Nation, the grand total being for the last year $7,428,749,000—the total for the Federal Government $3,204,133,000, and for the States, etc., $4,224,616,000. They contended—and the contention was not disputed—that 78.8 per cent of all the State, etc., tax payments represented receipts from the general property tax, which it was asserted, as a matter of common knowledge, the invisible forms of wealth very largely escaped.

They contended as to the Federal taxes that except as to the income tax and the tax on corporations, almost without exception they are taxes that except as to the income tax and the tax on corporations, almost without exception they are taxes which are borne by the consumers, making up about one-half of the total of Federal taxes. In addition, it was declared that the high tariff schedules impose in themselves, but as an incident, a burden of three and a half billion dollars, which constituted a consumption tax, borne by those who must have the necessities of life.

In distributing the reductions in income taxes—the only tax that can not be passed on—the substitute bill gave therefore a larger proportionate reduction to small than to large incomes.

FORMER ATTORNEY GENERAL HARRY M. DAUGHERTY

Mr. BROOKHART. Mr. President, on the 13th of February last a resolution by the junior Senator from Montana [Mr. WHEELER] was presented to the Senate providing for an investigation of the office of the Attorney General and certain of his assistants. The resolution was referred to the committee and on February 29, being the calendar day of March 1, it was modified, amended, and agreed to. After the presentation of the resolution, the Senator from Ohio [Mr. WILLIS] presented to the Senate a letter from the then Attorney General, in which that official stated:

> I wish you to understand, and I authorize you to say to the Senate, that any committee of investigation which the Senate, in its judgment, may appoint will be accorded every facility which the Department of Justice affords, in order that a thorough investigation of all my official acts and of the Department of Justice may be made fairly and systematically.

Again, in the same letter, the then Attorney General stated:

> I have observed in the press insinuations that so-called high officials bought and sold Sinclair Consolidated Oil Co. stock upon information regarding the making of the oil leases, the inference being that they profited thereby. In view of such publications, I desire now to deny all such insinuations and inferences and to give the facts in this connection, in so far as they relate to me personally.
>
> Before I became Attorney General or seriously considered any connection with the Government, from time to time in the ordinary course of my personal investments, I bought and paid for some stock in the Sinclair Consolidated Oil Co. Six months after the execution of the Teapot Dome lease, of April 7, 1922, endeavoring to recoup my losses in said stock, I sold a portion of my holdings therein acquired and paid for as aforesaid before I became Attorney General. Thereafter I bought back and paid for the same amount of said stock thus sold at a price slightly less than the price for which the same amount had been sold. Finally, in the fall of 1923, I sold all of my holdings in said company acquired prior to my becoming Attorney General at a net loss to me of about $28 per share. In addition to this transaction I bought 18 shares of said stock in the year 1922, the year the Teapot Dome lease was executed, which I acquired for the sole purpose of rounding out my holdings in said stock.
>
> This is the story which the testimony will reveal, and I am glad to have the Senate know of my personal business transactions in said stock in 1922. There is nothing unusual in this transaction, nothing improper, nothing indiscreet, and nothing to conceal.

Again in this letter he says:

> After the testimony has been presented by those making the charges, and I am thus advised as to what I am actually charged with and the testimony in support thereof, I further respectfully request the right to produce testimony before the committee on motion of my said counsel, and have process to compel attendance of such witnesses.

Again at the first hearing the counsel, Mr. Howland and former Senator Chamberlain mentioned and authorized in the letter from which I have just quoted, appeared and presented another communication from the then Attorney General to the committee.

I read from page 5, of part 1, of the hearings:

> Immediately on the adoption of the above resolution the Attorney General, by letter, extended to your committee every agency and facility of the Department of Justice to aid you in your investigation, and made certain requests; that is to say, that his representatives during the progress of the hearing might have certain privileges—
>
> First, that said representatives may have the right to be present at all hearings and meetings of your committee except, of course, executive sessions, and be duly notified of the time and place of such meetings; that they may be furnished with a transcript of the testimony and the right of inspection of all documents as fully and to the same extent as members of the committee.
>
> Second, that they may have the right to interrogate all witnesses that may be called before your committee.

At the end of this communication, on page 9, of part 1, of the hearings, he says:

> The Attorney General resents and condemns the indiscriminate broadcasting of unsubstantiated rumors, whispered criticisms, and false and scandalous statements, for which no one is responsible, and welcomes this opportunity, before this responsible committee of the Senate of the United States, to expose falsehood and scandal and to establish truth.

Again, during the first day of the hearings, on page 36, part 1, the following occurred:

> Mr. HOWLAND. Mr. Chairman, I would like to ask a question for information, with your permission.
>
> The CHAIRMAN. Proceed.

Mr. HOWLAND. We are advised that the subpœnas which are issued by the committee are not public documents, and we have no access to them. Now, we are informed that subpœna duces tecum has been issued to the chief cashier or bookkeeper of the bank at Washington Court House, Ohio, to bring with him all the books of the bank. I ask, if that is correct, a correct statement of the terms of the subpœna duces tecum?

Senator WHEELER. Your information is not correct. That is the bank of which Mr. Mal Daugherty is president, that you have referred to?

Mr. HOWLAND. Yes.

Senator WHEELER. The subpœna duces tecum was issued to bring with them the deposit ledgers since 1920.

Mr. HOWLAND. All the deposit ledgers?

Senator WHEELER. All of the deposit ledgers since 1920, and copies of certain other instruments. Now, I will say to you this, that the attorney for the bank called me up this morning and told me that it would be almost impossible to bring those ledgers. I told him I would take it up with the committee and see what arrangements could be made with reference to it, but that we must have one of two things: (1) Either we must send an accountant—and that is one of the things I intended to take up in executive session—either we must have an accountant go there and examine these bank books; or (2) we would have to have the books themselves.

Mr. HOWLAND. I am glad to be corrected in regard to that; and I hope, Senator WHEELER, that the latter alternative may seem satisfactory to you.

Senator WHEELER. That is something we wanted to take up in executive session ourselves after adjournment of the regular session to-day.

I will say by way of parenthesis here that the executive session approved that plan as requested by the bank and Mr. Mal Daugherty and the attorneys for H. M. Daugherty, and sent the accountant to get the information in that way.

Then this further was said:

Mr. HOWLAND. In view of the fact that the committee is investigating a particular proposition, I would like to have processes issued for Mal Daugherty, president of the bank—he will be here, but I would like to have him under subpœna—

Therefore it appears that Mr. Daugherty, by his attorneys, himself asked for the summoning of his brother, the president of this bank in Ohio, and the committee acted upon that situation in reference to that matter.

Mr. NORRIS. Mr. President, may I ask the Senator a question?

Mr. BROOKHART. I yield to the Senator from Nebraska.

Mr. NORRIS. Did the committee issue the subpœna as requested?

Mr. BROOKHART. Yes; the subpœna was issued.

Mr. NORRIS. The Senator said they acted on the matter, but he did not say whether or not they complied with the request.

Mr. BROOKHART. Let me see. Perhaps it had already been issued. I am not sure about that, but——

Mr. NORRIS. At any rate, the subpœna was issued?

Mr. BROOKHART. The subpœna was issued, and agreement was expressed between the attorneys and the committee for doing so at that time.

Again, in a letter to me as chairman of the committee, on March 17, the Attorney General refers to this request, and says:

We some time ago requested the issuance of subpœnas for James W. Holcombe and M. S. Daugherty, named among several others, at Washington Court House, Ohio.

I think we required them afterwards to state the substance of what they desired to prove by those other witnesses that we did not know about. So far as M. S. Daugherty was concerned, the committee at all times were willing to summon him.

Mr. President, from the records I have quoted it is evident that the Attorney General himself not only asked for but welcomed this investigation. It is evident that he made the proposition, that he would submit the evidence of his private affairs to this committee gladly and willingly. Upon that theory we proceeded to take testimony, and that testimony disclosed a very remarkable situation in the Attorney General's household; and since that testimony was taken he apparently has changed his mind upon all of these matters.

I am not going into great detail to-day in review of all of the testimony that has been taken by this committee. I am only going to take up the phases of it that I think point out the reasons why the Attorney General has changed his mind, and now refuses to recognize the committee, or to appear before it, or to explain the matters that have been disclosed in the testimony.

We found from the testimony that one Jess Smith was a member of the Attorney General's household; that he had been for many years a friend of the Attorney General in political matters in their State of Ohio; that he came from Washington Court House, Ohio, which had been the former home of the Attorney General himself. This relationship was so close that the testimony shows that Jess Smith even assisted in caring for the invalid wife of Mr. Daugherty. So far there would be no criticism of that association; but we go a litte further, and we find Mr. Daugherty and Mr. Smith traveling together over all parts of the United States on all sorts of official errands.

We find that Mr. Smith had an office in the Department of Justice, although he was not an employee of the Government at any time, and at no time had any official right to an office or a position there. We find that he used the official stenographers of the department, and dictated letters of all sorts, and many of them, on many different occasions—in fact, continuously and all the time. We find that Mr. Daugherty himself called in the acting chief of the department of investigation at the time when he first took office, Mr. Bailey, a man who has every appearance of being entitled to the highest confidence in every way; and Mr. Daugherty instructed Mr. Bailey to take orders from Jess Smith in his absence, and he said that Smith would talk over the matters with Bailey, the acting chief of the department of investigation; and, mind you, Bailey was a few months later succeeded by W. J. Burns, who then took charge. Mr. Daugherty not only instructed him to take the orders of Jess Smith, but he said they would then talk them over in the evenings in their apartment, or something of that kind, and in that way the Attorney General would keep in touch with many things in the department of investigation. That testimony is now uncontradicted in the record, and Mr. Daugherty declines to come before the committee, and refuses to face it.

It is disclosed by the evidence overwhelmingly that Jess Smith had access to all the files of the department, even the most confidential files. He took these files away with him. He seemed to have special control of the files relating to the appointment of officers and persons in the service of the Department of Justice in every particular. These employees regarded him as second in command after Mr. Daugherty himself. There was no assistant to the Attorney General or Assistant Attorney General who ranked up with Jess Smith in power of command over the employees generally in that department.

In connection with this situation we find that Jess Smith made a will in which he left a large share of his estate to Mr. Daugherty. We also find that he sold out his business when he came to Washington, and he had no ostensible business except what might be the income from interest on his money that he received for his business and some stocks that he owned, the total amount of his property being about $136,000, as disclosed by the files in his estate. He came here to Washington. He lived in the same house with the former Attorney General at first, up on H Street, Mr. McLean's house. From there they went to Wardman Park Hotel, and they paid, I believe, $7,800 a year for their apartments there. They lived expensively. The testimony shows that their expenses amounted to $50,000 a year here in the city of Washington.

The testimony further shows that Jess Smith collected some $500,000 in graft money paid by the big bootleggers of the country for protection from prosecution. The circumstances and details of this, as disclosed by the committee, are so well established that there can be little doubt of the truth of this situation. The report of Jess Smith's estate shows that it increased from $136,000 to $214,000 in the two years or thereabout that he was here in Washington. In this same connection, it appears that in the last few months of his life Jess Smith became worried and afraid and finally he committed suicide, took his own life in the apartments of H. M. Daugherty.

These circumstances of a conspiracy to protect crime are so intimate, so well interwoven, so well connected, so completely undisputed that the evidence, I think, unquestionably establishes the fact that there existed a conspiracy for the protection of criminals by collecting graft from them. In a general way the evidence shows that this would be collected along for a year or two, and then they would be arrested and fined on some minor matter or at a little later date Mrs. Willebrandt would put some of them in the penitentiary; but even Remus was allowed to run undisturbed for about a year and a half before anything substantial was done to stop him in his wholesale scheme of violation of the liquor laws.

This connection and conspiracy is established by these facts and these circumstances so completely that in any court the

rule of law would apply, without any doubt, to the effect that every act and every word of Jess Smith in furtherance of this conspiracy is not hearsay but is direct evidence against Daugherty himself.

In order to find out something of Mr. Daugherty's own financial situation we made an investigation of that subject at Washington Court House at the same time we attempted to investigate the bank, and we discovered this situation: This is the witness R. M. McFarland, who examined the tax returns of Mr. Daugherty before he became Attorney General.

This testimony is found on page 1423 of part 6 of the hearings:

Senator WHEELER. Did you have occasion to visit Columbus, Ohio, for the purpose of investigating the tax return of Mr. Harry M. Daugherty for the years 1920 and 1921?

Mr. MCFARLAND. Yes, sir. I looked up Mr. Daugherty's official tax return in the tax records at the courthouse at Columbus.

Senator WHEELER. Were they sworn to?

Mr. MCFARLAND. They were signed and sworn to by Mr. Daugherty.

Senator WHEELER. And have you got copies of those reports with you?

Mr. MCFARLAND. Yes, sir.

Senator WHEELER. And did you check them to see that they were correct with the original reports that had been sworn to?

Mr. MCFARLAND. Yes, sir.

Senator WHEELER. Will you hand them to me?

Mr. MCFARLAND. Yes, sir. Here is the report for 1920, or the copy that I made, and also for 1921.

Senator WHEELER. 1920 is the first page here?

Mr. MCFARLAND. Yes, sir.

Senator WHEELER. This refers to Harry M. Daugherty, the former Attorney General of the United States?

Mr. MCFARLAND. Yes, sir.

Senator WHEELER. The tax return made by him for 1920 shows as follows:

| | |
|---|---|
| One Packard car | $3,360 |
| Household goods, etc. | 150 |
| Books, pictures, jewelry | 625 |
| Office furniture | 200 |
| Chase piano | 250 |
| Victrola | 25 |
| Money on deposit | 820 |
| Value of mortgages, notes, book accounts, stocks, etc. | 7,700 |
| Value of all investments and taxable bonds, stocks | 2,000 |
| Making grand total of | 8,130 |
| Less | 100 |
| Total tax on | 8,030 |

Mr. FESS. Mr. President, will the Senator yield there?

Mr. BROOKHART. I yield.

Mr. FESS. In the State of Ohio the law does not require the listing of stock in domestic corporations, and unless this stock owned by the Attorney General was stock in a foreign corporation, it would not appear in the tax duplicate.

Mr. BROOKHART. I understand, and we desired to inquire of the Attorney General about that proposition and what, if any, stocks he held, but the Attorney General refuses to come before us, refuses to say a word, or refuses to explain.

Mr. FESS. If the Senator will yield there, I note that he has refused to come before the committee. I understand that that is because of a decision of Judge Cochran that it is not a legal procedure.

Mr. BROOKHART. I will say to the Senator that the decision of Judge Cochran does not hold it to be an illegal procedure. That is, Mr. Daugherty can come voluntarily, and that is what we asked him to do. His appearing would not be in violation of that decision. The decision, I think, is used as a subterfuge for avoiding the appearance which he himself sought in the beginning of this proceeding, and which he advertised to the country that he welcomed.

Mr. FESS. I understand that, but I have read his statement, and I take it from his statement that he takes the position that this is illegal, and therefore it can have no standing.

Mr. BROOKHART. The court did not hold it to be illegal for us to invite him to come, and it did not hold that it would be illegal for him to accept the invitation.

Mr. CARAWAY. Is it not perfectly apparent that if a man had a reasonable statement to make, he would avail himself of the opportunity?

Mr. BROOKHART. It seems so to me.

Mr. CARAWAY. Would not any gentleman refuse to disregard a reflection on his integrity, and say, "The reason I will not vindicate myself is that you are not a legal committee"?

Mr. BROOKHART. It seems so to me.

Mr. NORRIS. It seems so to anybody.

Mr. FESS. Would the Senator yield?

Mr. BROOKHART. I yield.

Mr. FESS. I do not think it does seem so to everybody.

Mr. NORRIS. It will seem so to anybody who is fair-minded. If anybody wants to crawl under the cloak of a technicality to avoid appearing before that committee under the circumstances, he is welcome to do so, of course, if the courts hold that he has a right to do it.

Mr. FESS. I think the Senator from Nebraska wants to withdraw the statement that it appears so to anybody who is fair minded.

Mr. NORRIS. No; I will stand on that statement.

Mr. FESS. I think the Senator is mistaken about it, and also very unfair, because I have watched the proceedings of this committee, and I have not indorsed all that has taken place. I do not think the Senator now wants his statement left in the RECORD that the testimony shows that $50,000 a year was expended here by the Attorney General and Mr. Smith. That statement was made, I notice, by Roxy Stinson; but does the Senator want to take that as conclusive evidence?

Mr. BROOKHART. Yes; I might say I believe that Jess Smith told that to Roxy Stinson. I believe that declaration of Jess Smith is not hearsay, under the law, but is a disclosure and a part of the conspiracy, and is therefore direct evidence against Mr. Daugherty himself.

Mr. NORRIS. Mr. President, will the Senator yield there?

Mr. BROOKHART. I yield.

Mr. NORRIS. The statement made by the Senator from Ohio, with great respect to him, does not make any defense or in any way refute the statement which I made. I have not said that all this testimony is true. I have not said that some of it could not be explained, or that some of it is not exaggerated. I do not know. But the man who does know is Mr. Daugherty, and those statements standing uncontradicted, and he refusing to come before the committee to contradict them, we have a right to assume that they are true. The man who does know if they are untrue is Daugherty himself. If they did not spend $50,000 a year, and if that is material—maybe it is not; I do not care if they spent $100,000—if that is not true, it can very easily be denied and the incorrectness of it can very easily be pointed out by the men who are charged with having spent the money.

Mr. FESS. Mr. President, if the Senator will permit me to make this statement to the Senator from Nebraska—and I make it guardedly—with great respect to the membership of this committee, if I were in Mr. Daugherty's place and had witnessed the sort of testimony that was admitted there, I certainly would not appear before this committee and I would take the position that Mr. Daugherty has taken. I say that as a responsible member of this body.

Mr. NORRIS. Mr. President, may I interrupt the Senator again?

Mr. BROOKHART. I yield.

Mr. NORRIS. A reflection upon the character of the witnesses, if proven, is something the committee ought to take into consideration. If they are saloon keepers and bartenders and bootleggers, he has a right to show that, if it does not already appear; but I submit that if a murder is committed in a saloon you would not expect to get your witnesses out of a Sunday school, and if Harry M. Daugherty is surrounded by an army of crooks and disreputable characters, that is where you will go to get your witnesses to prove a case against him, and that is where the committee went. If we had a murder or any other crime committed, surrounded by men or women of disreputable character, we would not dismiss the defendant on that ground. We would not wait until somebody committed murder in church, so that we might have respectable witnesses in order to prosecute. If Mr. Daugherty wants to reply and wants to rest upon the ground that his companions, his associates, his confidants, are all disreputable people, and that their words should not be taken, and wants to stay away on that account, he is welcome to any comfort he can get out of that, as far as I am concerned.

Mr. CARAWAY. Mr. President, may I say a word?

Mr. BROOKHART. I yield.

Mr. CARAWAY. Permit me to say this: That I can think of nothing that is more reprehensible than for a man to associate with a woman and introduce her as a lady and then, because she says something that reflects upon his character, try to brand her.

Mr. BROOKHART. Let me say to the Senator that this same woman, Roxy Stinson, was introduced to the President of the United States by Mr. Daugherty, and was taken and placed at dinner beside the President of the United States, and was accorded every honor; and now the Senator from Ohio

seems to intimate that the committee has been guilty of reprehensible conduct for taking this woman's testimony—the woman who knows more about the relations of Jess Smith and Harry M. Daugherty than perhaps any other one person.

Mr. CARAWAY. Is there anything disreputable known about this woman except that she associated with Harry Daugherty?

Mr. BROOKHART. Nothing worse.

Mr. CARAWAY. Can the Senator think of any man who values his honor who would say, "I will not vindicate my honor because I do not like the manner in which the charge was brought against me, if he has any to vindicate? And how can he expect the Senator from Ohio to come here and defend him on the floor and be accepted seriously when he himself will not make a statement; when he requires his friends to do what he will not do himself?

Mr. BROOKHART. Mr. President, I think those observations are very proper. I will say further that the letters, the correspondence, between Roxy Stinson and Jess Smith corroborate every word, practically, of her verbal testimony. She was not required to give it all from recollection. There were many letters that disclosed this relation quite as fully as her verbal statements.

Now, I will proceed a little further with Mr. Daugherty's own financial situation.

Senator WHEELER said:

I notice on this a note, "Listed as actual legal debts, $27,000." Is that correct?

Mr. MCFARLAND. Yes, sir; that was probably campaign expenses which aggregated that item.

Senator WHEELER. He also listed credits, $5,000 secured by loan, and credits of $7,700 due him but unsecured by notes. He listed 500 shares of Wright-Martin stock, worth $2,000.

Mr. MCFARLAND. Yes, sir.

Senator WHEELER. What was the total amount of his liabilities listed there?

Mr. MCFARLAND. He listed actual legal debts for that year $27,000.

Senator WHEELER. And what did he list as being the total amount of his property?

Mr. MCFARLAND. $8,030 is the total amount taxable. He also listed credits of $5,000 secured by loans, and $7,700 due him but unsecured by notes.

Senator WHEELER. Making a total of what?

Mr. MCFARLAND. $20,730, plus 500 shares of Wright-Martin stock, which he lists at $2,000. I think the actual stock-market value of that stock would be considerably in excess of that amount, but according to his own figures the total would be $22,730.

Senator WHEELER. And his indebtedness was how much?

Mr. MCFARLAND. $27,000.

The CHAIRMAN. Is this the same Wright-Martin Co. that was investigated for war frauds?

Mr. MCFARLAND. Yes, sir. There is only one Wright-Martin Co.

The CHAIRMAN. And it was not prosecuted?

Mr. MCFARLAND. That is the one.

Senator WHEELER. I call attention to the tax return for 1921, and ask you to tell the committee what he listed according to his own sworn statement filed in Columbus, Ohio?

Mr. MCFARLAND. His 1921 tax return, made about April of that year, showed:

| | |
|---|---|
| One Packard car, valued at | $2,000 |
| Household furnishings, valued at | 1,400 |
| Musical instruments | 225 |
| Money on deposit in bank | 320 |
| Value of investments in stocks and bonds | 1,800 |
| A grand total of | 5,745 |
| Less exemption of | 100 |
| Total taxable | 5,645 |

He listed also in this year 2,500 shares of Wright-Martin stock.

Senator WHEELER. In other words, 2,000 shares more than he listed the year before?

Mr. MCFARLAND. Yes, sir. He had acquired 2,000 shares more.

Senator WHEELER. At the time he made this 1921 statement was he Attorney General of the United States?

Mr. MCFARLAND. Yes. He became Attorney General of the United States in March, 1921, and this was about a month later.

Senator WHEELER. All right. Now finish your statement.

Mr. MCFARLAND. The courthouse record shows Harry M. Daugherty also owns a house at 480 East Town Street, which he bought in 1903 for $13,150. His real-estate tax report shows this property valued at $5,000. The county records in Franklin County, where Columbus is located, show this is the only parcel of land listed in his name.

Senator WHEELER. At that time he claimed Columbus as his residence?

Mr. MCFARLAND. Yes, sir.

Senator WHEELER. And Columbus, Ohio, being his legal residence at that time would be the point at which he would have to list all of his personal property, would it not?

Mr. MCFARLAND. Yes, sir.

Senator WHEELER. In 1921, then, his total indebtedness was what, as listed?

Mr. MCFARLAND. He made no mention of indebtedness in 1921.

Senator WHEELER. And the total amount of his assets was how much that year?

Mr. MCFARLAND. According to his figures, the total would be $12,445.

Senator WHEELER. You say it would show a total of $12,445?

Mr. MCFARLAND. Yes, sir.

Senator WHEELER. I think that is all.

We called to the stand, then, Mr. John L. Phelon, and at this moment four men filed into the room and their names were afterwards furnished as Arthur I. Vorys, Esq., of Columbus, Ohio; N. P. Clyburn, Esq.; John Logan, Esq.; and John S. Phillips, Esq. These were the attorneys who showed up to stop us from further investigating Mr. Daugherty's accounts in the bank. There was quite a long discussion with the attorneys about matters, and then finally they left and we proceeded with our examination.

Senator WHEELER. Mr. Phelon, I believe you stated your name?

Mr. PHELON. John L. Phelon.

Senator WHEELER. What is your business, profession, or occupation?

Mr. PHELON. I have been an accountant.

Senator WHEELER. You are an accountant now, are you not?

Mr. PHELON. I am.

Senator WHEELER. You have been connected as an accountant with the Government?

Mr. PHELON. My connection was assistant to national bank examiner, second Federal reserve district, New York City.

Senator WHEELER. Did you have occasion on behalf of this committee to make an examination of the books of the Midland National Bank at Washington Court House, Ohio?

Mr. PHELON. I started the examination.

Senator WHEELER. And will you tell me whether or not you examined any of the records of the bank and certificates of deposit?

Mr. PHELON. Yes; I commenced with the record of certificates of deposit, beginning November 1, 1920.

Senator WHEELER. And what, if anything, did you find in connection with them?

Mr. PHELON. I had Mr. Daugherty and Miss Neall assist me in assembling the canceled certificates of deposit the first afternoon in which I was at the bank.

Senator WHEELER. Did you find any certificates of deposit made out in the name of Harry M. Daugherty, or indorsed by him?

Mr. PHELON. I did; several.

Senator WHEELER. When was it that you made this examination, or attempted to make it, started to make it?

Mr. PHELON. I believe it was on Wednesday, March 18, or March 19 it was.

Senator WHEELER. Will you state whether or not you found a certificate of deposit made out in the name of Harry M. Daugherty in the bank that had not been canceled?

Mr. PHELON. I did not.

Senator WHEELER. Did you find any certificates of deposit in the bank which had been made out to Harry M. Daugherty and canceled?

Mr. PHELON. I found certificates of deposit in the bank which had been indorsed by H. M. Daugherty.

Senator WHEELER. To whom were they made out; do you recall?

Mr. PHELON. I can not recall exactly. I think there were several certificates, and on the reverse side of them H. M. Daugherty's name appeared. I believe——

Senator WHEELER (interposing). When you say you "believe" you mean that is your best recollection?

Mr. PHELON. To the best of my knowledge and belief; yes, sir. And one of these names——

Senator WHEELER (interposing). Of course, all any witness knows is his recollection. We want you to state your recollection of what you saw there.

Mr. PHELON. My recollection was that some of these certificates bore the name of J. E. or J. A. Gray.

Senator WHEELER. And what was the amount of these certificates of deposit?

Mr. PHELON. To the best of my belief there were four of $5,000 each.

Senator WHEELER. Were there any for larger amounts?

Mr. PHELON. I can not recall the amounts of the canceled certificates.

Senator WHEELER. I understood you to tell Senator BROOKHART and myself that there was one large certificate.

Mr. PHELON. Not among the canceled certificates that I recall.

Senator WHEELER. Well, among any that had not been canceled?

Mr. PHELON. In the listing of current certificates; yes, sir.

Senator WHEELER. That is what I am asking about, in the listing of current certificates; what did you find there?

Mr. PHELON. I did not have the exact name or names applying to the numbered certificates according to the register, for the reason that I did not take off the names the first afternoon I was in the bank.

Senator WHEELER. What did you find?

Mr. PHELON. But I found, as far as I can remember, approximately $75,000 in certificates of deposit which bore the name of H. M. Daugherty. This was taken from the record of the original certificates of deposit.

Senator WHEELER. And those certificates of deposit had not been canceled?

Mr. PHELON. No, sir.

Senator WHEELER. Now, how long were you in the bank?

Mr. PHELON. Approximately four hours.

Senator WHEELER. And you went into the bank at our request and with the sanction of Mr. Mal. Daugherty, the president of the bank?

Mr. PHELON. Yes, sir.

Senator WHEELER. And when, if at all, did he stop you from going into the bank?

Mr. PHELON. The first thing on Thursday morning he stopped me from proceeding with my examination.

Mr. FESS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Ohio?

Mr. BROOKHART. I yield.

Mr. FESS. When Mr. Phelon was making the investigation did he not give his report of the investigation or facts to the press, and did not Mr. Daugherty read what he was doing in the New York press, and was not that given as the reason why Mr. Daugherty said he could not come back into the bank?

Mr. BROOKHART. I am unable to tell what Mr. Daugherty's thoughts were, because we tried very hard to get him before us to find out and he never would come.

Mr. FESS. I mean M. S. Daugherty.

Mr. BROOKHART. The same is true of him. M. S. Daugherty actually appeared before us at one time. Harry M. Daugherty's attorneys asked that he be subpœnaed as a witness, as I have read, to tell about these things. Then when we got up to the facts he refused to testify and went into court and obtained a writ of habeas corpus to prevent us from compelling him to testify.

Mr. FESS. If the Senator will yield further so that he may understand the purpose of my question, I will say that I voted with the Senator in regard to bringing Mr. Daugherty here, as the Senator knows. I was making an investigation after that as to why he did not come and as to the stopping of Mr. Phelon.

Mr. BROOKHART. I will have to say to the Senator that his private investigation has not yet been disclosed to the committee. If the Senator has any evidence that will explain it, we will be glad to hear him.

Mr. FESS. I was told that he was ordered out of the bank because he was divulging the facts which he was finding, and they were being printed in the New York papers, where Mr. M. L. Daugherty himself read them, and he decided that that kind of conduct was not legitimate and might cause a run on the bank. As the protector of the depositors, he refused to let him continue. I think if that is the case there is some ground for his action.

Mr. BROOKHART. I was out there, and the only thing that had a tendency to cause a run on the bank was the refusal of Daugherty to let us see the accounts. Disclosure of them had no such tendency. It was the refusal that made trouble with the bank.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. BROOKHART. I yield.

Mr. NORRIS. He went into court, did he not?

Mr. BROOKHART. He did.

Mr. NORRIS. Did he allege that as one of the reasons, or what did he allege as the reason?

Mr. BROOKHART. He made no such claim in his court proceeding, as the Senator from Ohio knows. He claims that we are an illegal institution; that the Senate of the United States has no right to appoint a committee of investigation, with power to summon private parties.

Mr. NORRIS. He did not claim in the court proceedings that Mr. Daugherty had read in the New York papers the disclosures made by this examiner, did he?

Mr. BROOKHART. Not that I know of. No such claim has ever been made to the committee by anybody—by Mr. Daugherty or in behalf of him.

Mr. FESS. If the Senator will permit me, I think if I were the president of a bank with that sort of business going on, I would do exactly as Mr. Daugherty did, and I think every Senator would do the same thing.

Mr. BROOKHART. But there is absolutely no proof that it was going on in that way, and it was certainly contrary to the committee's instructions if it was going on.

Mr. FESS. I think so. That is the reason why I am trying to find out what the committee knew about it.

Mr. BROOKHART. If he had made complaint to the committee, it certainly would have been corrected immediately. I was out there and investigated the conduct of Mr. Phelon. I thought he was very courteous and very efficient and very decent in every respect. He seemed to be the highest type of man.

Mr. President, the Senator from Ohio [Mr. FESS]—and I regret that he has left the Chamber—suggested some hearsay statement about the reason Mr. Daugherty refused to let our examiner see the accounts of his bank. I have here and shall read the sworn testimony of the reasons, or want of reasons, which Mr. Daugherty himself gave at the time:

Senator WHEELER. What did he say to you when he stopped you from proceeding with the examination?

Mr. PHELON. I came into the bank, and I said, "Good morning, Mr. Daugherty," and some other commonplace things were said. I asked Mr. Daugherty in what manner he proved his individual deposit ledgers, and he told me he struck proof the morning after the close of business the day before. In other words, he did not prove his individual deposit accounts the night of the day in which the entries were made, but did it the following morning.

Then he said, "Mr. Phelon, sit down for a moment, I want to talk to you." So I sat down. Mr. Daugherty then said, "Mr. Phelon, I have talked to my attorneys, and we have decided to let the matter stand as it is." I then asked Mr. Daugherty what he meant; whether he intended that I should not proceed with the examination. He says, "That is it, exactly." Those words are possibly not in the exact language that he used, but that is the sense of it.

Senator WHEELER. That is the substance of his language?

Mr. PHELON. Yes; that is the substance of it. I then said, "I am very sorry you have taken this attitude," and immediately left the bank.

Senator WHEELER. Did he say why he did not want you to examine the records?

Mr. PHELON. He gave no reasons whatsoever.

Senator WHEELER. He did not complain, did he, in any way, because of the fact of your examination not being conducted all right?

Mr. PHELON. No, sir; he gave no reason whatsoever.

Senator WHEELER. Well, Mr. Phelon, did he state anything to you with reference to being called, or that he was going to be called as a witness?

Mr. PHELON. Yes. Mr. Daugherty on Wednesday afternoon said to me, when I asked him certain questions in connection with the work, "Now, Mr. Phelon, I do not know whether I should answer these questions or not."

Senator WHEELER. Mr. Daugherty stated that to you?

Mr. PHELON. Yes, sir. He says, "There may be some questions I do not want to answer." I said, "All right, Mr. Daugherty, you are privileged to answer what you please." He said, "Of course, you know my idea is that I will probably be called before the Senate committee." I said, "I do not know as you will ever appear before the Senate committee." He said, "Well, I shall, because I have requested them to subpœna me." I said, "Oh, is that so?"

Senator WHEELER. And when we did subpœna him he refused to come.

Mr. PHELON. Yes, sir.

* * * * * * *

Senator WHEELER. Now, did you ask for and endeavor to get the number of safe-deposit boxes there in the bank?

Mr. PHELON. I asked for nothing. I had worked only on this certificate of deposit account, which I had asked him for, was all. Beyond the certificate of deposit account I asked for nothing. But I had talked with Mr. Daugherty about his various accounts in the bank, merely talked to him.

Senator WHEELER. What, if anything, did he say in reference to those?

Mr. PHELON. I asked him, for instance, for a statement and he told me he would get that later. I asked him for his last national bank examiner's report, so that I might look it over to get a line on the bank, and Mr. Daugherty brought out his last comptroller's call, which is not the same thing at all. I asked Mr. Daugherty various questions about the bank, and especially in connection with his accounts, but I did not get very much information from him.

Senator WHEELER. Was there anything else that you noticed unusual about the bank or the conditions in the bank?

Mr. PHELON. No. The most striking thing to me was the very large certificates of deposit, as I mentioned. I have here four certificates of deposit which aggregate over $100,000.

Senator WHEELER. And your recollection is that about $74,000 of that was in the name of Harry M. Daugherty?

Mr. PHELON. As I recall.

Senator WHEELER. I think that is all I wish to ask.

We proved further in the testimony that this J. E. or J. A. Gray was a person altogether unknown in that community.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. BROOKHART. I do.

Mr. NORRIS. May I ask where this man Gray, or his name, appeared?

Mr. BROOKHART. His name appeared as that of a person who had indorsed over to Mr. Daugherty certain of these certificates, and we were desirous of locating him, if possible.

Mr. NORRIS. Did you ever locate him?

Mr. BROOKHART. We were not able to locate him, and so far as the old residents of the community were concerned he was a person entirely unknown. We never did get any trace whatsoever of him.

Now, Mr. President, I want to touch a little more——

Mr. NORRIS. Before the Senator leaves that man Gray, or the name Gray, of course the committee were unable to ascertain from Mr. Daugherty who he was.

Mr. BROOKHART. Yes; he refused to tell us.

Mr. NORRIS. But did they make any other investigation?

Mr. BROOKHART. Yes; we examined several witnesses about him.

Mr. NORRIS. And were unable to find out anything about him?

Mr. BROOKHART. We were unable to find any trace of any such man.

Mr. NORRIS. Did any evidence disclose the name of a colored chauffeur that Mr. Daugherty had whose name was Gray? Was there any evidence of that kind?

Mr. BROOKHART. I do not recall it. There was something about those colored chauffeurs. I do not recollect the names.

Mr. NORRIS. I have been told that he had a chauffeur by the name of Gray. I do not know anything directly about it.

Mr. BROOKHART. We can probably ascertain from that suggestion whether or not it is correct. We certainly will try to do so.

This testimony discloses this situation:

Mr. Daugherty, on his sworn statement in 1920, outside of his homestead, was in debt $5,000 more than he was worth. He had a homestead that had cost him about $13,000. That is his sworn statement of his property. The suggestion is made that he might have had property that was tax exempt in Ohio and, therefore, that it would not appear in his returns. If he had such property, he could have appeared before the committee and disclosed it, and it could have been traced and confirmed. He chose not to do that. On this record, in less than three years, we find that his $27,000 of debts had disappeared and that he had some $75,000 of deposits in that bank and had increased his Wright-Martin aircraft stock from 500 to 2,500 shares.

The Wright-Martin Co. was one of those that were under investigation for fraudulent transactions with the Government; and all those matters stand uncontradicted and unexplained in the record, and that after Mr. Daugherty had so willingly expressed his desire to disclose his private affairs to the committee and to let us know that there had been nothing wrong in his private business.

Under that situation it occurs to the committee that instead of assailing the committee constantly, instead of making war upon the investigators, a little bit of honest disclosure of the truth, if there be any truth, would have helped this matter far more; but Mr. Daugherty avoided all of that. He brought these suits, and then, when the court ruled that the Senate has no authority whatever to appoint a committee and summon a witness before it or to compel the attendance of witnesses for these purposes—because this resolution did not state anything about legislative purposes—he says for that reason he will not appear before the committee.

As I said, I am not going into the general mass of testimony that was taken in reference to the conduct of the Department of Justice. These things that show so much inefficiency and delay without cause may be explained by other officers of the Department of Justice, and they shall have their opportunity; but I want to refer to one case in particular, which shows the opportunity for the Jess Smiths and the Howard Manningtons to collect this graft. I refer to what was called the Old Hickory case.

Mr. Storck, an expert accountant, was a witness in that case.

Senator WHEELER. Now, prior to your going into the Department of Justice, what was your business?

Mr. STORCK. Certified public accountant in New York.

I will say that Mr. Storck is now employed in the Department of Justice and is trusted by the new Attorney General, and is without doubt a competent and efficient man.

Senator WHEELER. And for how long a time had you been a certified public accountant in the city of New York?

Mr. STORCK. Since 1897.

Senator WHEELER. Are you a member of any association?

Mr. STORCK. I was formerly a member of the American Association of Certified Public Accountants.

Senator WHEELER. And you have worked for various branches of the Government here, have you?

Mr. STORCK. I have; yes, sir.

Senator WHEELER. What branches of the Government?

Mr. STORCK. I worked for War, State, Justice, congressional committees, etc.

Senator WHEELER. How long have you been employed by the Government?

Mr. STORCK. Since 1909 or 1910.

Senator WHEELER. When did you first go into the Department of Justice?

Mr. STORCK. I think it was on September 29, 1909.

Mr. Storck says:

I was assigned to make a preliminary survey of this matter—

I refer now to what is commonly known as the Old Hickory case against the Du Ponts—

about the 21st of August, 1923, by Mr. John H. Crim, then Assistant Attorney General. When I arrived at Nashville I found that the special agent in charge of the bureau of investigation had in his employ four men in a period of a year and a half getting up data for an investigation.

Senator JONES. What are you reading from?

Mr. STORCK. I am reading from my notes.

Senator JONES. From notes made as you were making the survey?

Mr. STORCK. Yes, sir. I always made notes of my investigations, sir.

Senator WHEELER. When was the subpœna issued for you?

Mr. STORCK. Yesterday.

Senator WHEELER. Had you had any previous knowledge that you were to be subpœnaed?

Mr. STORCK. No, sir. After a period of 10 days I prepared a preliminary report addressed to Mr. Crim, under confidential cover, as to my ideas as to how an investigation should be started from the leads then in my possession, and I stated to him that for the proper conduct of the investigation it would be necessary to have at least 40 men.

Senator WHEELER. Read a little slower, so we can understand it.

Mr. STORCK. That is, agents and accountants. I received a reply from Mr. Crim, in which he stated, in substance, that he was taking the matter up with the Attorney General with a view to having this investigation started at once. Not hearing from the department for a period of 10 days, I again took the matter up with Mr. Crim. This was about September 15, 1923. I received a telegram from him to report to Washington at once. When I arrived at Washington I conferred with Mr. Crim. He stated that he had had the matter up several times with the Attorney General and that he, the Attorney General, was about to appoint special counsel to handle this case; that he was doing everything in his power to further the investigation, and for me to return to Nashville at once and await instructions.

I want to say in reference to John W. H. Crim that, so far as the testimony shows, he was at all times energetic and persistent in the cases that were assigned to him; but it occurred many times that when something efficient seemed to be started the case was transferred to other parties, and new and original investigations were started.

Senator WHEELER. How long had this case been pending?

Mr. STORCK. Prior to that?

Senator WHEELER. Yes.

Mr. STORCK. Since 1919. A short while afterwards I prepared a memorandum consisting of some twenty-odd pages advising Mr. Crim of the leads and the methods under which I thought the investigation should start, and sent the original to him under confidential cover. Mr. Crim acknowledged receipt and again stated that he was doing all that he possibly could.

Senator WHEELER. When was that?

Mr. STORCK. This was around September 15 to 25, 1923.

Mr. Crim acknowledged receipt and again stated that he was doing all he could to further the investigation and gave me names of a Mr. Beasley and Mr. Robert Williams, of Chattanooga, whom, he stated, had been engaged by the department to look after the Government's interest in this case, and advised me to see both of these gentlemen and confer with them.

Senator WHEELER. Were these men lawyers or special agents?

Mr. STORCK. These were lawyers. I took the matter up with Mr. Beasley, who was in Nashville, and he stated to me that he had not been employed by the department, although he had expected to be, and as soon as his appointment was confirmed he would confer with me. I communicated this to Mr. Crim, and I received a reply from him advising me again that he had had several conferences with the Attorney General.

Senator WHEELER. Several conferences?

Mr. STORCK. Yes, sir; and that a Mr. James Towler——

Senator WHEELER (interposing). Who was Mr. James Towler?

Mr. STORCK. He has been in the department a number of years. He comes from Tennessee. In connection with this matter and toward the appointment of competent counsel he assured me he had done everything he possibly could to further this investigation, and that he was resigning his position, which was to take effect on or about December 1.

Senator WHEELER. Did he state why he was resigning?

Mr. STORCK. No, sir; he has not stated that to me.

Senator WHEELER. How?

Mr. STORCK. He has not stated that to me. In this letter to me, though, he stated, in substance, "From the data that I have before me on Old Hickory the same indicates that if an investigation is made the Government can recover millions." During the time that I was at Nashville it became necessary, in order to conduct my investigation, for me to secure a list of the subsidiary corporations controlled by the Du Ponts, as I had information that 90 per cent or more of the purchases for the Old Hickory Powder Co. were made from the subsidiary companies of the Du Ponts. I wired Mr. Burns's department to get me this information. On one of my visits to the department I was informed by Mr. Cunningham, who was in charge of accountants, that this information was being secured for me, and that five men were being employed at the office of the Standard Statistics Co., in New York, at a compensation of $8 a day, to secure the information, and that said information would be forwarded to me in the course of the next week or 10 days. I subsequently found out that this was not being done, and I have never received the information I called for.

Senator WHEELER. You never got the information that you called for?

Mr. STORCK. No, sir.

Senator WHEELER. You had not up to to-day?

Mr. STORCK. No, sir; I have never seen it. In the earliest part of January, 1924, between the 6th and 10th, I took this matter up again with Mr. Crim.

Senator WHEELER. Was he still then in the department?

Mr. STORCK. He had resigned and had been engaged to take up another case—that of the Veterans' Bureau matter. The United States attorney, Mr. McLean, of Nashville, was present, and Mr. Towler, a special agent. This was here in Washington. Mr. Crim stated that he was no longer Assistant Attorney General, and he had nothing to do with the matter. Mr. McLean, the United States attorney, advised me that there was to be a conference that day in the office of General Williams. That is the Chief of Ordnance. At this conference there were to be present Colonel Anderson—Colonel Anderson is a special assistant to the Attorney General in the war transactions section, and who then had charge of the case—Mr. Cameron, director of accounting; Mr. McLean, Mr. Towler, and Mr. William S. Gregg.

Senator WHEELER. That is McLean, the United States attorney?

Mr. STORCK. The United States attorney, yes; and Mr. William S. Gregg, attorney for the Du Pont Co.

Senator WHEELER. Gregg was counsel for the Du Ponts?

Mr. STORCK. For the Du Pont Co. I was asked whether or not I would attend such a conference. I had not been invited to the conference, and there was some discussion the night previous to the effect that the war transactions section would not pay my expenses for railroad travel from New York to Washington, amounting to $8.14.

Senator WHEELER. Why would they not pay it?

Mr. STORCK. They claimed they had no money. But Mr. Burns's division stated it was necessary that I be present and advised that the expenses would be borne by the "detection and prosecution of crime." That is an appropriation. I went to the conference and was surprised to learn that Colonel Anderson, Major Cornduff, special assistant to the Attorney General——

Senator WHEELER. What was the other one's name?

Mr. STORCK. Cornduff—and Mr. Cameron had prepared a questionnaire advising the Du Pont people what they were alleged to be charged with, and I found that my original confidential memorandum addressed to Mr. Crim suggesting the lines of investigation that should be made had been shown to Mr. Gregg.

Senator WHEELER. The confidential files of the Department of Justice, then, had been turned over to the Du Pont Powder Co.?

Mr. STORCK. Not the confidential files, no; the confidential memorandum that I had written to Mr. Crim.

Senator WHEELER. The confidential memorandum that you, as an agent of the Department of Justice, had furnished Mr. Crim had been turned over to the Du Pont people?

Mr. STORCK. Yes, sir.

Senator WHEELER. I wonder if the Department of Justice would be kind enough to furnish us with a copy of that confidential memorandum, or would it be too confidential for the committee to have?

Mr. HOWLAND. We will take it up with the new Attorney General.

Mr. STORCK. Do you wish the date? September 12, 1923.

Senator WHEELER. How did they get hold of this document, if you know?

Mr. STORCK. I do not know.

Senator WHEELER. All you know is that they had it in their possession when you went in there?

Mr. STORCK. Yes, sir.

Senator WHEELER. And these were leads that you had given in a memorandum to Mr. Crim for the purpose of showing how the information could be obtained upon which the Government could and should base its case?

Mr. STORCK. That is correct.

Senator WHEELER. Did they have the original or did they have a copy?

Mr. STORCK. My original memorandum, with my signature on it.

Senator WHEELER. They had your original memorandum with your signature on it?

Mr. STORCK. Yes, sir.

Senator MOSES. You mean that they had it in their possession when you went to this conference?

Mr. STORCK. Yes, sir.

Senator MOSES. You saw it in their possession?

Mr. STORCK. Yes, sir.

Senator WHEELER. And by permitting them, of course, to have that original memorandum they would be able to cover up or destroy the various leads which you had furnished the Department of Justice?

Mr. STORCK. Yes; they were apprised of what I was trying to get at.

Mr. President, the district attorney, Mr. McLean, who is still the district attorney at Nashville, Tenn., corroborated every word of that. I think there is no doubt of the truth of it.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Tennessee?

Mr. BROOKHART. I yield.

Mr. McKELLAR. It was also corroborated by Mr. J. M. Towler.

Mr. BROOKHART. That is right.

Mr. McKELLAR. Substantially, there were three witnesses to it. I do not know Mr. Storck so well, but the other two gentlemen are from Tennessee. One is a Republican and the other is a Democrat, and they are both as fine men as we have. They are excellent officials, and, in my judgment, were plainly seeking in every way to do their sworn duty, but were being handicapped, not by Mr. Crim, their immediate superior here, because as long as he was there they had every facility for proceeding with their work, but Mr. Crim himself was handicapped by the department, and these officers were prevented from doing their duty in that matter.

Mr. BROOKHART. I think there is no doubt of that situation.

Mr. NORRIS. Mr. President, I would like to inquire of the Senator how they happened to get these respectable witnesses?

Mr. McKELLAR. Two of them came from Tennessee. That is one explanation of it.

Mr. NORRIS. I doubt whether that would add anything to their respectability, but it might. [Laughter.]

Mr. CARAWAY. I would like to ask the Senator why he wants to discredit these two witnesses?

Mr. McKELLAR. They can not be discredited. Their characters are so good that I am quite sure that neither one of them can be discredited. They can be believed anywhere.

Mr. BROOKHART. I am sure their appearance bears that out. Mr. McLean appeared to be a very able, very efficient, and very earnest official. I have seen no higher type of man anywhere than Mr. McLean. Mr. Storck, the other witness, appeared to me to be the same type of man.

Mr. NORRIS. What happened down there finally in that du Pont investigation?

Mr. BROOKHART. Nothing has happened as yet. The present Attorney General has the matter in charge now, and probably there will be some action.

Mr. McKELLAR. If the Senator will yield to me again, I presented some of these facts to the present Attorney General, Mr. Stone, and received a letter from him this morning in which he said that he was having the matter thoroughly examined into, and, while he did not say so in words, I judge it is his purpose to proceed in order that the Government's interests may be protected.

From the testimony that was given, a part of which I have read, I am quite sure that the Du Pont Co. owes the Government a very large sum, and if the department will follow the advice and suggestions of these three gentlemen—Mr. Storck, Mr. McLean, the district attorney, and Mr. Towler, who is an employee of the Department of Justice—I am quite sure a very large sum will be recovered, and I am sure it ought to be recovered.

Mr. BROOKHART. I think that is perhaps the true situation at the present time.

In reference to this case, I will say that the evidence shows frauds, and great frauds, in that transaction down there, beyond controversy. These subsidiary companies would sell their stuff to this Du Pont contracting company for the Government there at prices which were clear out of all reason. They would charge freight that was clearly in excess of the actual freight. They did everything to swell the cost of that plant at that point, and, of course, to reap and take millions in profits and graft they were not entitled to take.

I only give that as an illustration. There are many other things that have been developed in this testimony, I will say to the Senator from Ohio, by witnesses as good and as credible as those from Tennessee. Those witnesses the Senator from Ohio wants to discredit have been corroborated in such a way, by evidence that can not be discredited, by evidence that can not be contradicted, that this whole case rests upon substance, and not upon surmise.

Mr. McKELLAR. Mr. President, the Senator has been very kind, and I dislike to interrupt him so often, but the point has been made as to the character of these witnesses. Has the Attorney General ever presented any witnesses of as good or better character than these to testify in his behalf before the Senator's committee?

Mr. BROOKHART. We have examined Mr. Crim and others he suggested, and they have been good witnesses, but not any better than these other witnesses, in any particular.

Mr. FESS. Mr. President, will the Senator yield?

Mr. BROOKHART. I yield.

Mr. FESS. Has the Attorney General ever had an opportunity of presenting any witnesses up to June 6, the day when he was asked to come before the committee?

Mr. BROOKHART. Mr. Crim was one of the witnesses he suggested, and we brought him in. The understanding was that when we got our side in he was to present his side. That was the arrangement of procedure.

Mr. FESS. As I recall Mr. Crim's testimony, he stated under oath that he did not believe Mr. Daugherty was guilty of the charges?

Mr. BROOKHART. Yes; but he also stated that he knew nothing about the Jess Smith graft, which I think is true.

Mr. FESS. I think I ought to say this much; the Senator knows how I feel about it. I have no apology to make of any sort. I hold no brief for Harry Daugherty or for his office. I have voted with the Senator on all matters to bring all facts before the Senate. I have very bitterly condemned some of the testimony that was brought in. I think it would not have been admitted in any court in America, and while the Senator says that that testimony was corroborated, I think there is too much weight given to that as evidence rather than as testimony. It is mere testimony, no evidence at all, as I see it, and it would be discredited in any court I know of.

I would also like to say to the Senator that, so far as getting a decision from the Supreme Court on the power of the Senate is concerned, I would like to see that done, and I hope the case will go to the Supreme Court, so that we may know precisely what the power of the Senate is.

Mr. BROOKHART. Mr. President, I would like to ask the Senator if he defends the relations Daugherty maintained with Jess Smith and Howard Mannington?

Mr. FESS. I do not. I should not say as to Howard Mannington, because I do not know about that. But as to Smith, no.

Mr. BROOKHART. We have proof of some thirty or forty thousand dollars of checks paid to Howard Mannington for political influence, with his indorsement on them in evidence. There is no doubt about that.

Mr. FESS. I would certainly condemn it, just as the Senator would condemn it.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BROOKHART. I yield.

Mr. McKELLAR. The question was asked as to whether the former Attorney General had had the right up to June 6 to submit testimony? I may be mistaken about it, and I am asking the Senator for information, and to correct me if I am mistaken, but as I understand it, from the beginning of this investigation Mr. Daugherty has had counsel present, with the right to cross-examine all witnesses. Is that correct?

Mr. BROOKHART. That is true, and I remember a Mr. Hayes we summoned at his suggestion directly in connection with the Roxy Stinson testimony, early in the case.

Mr. McKELLAR. As I understand it, then, the Attorney General from the very beginning of the investigation has had his counsel there, cross-examining all witnesses who appeared against him, and was himself invited by the committee, after the committee had finished its testimony, to come; it was perfectly willing to hear him and perfectly willing to hear his good witnesses, if he had them, or any witnesses he had. After his counsel had represented him during the entire proceeding, with the right to cross-examine and in most instances cross-examining the witnesses, then he refused to come, and they refused to take further steps in the matter?

Mr. BROOKHART. That is correct. As soon as we invited Mr. Daugherty to appear before the committee and testify his counsel took their marbles and went home.

Mr. President, much was said in the newspapers against the committee. It was Daugherty's policy to attack the committee from the start. This whole scheme of Daugherty's seems to be government by criminal blackmail. That seems to be his idea of government. He consulted with Burns and with Coan and with Lockwood, and sent out and trumped up the testimony that indicted Senator WHEELER in Montana. There is little doubt of that. His idea was not to defend himself but to get something on the committee. He had detectives in my State investigating me. He was investigating everybody connected with this transaction.

A man named Fink, who first disclosed to us the testimony of Roxy Stinson, an old acquaintance of hers, went to his attorney, Mr. Stern, in Buffalo, and told him what he knew about that. Mr. Stern immediately consulted with Colonel Donovan, the United States district attorney at Buffalo, and I want to say that Colonel Donovan, although his superior was in question, was equal to the occasion. He is evidently a big, strong, honest man.

Mr. President, Colonel Donovan sent these people to the Senator from New York [Mr. WADSWORTH]. He heard their story of the transaction and very properly turned it over to me as chairman of the committee. Then we sized the thing up. We were suspicious of the man Fink from the very start. We believed from the very start that he had been connected with the Daugherty organization. That is the reason why Senator WHEELER himself went and served the subpœna. We did not want any improper work in connection with the matter. Then Roxy Stinson came and testified, and a little bit later the man Fink was put under arrest up in New York in some kind of a swindle with which he had been connected. Who got him out of jail? The only information we have is that Daugherty's attorney did that thing. Then he appeared again before the committee with an old subpœna that we had had issued in the first instance and from which he had been released. He said, "I am a witness before this committee and I want to announce a conspiracy on the part of WHEELER and BROOKHART and the committee to blacken President Coolidge and get Roxy Stinson drunk" and a lot of stuff of that kind, all framed up by the same Daugherty. I say that this man has had that view from the start—"Get something on these people who are trying to find out the truth, and stop this investigation."

I have never seen a case like it in all the world. There was no occasion for anything of the sort. Suppose the committee was hostile, if he was right he could win. Suppose the committee did believe adversely, if he had been a square and true officer in that office, it would be no trouble to clear it up. But instead of that he wants to cover up these things. He wants to cover up his association with Jess Smith, which the Senator from Ohio [Mr. FESS] himself admits that he condemned. He waited until the testimony was in, which shows a condemning set of circumstances, a situation that can not be explained upon any other theory except that graft and corruption was going on in that office. Then when the committee invites him to come

in he refuses to come. This is the brave fighting Daugherty. He is a man who fights in the dark and stabs you in the back. He is not the man who appears to your face and fights like a man.

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Arkansas?

Mr. BROOKHART. I yield.

Mr. CARAWAY. He followed the example set by Mr. Fall, did he not, who claimed constitutional exemption against testifying? He just refused to come. Both of them followed that same line and refused to explain what they did.

Mr. BROOKHART. It was very much the same. Their situation was exactly the same. Here is Daugherty with funds in his hands, a large amount of funds which are not accounted for and can not be accounted for out of his own property and his own earnings. How did he get them? Where did they come from? Mr. Fall was in exactly the same situation. The testimony has developed exactly the same situation. Perhaps he was afraid to attempt a false explanation, as Fall did, and which brought him to his ruin.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Tennessee?

Mr. BROOKHART. I yield.

Mr. McKELLAR. After taking part in the hearings and appearing there daily by counsel, and having his own counsel examine the witnesses, when the time came for him to present his own side of the case, if he had any, and he declined to do it, why is not that really a confession of guilt?

Mr. BROOKHART. It is justly so to any reasonable mind. It is a confession that he has no explanation.

Mr. President, in conclusion I desire to submit a resolution and to ask immediate consideration of it. It provides for an appeal of the case that was decided against us out in Ohio.

The PRESIDING OFFICER. The Senator from Iowa submits a resolution and asks for its immediate consideration. The resolution will be read for the information of the Senate.

The reading clerk read the resolution (S. Res. 247), as follows:

Whereas in a proceeding in the United States District Court for the Southern District of Ohio, Western Division, entitled "In the matter of the application of Mally S. Daugherty for writ of habeas corpus," an opinion has been handed down and judgment entered by the judge hearing said cause which seriously affects the constitutional rights and power of the Senate of the United States and of the Congress; and

Whereas it is believed that said opinion and judgment are erroneous; and

Whereas it is highly desirable to have the law in the matter settled by the Supreme Court: Therefore be it

*Resolved*, That the Attorney General, on behalf of the Senate and the respondent in said cause, be requested to have the proper officials of his department, including counsel heretofore designated in the cause, take the necessary steps for a prompt review and determination thereof by the Supreme Court.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. FESS. Mr. President, reserving the right to object, I simply want to say that I hope the resolution will be passed, because I think it raises a very important question with reference to the Senate. I have read Judge Cochran's decision over very carefully. It is rather a strong presentation, and I think the Senate ought to give authority that we can have the matter finally settled, once for all. I hope the resolution will be agreed to.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. NORRIS. Mr. President, I do not want the resolution to pass out of the Senate with the comment of the Senator from Ohio remaining unanswered. I do not want the court, if it does consider the view of the Senate on the matter, to be able to find when it came up here only a comment by a Senator here who said that this was a very strong opinion and intimating very strongly that the judge was right and that we had no jurisdiction.

Mr. ASHURST. Mr. President, will the Senator yield to me at that point?

Mr. NORRIS. I yield.

Mr. ASHURST. With all respect for the classical learning of the junior Senator from Ohio [Mr. FESS], of course, we know he is not a lawyer. He has demonstrated that this morning. He said, amongst other things, that this is a very strong opinion.

Mr. FESS. Mr. President, will the Senator from Arizona yield to me?

Mr. ASHURST. I have not the floor.

The PRESIDING OFFICER. The Senator from Nebraska has the floor. Does he yield to the Senator from Ohio?

Mr. NORRIS. I will ask both Senators to permit me to proceed.

The PRESIDING OFFICER. The Senator from Nebraska declines to yield.

Mr. NORRIS. Mr. President, I want to be perfectly frank. I have not read the opinion, but if it is going to be determined judicially that the legislative branch or one of the parts of the legislative branch of this Government can not investigate, can not inquire as to fraud, can not investigate executive officials, their employees, their subordinates, even the principals themselves—if we do not have the power to investigate, if we are compelled without investigation to enact laws in ignorance of what may be done by the executive departments, then the end of this kind of government in which we are now living is near at hand. If there is anything that is fundamental it is that the legislative branch of the Government has the right to know what the executive branch of the Government does in an official way. If it is impossible, if it shall be held impossible by our courts and that we have no right to investigate, we had better abolish Congress and let the Executive be supreme and have a monarchy at once.

Mr. President, it seems so plain that if that branch of the Government upon whose shoulders rests its perpetuity, which must enact the laws, which must make appropriations to carry on, is to be prevented from knowing what Executives are doing whose duty it is to carry out the laws, to expend the money, to prosecute criminals and offenders—if we have no right to know what is being done by the Attorney General of the United States, the head of the Department of Justice, surrounded by an army of detectives, with hundreds of millions of dollars of public funds in his control—if his official conduct can not be looked into by the legislative department, then this Government fails.

Why, think of it, Mr. President. Think of the Attorney General having the right to expend hundreds of millions of dollars of money for the purpose of punishing wrongdoers and violators of the law, or for the purpose of recovering hundreds of millions of dollars that investigation may show is due to the Government, if his conduct can not be looked into and he still has the right to use that money, even to frame up criminal action against Members of the Senate or of the House, to trail men, to trail their families, to break the locks of their offices and go in to find something "on," as they use the expression, Members of the Senate or of the House. Is it possible that the legislative branch of the Government has no right to look into it and that we may be restrained by an injunction of a court or some other proceeding?

I repeat, Mr. President, that it is an outrageous proposition. No government founded as ours is can live if that fundamental principle is violated. We would be helpless.

There would not be a Member of the legislative body in either branch but what would have all kinds of things framed up on him. There would not be a criminal in all the land who, if he had the money to make his peace, could not escape punishment. What would be the use of our enacting laws to punish criminals if perchance a dishonest Attorney General at the head of our Department of Justice should turn them all out, refuse to permit anybody to look into the matter, refuse to permit the legislative branch through its committees to find out how or if the money of the taxpayers of the country was being squandered in illegal methods, in disgraceful methods, in unlawful methods?

Mr. President, I do not believe that it can be possible that any court upon a fair trial is going to say that the House of Representatives or the Senate has no right and no jurisdiction to investigate any department of the Federal Government it may see fit to investigate.

Mr. BORAH. Mr. President, before the Senator from Nebraska takes his seat will he answer a question?

Mr. NORRIS. Certainly.

Mr. BORAH. I do not understand that the court did hold that at all.

Mr. NORRIS. I have not read the opinion, but that is what it is claimed to have held.

Mr. McKELLAR. What did it hold?

Mr. BORAH. I have not seen the opinion.

Mr. ROBINSON. I think I can answer the Senator's question.

Mr. BORAH. The court specifically stated that the question of the right of Congress to acquire information through investigation for legislation was not involved.

Mr. ASHURST obtained the floor.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Arkansas?

Mr. ASHURST. I yield with pleasure.

Mr. ROBINSON. Mr. President, I have not examined an authentic copy of the court's opinion, but I have read newspaper reports of the decision by Judge Cochran, and assuming them to be fairly accurate, an analysis of his opinion shows that the decision is based largely upon an attempted distinction between an investigation of the Attorney General's office and transactions relating to his office and, on the other hand, an investigation of the Attorney General as an individual.

The judge used this language:

> The power of the Senate to investigate the Attorney General's office or any department of the Government to the fullest extent is not involved in this case. * * * What the Senate is engaged in doing is not investigating the Attorney General's office, but investigating the former Attorney General. In so doing it is exercising a judicial function not authorized by the Constitution.

Mr. CARAWAY. If the Senator will permit me, I desire to ask how did the court ever arrive at that conclusion?

Mr. ROBINSON. I am going to discuss that matter for a moment, with the indulgence of the Senator from Arizona.

Mr. ASHURST. Mr. President, I yield for that purpose.

Mr. ROBINSON. This ruling, which is a different way of stating the proposition announced by the Senator from Idaho, as his interpretation of the judge's decision is based on an erroneous statement of facts.

Mr. BORAH. That is the conclusion to which I came when I read the opinion; that it was not so much an erroneous conclusion of law or statement of law as it was a statement of a principle of law based upon an erroneous conclusion of facts.

Mr. ROBINSON. That is undoubtedly true, and I believe I can convince the Senate of that in a five-minute statement.

Mr. ASHURST. I yield, if I may, Mr. President, if I shall not thereby lose the floor.

The PRESIDING OFFICER. The Senator may yield unless some other Senator makes the point of order. The Chair, however, will not make the point of order.

Mr. ASHURST. I thank the Chair.

Mr. ROBINSON. I thank both the Chair and the Senator from Arizona [Mr. ASHURST].

Taking the judge's statement of the case and comparing it fairly with the record, the decision can not stand the test, and does not merit the approval which the junior Senator from Ohio [Mr. FESS] has accorded it. The assumption that the investigation is personal to the Attorney General and does not extend to the Department of Justice or to the office of the Attorney General is unauthorized and is contradicted by the face of the resolution under which the committee was proceeding. To support this statement I cite the language of the resolution, as follows:

> To investigate the circumstances and facts and report the same to the Senate concerning the alleged failure of Harry M. Daugherty, Attorney General of the United States, to properly prosecute violators of the Sherman Antitrust Act and the Clayton Act against monopolies and unlawful restraint of trade; the alleged neglect and failure of the said Harry M. Daugherty, Attorney General of the United States, to arrest and prosecute Albert B. Fall, Harry F. Sinclair—

And so forth.

Every purpose of the investigation was directed to the integrity of the proceedings of the Attorney General as such. It was in every sense of the word an investigation of his office, an investigation of his official acts. There is not a word in the language of the resolution that justifies the judge or any Senator or anyone else in assuming that the Senate had entered upon an investigation of an individual, and, therefore, was performing a function judicial in nature and in no wise related to its legislative functions.

Under the language of the resolution the power of the committee was very broad, and it was made very broad purposely by the Senate; but it was in no sense directed to the personal affairs of the Attorney General. It comprehended his official transactions and the affairs of his office and department, and no basis for the distinction made by the judge appears on the face of the resolution.

The second resolution expressly avows that the proceeding against the alleged contemnor, Mr. Mal S. Daugherty, is in aid of the legislative purpose of the Senate; and the suggestion by the judge that the language in the second resolution, "to obtain information as the basis for such legislation and other action as the Senate may deem necessary and proper," shows that no legislative action was in view until after the authority of the Senate had been challenged is absurd upon its face. It was not necessary or in conformity to precedent that the Senate should express in the resolution the purpose of the investigation or the possible results to be derived from it. It was not necessary for the Senate to incorporate in its resolution the legislation which it was expected might be considered as the result of the investigation; and, as a matter of law, the language "and other action as the Senate may deem necessary and proper" can not be regarded as a declaration of purpose by the Senate to abuse its constitutional power.

The decision of Judge Cochran is based on the premise that the Senate was engaged in a meddlesome and spiteful procedure which had no relation to its official duties and responsibilities. It will be interesting, and it is important, to obtain a decision from the Supreme Court of the United States on the subject.

I desire to thank the Senator from Arizona for his indulgence.

Mr. ASHURST. Mr. President, I intended to advert to the opinion of Judge Cochran, but the discussion just concluded is so illuminating that it is unnecessary to consume time upon that subject other than to say that the opinion labors through 30 pages of typewritten matter and finally says that Congress may appropriate $4,000,000,000 annually but that it has not the power to inquire where one penny of the $4,000,000,000 goes or how one penny thereof is spent.

I would not have asked the Senate to hear me this afternoon except for the fact that from the day the committee began to hold its hearings upon the investigation of the régime of Harry M. Daugherty it has been subjected to a rapid-fire volley of abuse, slander, vilification, and attempted intimidation. Of that treatment we probably have no complaint. When the five Senators assumed the duty of serving on the committee to investigate the Attorney General's department under Mr. Daugherty's activities they knew they were "going into harm's way." Let us review the facts.

The Daugherty investigating committee, of which the Senator from Iowa [Mr. BROOKHART] is chairman, was elected by the Senate. Membership on that committee is no place for a dilletante; service on that committee requires its members to give and to receive hard blows. Your committee struck hard blows, but they were fair blows and they were aimed in defense of the temple of justice. Each individual member of the committee contributed his due part to this work. We have not always agreed amongst ourselves as to procedure; indeed, when one reflects upon the magnitude of the subject, its vast ramifications and its multitudinous details, it could not be expected that we could agree in all respects; but I say for the RECORD that each member of this committee has held steadfastly to the main purpose, namely, to discover the truth.

My classical friend, the Senator from Ohio [Mr. FESS], whose works I read with delight, to-day demonstrated in a few moments that he is not a lawyer. I admire his scholarship, but a man may be a scholar and yet never have read law; a man may be a lawyer and yet not be a scholar. By my classically learned friend from Ohio complained about the character of the testimony. I did not apprehend, until I heard his remark, that I would be obliged to read an excerpt from Greenleaf on Evidence. Senators will pardon me for this performance, but it does seem necessary, in view of the remark of Senator FESS, that I should now read from Greenleaf on Evidence, at page 122:

> 93. Circumstantial evidence——

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Arkansas?

Mr. ASHURST. I yield.

Mr. CARAWAY. Is not Greenleaf dead?

Mr. ASHURST. He is dead.

Mr. CARAWAY. Then, according to the Senator from Ohio, of course his testimony is incompetent. [Laughter.]

Mr. ASHURST. Greenleaf is gathered to his fathers, but the rules about which he wrote still guard and guide innocence and give it a safe delivery, and still confound the guilty.

> 93. Circumstantial evidence: The evidence in proof of a conspiracy will generally, from the nature of the case, be circumstantial.

Who is this now talking—some "demagogue" on the hustings seeking to make votes? No. A legal authority is speaking of the correct procedure in courts of justice.

Though the common design is the essence of the charge, it is not necessary to prove that the defendants came together and actually agreed in terms to have that design and to pursue it by common means. If it be proved that the defendants pursued by their acts the same object, often by the same means, one performing one part and another another part of the same, so as to complete it, with a view to the attainment of the same object, the jury will be justified in the conclusion that they were engaged in a conspiracy to effect that object. Nor is it necessary to prove that the conspiracy originated with the defendants, or that they even met during the process of its concoction, for every person entering into a conspiracy or common design already formed is deemed in law a party to all acts done by any of the other parties, before or afterwards, in furtherance of the common design.

PAR. 94. Acts and declarations of other conspirators: The principle on which the acts and declarations of other conspirators and acts done at different times are admitted in evidence against the persons prosecuted is that by the act of conspiring together the conspirators have jointly assumed to themselves, as a body, the attribute of individuality.

Your committee ascertained at once that there was competent evidence tending to show a conspiracy involving former Attorney General Daugherty.

If you ask me, Did the former Attorney General suddenly and in a mysterious manner acquire opulence during his term of office—and that is a circumstance for your consideration—I ask you to read pages 1423, 1424, 1425, 1426, 1427, and 1428 of part 6 of the hearings held by your committee.

If you ask me for an expression of opinion as to how some of the largest and most important of the Government's cases were conducted under Mr. Daugherty's term of office, I refer you to pages 1139 and 1140 et seq. of part 5 of the hearings, being the testimony of Mr. George Storck, and you will perceive how confidential evidence that had been gathered by the Government's faithful accountants was placed into the hands of the defendants.

The confidential evidence was in a case involving $139,000,000 against the Old Hickory Powder Co., a subsidiary corporation of the Du Pont Co., or which at least sold 90 per cent of its products to and bought 90 per cent of its materials from the Du Pont Co. The Du Pont attorneys were found to have in their possession the secret confidential statements and data of the Department of Justice that were submitted under cover and in confidence of the Department of Justice. How did the Du Pont attorneys come into possession of the Government's statements, data, and evidence in a case involving $139,000,000? That is a fair sample, that is a thumb-nail sketch of how some cases of great magnitude and importance were conducted under the régime of the late Attorney General, Mr. Daugherty.

My fellow Senators, if this testimony in the Daugherty investigation, consisting to date of 2,023 printed pages, appears too formidable, too voluminous for your perusal—remember that you must read all that testimony before you may vote to exculpate or inculpate a fellow citizen—no conscientious Senator can or will vote upon a report in this case unless and until he reads the evidence. Conjuring you, therefore, to read the testimony herein, I refrain now from an extended statement or copious comment thereon until a more appropriate occasion, when I shall then discuss in detail this evidence, shall canvass it, witness by witness, and make observations as to my views regarding its probative and evidentiary value.

If, unhappily, any Senator should be so remiss in his public duty as to fear that this evidence is too tedious to read; if, through lassitude or inertness, any Senator should fail to read the same, then, as an antidote to ennui, I commend this testimony for his perusal, because he will find within the four corners of these seven volumes of testimony a narrative as gripping and as startling as any that he will ever read. So when we are confronted with the statement that there is hearsay testimony in the record, our answer to you is, "Read the testimony!" Those who complain of hearsay have neither read law nor read the evidence.

This testimony is drawn from all parts of the United States. It is offered by persons in various walks of life. It gathers strength as it goes. It tells not only that certain men have betrayed the trust placed in them, but it also plainly tells you by whom, to whom, and for what purpose money was corruptly paid.

It tells of the illegal withdrawal and sales of liquor; it tells of a man who took charge of the Department of Justice with modest if not small resources and who suddenly acquired opulence, but who refuses now to explain to the committee in what manner his fortune was so enormously increased. This testimony tells also of honest and brave officials who spurned bribes and who courageously stood against intimidation; it tells of subordinates promoted for infidelity to the public service, and of other persons demoted for fidelity to their duties. It lays bare in the Department of Justice cupidity and revenge under the régime of Mr. Daugherty; it frequently exhibits the itching palm of an extended official hand; it runs the gamut of human emotions. It tells of a factotum in the Department of Justice soliciting bribes. It tells of the exhibition of moving-picture films illegally transported and then exhibited for the delectation of those officials whose duty it was to prosecute such transporting. Illegal plots, counterplots, espionage, decoys,, dictographs, thousand-dollar bills, and the exploring of Senators' offices come and go in the pages of this testimony; and these devices, these plots, counterplots, spies, thousand-dollar bills, and ubiquitous detectives were not employed by the former Attorney General to detect and prosecute crime, but were frequently employed to shield profiteers, bribe takers, and favorites. The spying upon Senators, the attempt to intimidate them, the attempt to destroy the character of the chairman of the committee, Senator BROOKHART, and the indictment of a member of the committee, Senator WHEELER, are disclosed by this record; and I say that Senator WHEELER pressed forward in the discharge of his duty with a courage and a capability unsurpassed in our annals. Attempts to stir up revolution and incite rebellion in the territory of a neighboring friendly country have a place in this picture.

This testimony relates the sordid story of how, when Harry M. Daugherty assumed the great office of Attorney General, an evil brood of harpies flocked about his department; and it was to such men as the Jess Smiths, the Howard Manningtons, the Jap Mumas, the Thomas Felders, the Gaston B. Means, the Urions, and their ilk that Mr. Daugherty's confidence was given.

This testimony discloses the sudden and unexplained opulence of Jess Smith, who was the roommate, the messmate, and the constant companion of former Attorney General Daugherty. Jess Smith came to Washington an obscure merchant of modest fortune. He was given a desk and a room in the Department of Justice. No one knew what official relation he had with the Department of Justice, but all knew him to be the "man of influence" who moved the pawns, who gave orders, and saw to it that the orders were obeyed.

Witness after witness, men of good character and men of bad character, have under oath related to your committee how they received orders at the Department of Justice from Jess Smith, and how they reported to Jess Smith upon matters of the gravest consequence and largest import. Mr. Daugherty now refuses to tell this committee why this obscure merchant from Washington Court House, Ohio, with no qualifications to fit him for a position in the Department of Justice, was given such a prominent place in its energies.

Regarding the lack of credibility on the part of some of the witnesses who have testified before your committee; and I am delighted to know that I now have the attention of my friend the junior Senator from Ohio [Mr. FESS], because I think he wants to be just. He said he has no brief for Mr. Daugherty, and I believe him. He has denounced the association of the former Attorney General with Jess Smith. It is but simple truth for me to say that many of the witnesses who came before your committee and related damaging circumstances against the integrity of the former Attorney General have not been impeached, and in my judgment will not and can not be impeached. Mr. Daugherty was subtle and ingenious in declining to submit to a cross-examination, but it was disingenous to pretend that it was because the committee had been ascertained to have no power. I repeat that many witnesses of truth and of good character, yea, of high character, the highest character, have testified; and truth also requires me to say, and I now say it here, that some of the witnesses testifying against Mr. Daugherty were of doubtful and some were of despicable character; but some of those he denounces as despicable characters were once Mr. Daugherty's closest friends.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Iowa?

Mr. ASHURST. I yield.

Mr. BROOKHART. I should like to ask the Senator if it does not appear from the evidence that in this association of Jess Smith and Harry M. Daugherty, Daugherty was distinctly the dominating force and character?

Mr. ASHURST. There is no doubt about it.

Mr. ROBINSON. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Arkansas?

Mr. ASHURST. I yield?

Mr. ROBINSON. What reason has been assigned for having Mr. Smith come to Washington and establish himself in the

Department of Justice? I understand that he was in the clothing business. He was not a lawyer, was he?

Mr. ASHURST. No; he was not.

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the junior Senator from Arkansas?

Mr. ASHURST. I do.

Mr. CARAWAY. I hope the Senator will remember that he was the man who went between all the folks who had the money and then gave it up. They had to have somebody do that, did they not?

Mr. ROBINSON. I know; but I am asking what reason has been assigned for his presence here and for his connection with the Department of Justice.

Mr. ASHURST. The query that the Senator has propounded is the clue that led to most of these disclosures. Why should an obscure merchant, who had no learning in the law, be stationed in the room and house and office of the Attorney General and with the stern ruthlessness of a Navajo chief, in a mysterious manner, direct the coming and going and the duties of many officials in the Department of Justice? That very curiosity on our part, that very intuition of the committee, is partly what led to these disclosures; but it has not been yet satisfactorily answered as to why Jess Smith was placed there. He is dead, it is true, dead by his own hand, but the path of an investigator must not be stopped by sympathy for the living or sympathy for the dead. Read these hundreds of telegrams; read these hundreds of letters between Mr. Daugherty and the satellites that moved around him. Read the telegrams between Daugherty and Smith. Read them and then tell me, if you can, that Mr. Daugherty was ignorant of what strange transactions and wicked forays Jess Smith was carrying on. If Attorney General Daugherty was ignorant of what evil business Jess Smith was carrying on, then the Chief of the Department of Justice was oblivious to that which a thousand men hereabout well knew.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona further yield to the Senator from Arkansas?

Mr. ASHURST. I do.

Mr. ROBINSON. I read somewhere a statement, either in a public address or in a letter from the former Attorney General, in which he expressed great resentment at the imputation of improper conduct, dishonesty, and graft on the part of Mr. Jess Smith.

Mr. ASHURST. Yes.

Mr. ROBINSON. Has the Senator seen anywhere an explanation from the Attorney General as to why Mr. Smith was brought to Washington or why he came to Washington and occupied a chair or an office in the Department of Justice throughout the period of his life while the Attorney General was at the head of that department?

Mr. ASHURST. There is no evidence in these seven volumes of testimony giving any clue or reason why, in good faith, Jess Smith was here; but witness after witness, good men and bad men, show that Jess Smith was the go-between, the corrupt link between Daugherty and the bribe givers.

Mr. ROBINSON. He had no official connection with the department?

Mr. ASHURST. No official connection with the department.

Mr. ROBINSON. I can very readily understand how, if he were a lawyer and had official connection there, he might occupy that relationship with the former Attorney General.

Mr. ASHURST. Quite so.

Mr. ROBINSON. But it is incomprehensible, in the absence of some explanation from some source, that he should have maintained himself in the position of bribe solicitor and divider and occupied a chair in the Attorney General's office and lived part of the time with the Attorney General, and that all of that should have occurred without the Attorney General having some knowledge of his activities. And it is surpassing strange that he never has offered any explanation of bringing him to Washington.

Mr. ASHURST. Now, I read one or two telegrams.

Here is a telegram to Jess Smith:

ASHEVILLE, N. C., *April 3, 1923.*

JESS W. SMITH,
*Washington Court House, Ohio:*

Great place here. For about three weeks quite cool. No necessity you hurry here, but will expect you by 12th. Come by way of Washington. This by far most restful place we have been. Am improving. * * * All three of our organization here. Send regards to all.

H. M. DAUGHERTY.

Another:

[Western Union telegram]

WASHINGTON, D. C., *April 5, 1923.*

JESS W. SMITH,
*Washington Court House, Ohio:*

Your letter April 3. Will be here next Monday, and anxious to see you.

RUSH L. HOLLAND,
*Assistant Attorney General.*

[Western Union telegram]

WASHINGTON, D. C., *May 14, 1923.*

JESS W. SMITH,
*Washington Court House, Ohio:*

Kindly wire me Waldo Hotel, Clarksburg, W. Va. if I can see you and Mr. Daugherty Thursday, if so you stating hour and place. I will leave Clarksburg Wednesday night and meet you not later than Thursday noon. Good luck to you both.

G. D. GOFF,
*Assistant Attorney General.*

[Western Union telegram]

WASHINGTON COURT HOUSE, OHIO, *May 16, 1923.*

Hon. GUY D. GOFF,
*Clarksburg, W. Va.:*

Telegram just received. Will meet you Deshler Hotel, Columbus, Ohio, Thursday around noon or earlier. Wire me your time arrival there.

JESS W. SMITH.

Mr. CARAWAY. Mr. President, may I interrupt the Senator?

Mr. ASHURST. Certainly.

Mr. CARAWAY. I was just going to ask the Senator this: If there was any explanation that would lighten the infamy that now rests upon the memory of Jess Smith; if Daugherty were an innocent man and a man of any sense of honor, would he not now come forward and make it?

Mr. ASHURST. Especially when he was a beneficiary, and when members of his family were beneficiaries under Jess Smith's will.

I have frankly said that some of these witnesses were of doubtful and some of them were of despicable character. Can I make it more plain? But, I repeat, it is also due to the truth to say that even as to the witnesses of doubtful character who have testified, Mr. Daugherty refuses to come before the committee and refute their testimony or deny the same. But whether they be good or bad, whether these witnesses are to be condemned or despised, they once composed Mr. Daugherty's list and circle of close companions. The very witness against whom he inveighs the bitterest is a person with whom he broke bread in the house of a man of great political influence. The person he most furiously attempted to destroy by insinuations published in the press was a witness who told a set of incriminating circumstances that no art could have constructed and no ingenuity could have invented.

If your committee be asked why we did not call witnesses of better character than some of those I have just described, we reply that of necessity we called those witnesses with whom the former Attorney General constantly fraternized; hence such question really implies, why did Mr. Daugherty have such doubtful characters around him?

If Daugherty had not given his confidence to birds of passage and to birds of ill-omen, those same birds of passage and birds of ill-omen could not be heard to caw against him to-day. He who fraternizes with thieves, thugs, bribe givers, and bootleggers, and all that ilk has no right to complain of their treachery.

Mr. Daugherty declines to come before the committee and explain away any of these damaging circumstances. He knew and his counsel knew every opportunity would be given and was given to cross-examine all witnesses. A man in his situation and position, so foully and falsely accused, as he claims to be, would not only be willing to offer his explanation and defense but would demand his right to be heard and explain away the damaging circumstances.

But good or bad as the character of some of the witnesses may be, I repeat that their testimony has not been impeached.

A circumstance important in making up your minds on this case is as follows: During the progress of the hearings attempts were made by the agents of the then Attorney General to intimidate witnesses who were summoned to appear before this committee. An attempt was made by one of Mr. Daugherty's friends to deprive this committee of the opportunity for further examining a material witness, and here is a happy circumstance, to wit: Within 24 hours after Mr. Daugherty was removed, the Solicitor General, Mr. James M. Beck, reversed

Mr. Daugherty's reckless and relentless policy and prevented further attempts to defeat the committee's plan of action.

If Solicitor General Beck never did any other public service except the one to which I have just alluded, he has earned my respect for his timely and appropriate action.

It is also significant that when the new Attorney General, Mr. Stone, assumed his office, the wharf rats infesting the Department of Justice under Mr. Daugherty ran to cover.

We have all read history, and we remember the description of the system in vogue in England in the seventeenth and eighteenth centuries, where the Government exchanged earldoms, dukedoms, and estates for votes. We have read with shocking amazement of the avarice of the Duke of Marlborough, who, for gold and power, without scruple and without shame, betrayed both the exiled and the reigning monarch. We have read of the sordid rapacity of Seymour, Leeds, and Sir John Trevor, but their exploits were tame and prosaic when compared to the gross betrayal of public trust under the régime of Attorney General Daugherty.

Mr. FESS. Mr. President, I will take no extended time, because I have only one or two observations to make.

I repeat, I read the decision of Judge Cochran with a good deal of care, and I now again repeat what I said, that I think it is very strong. I am not going to try to prejudge a coordinate branch either by a favorable comment or a criticism, such as was offered a little while ago by the Senator from Nebraska.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. FESS. I yield to the Senator.

Mr. NORRIS. I was not aware that I offered a criticism of a coordinate branch of the Government. Is that what the Senator wants to imply? What other branch of the Government did I criticize?

Mr. FESS. I understand that the Senator from Nebraska, if I can understand English, expressed great surprise at the possibility of a coordinate branch of the Government pronouncing in favor of this decision handed down in the lower court.

Mr. NORRIS. If the Senator means to imply that I have criticized the judiciary, even the judge who made this decision, he has another guess coming. I have not done any such thing.

Mr. FESS. I will say to the Senator that I do not deal in guesses.

Mr. NORRIS. The Senator is dealing in guesses now when he makes that kind of an assertion.

Mr. FESS. Not a guess.

Mr. NORRIS. I have not read the opinion, and I am not criticizing even the judge who made the decision, but I am claiming that if that decision is correct, and neither the Senate nor the House has any power to make an investigation, then we had better close up both the Senate and the House.

Mr. FESS. That question has not been raised.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Idaho?

Mr. FESS. I yield.

Mr. BORAH. The court has not laid down any such rule as that the Senator from Nebraska is criticizing.

Mr. FESS. I understand that it has not.

Mr. BORAH. The court expressly stated that the right of the Senate to investigate a department of the Government, or to make inquiry for the purpose of legislation, was not involved in the case.

Mr. FESS. That is my understanding, and the court very discriminatingly made the distinction between a legislative and a judicial function, that the court has not the function to indicate what legislation should be, but only sits in decision upon what the legislation is. That was very clear in the decision.

Mr. NORRIS. If the Senator will pardon me again, if I were the judge, and the matter came before me, and I thought the committee had no jurisdiction and no authority, and I did not have courage enough to say so by my decision, I would feel that I ought to be kicked off the bench.

Mr. FESS. Is not the Senator now criticizing the court in that statement?

Mr. NORRIS. No; I am not criticizing the court, and there is no intimation of criticism of the court.

Mr. FESS. What assumption is the Senator making?

Mr. NORRIS. I will tell the Senator why I rose in the first place. When the proposition was laid before the Senate by the Senator from Iowa [Mr. BROOKHART] that we appeal this case, the Senator from Ohio took occasion to say that while he was in favor of it he wanted to comment on the great ability of the judge who wrote the opinion, and so forth.

Mr. FESS. The Senator from Ohio made no such statement as that.

Mr. NORRIS. Something to that effect. I did not want this case to go into the court with the Senate saying to the court, "Here is this case. Now, pass on it; but we hope you will decide it against the Senate." That is about what I thought the Senator was trying to get into this record.

Mr. FESS. The Senator from Ohio has not been here very long, but he has had some legislative experience. The Senator from Nebraska hardly would state that the Senator from Ohio was trying to get into the RECORD, either while a Member of the other branch of Congress or of this branch; such a practice as that I do not follow, and I think the Senator ought to withdraw that statement.

If the Senator is in a temper of mind to listen to my statement, I made the statement a moment ago that I thought this decision was a very strong one. I made that statement because my prejudged view of the case was, until I read the decision, that the decision was wrong; but when I read it, it struck me that it was very strong, and I think the big thing here is to determine judicially by a court of last resort what rights this body has in matters of an investigation. That is why I urged that we appeal the case. Until a decision is handed down by the Supreme Court of the land the question will remain an open one, and still controverted.

Mr. BORAH. Mr. President——

Mr. FESS. I yield.

Mr. BORAH. The Senator says he thinks the decision is very strong. That, perhaps, is a proper remark, taking the record as it was presented to the court. What I say is not intended as a criticism of the court, but I think the decision is very weak, so far as establishing any principles which may guide the Senate in the future are concerned, because the court expressly stated that those things which we would like to know with reference to our future conduct are not involved in this decision, and it does not decide them. For instance, the court does not decide the question as to our right to investigate a department. He does not decide the question as to our right to investigate an Attorney General or a Secretary of State. He does not decide the question of our right to inquire for purposes of legislation. Those are the things in which we are interested.

Of course we are discussing this decision without the record of the case before us in such way as to know precisely what the record was upon which the court was called upon to pass, and the court was bound by the record. He could not decide matters outside of the record, and the record may have been made up in such a way as to justify the decision, and in that sense it may be a strong decision upon the record. But, so far as establishing principles for our future guidance, there is very little in the case that will help us, and if it goes to the Supreme Court and the Supreme Court decides it upon the same narrow basis on which the court below decided it—and it might have been compelled to decide it upon a narrow issue by reason of the record—we will not have any guidance afforded by the decision for our future conduct.

Mr. FESS. Mr. President, there is no doubt in my mind about the power of the Senate to secure information through an investigation or otherwise for data to guide this body in legislating. That is not a question in dispute. I do not think there is any doubt either about the province of this body making an investigation of any of the executive departments. That is not in dispute. But there is the question of investigating a man who happens to be attached to the department.

While it is true that the resolution upon which we acted and the resolution for which I voted was one providing for an investigation of the Department of Justice, the court had before it not only the resolution but also the hearings, and if the upper court on this appeal should take the evidence that was offered in the hearings and the speeches made on the floor, especially the last speech made by a member of the committee, it would again be evident that it is a man who is being investigated and not a department. It is one thing to take the instruction of a resolution, and it is another thing to abandon that resolution and go afield to do what the resolution did not authorize. That is what the committee has done, and that is what the decision as rendered holds, and when it goes to the higher court we will wait and see what will be the decision of that court on the same point.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. FESS. I yield.

Mr. McKELLAR. How could the Senate investigate a department unless it investigated those persons who were acting as heads of the department and running the department? How would it be possible to make such an investigation otherwise?

Mr. FESS. That does not mean the investigation is to go into the private affairs of an individual who happens to hold the office.

Mr. McKELLAR. It would shed light on the public acts of the official.

Mr. FESS. That matter will be before the court in regular order.

Mr. BORAH. Mr. President——

Mr. FESS. I yield to the Senator from Idaho.

Mr. BORAH. My opinion is that that is just what the court decided. Whether it was justified in doing so or not, I regret we can not tell, because we have not the record; but all the court did decide in the case, in my opinion, from what I have had time to read, is that they were not investigating Daugherty as an Attorney General or even as a retired Attorney General, but that they were going into his personal, private affairs. If the record justifies that conclusion——

Mr. FESS. I think the Senator is right in that. I have read it all very carefully.

Mr. BORAH. So, as a matter of fact, it all turns upon the question of whether the court was justified from the record in saying that the committee had gotten outside of the question of investigating the Attorney General and was investigating the private affairs of the Attorney General. The court decided it upon that theory. So it gives the Senate no light whatever upon the principles which should guide us with reference to carrying out the resolution which we passed.

Mr. FESS. In other words, if the Supreme Court upon appeal decides upon the limited basis on which the Senator thinks the lower court has decided, even with that decision we would not have the guidance that we are seeking. That may be true. I am rather inclined to think that is true.

Mr. BORAH. There is one thing the court said, however, which seems to me to be interesting if he is quoted correctly in the papers. As I understand the court, he declared that in order that we might be under the rule of inquiring for the purpose of legislation it would be necessary for both the House and the Senate to authorize the investigation and to state in the resolution that it was for the purpose of securing information in regard to the legislation. My guess is that the Supreme Court would not sustain any such rule as that.

Mr. FESS. I do not believe, I will say to the Senator, that the decision includes that it must be a resolution passed by both the House and the Senate. I agree with the Senator that it would not need the concurrence of the House to get information that would be constitutional. I think the Senator is entirely correct in that.

Mr. President, all the matter that I have from the beginning resisted was the manner of the investigation. It has been a very delicate thing, because it was conducted by members of the committee; every one of whom is of the highest character. It is a difficult thing to differ from men doing what in their judgment is the proper thing. I have thought from the beginning that the conduct of the investigation was not in order. I have been pretty free in my criticism here on the floor of the Senate and elsewhere. I think the country is not responding or reacting very favorably to the manner in which it has been done. My judgment is that that is the core of the decision.

So far as the playful reference of my friend from Arizona is concerned in his commiseration with me that I am not a lawyer, I think I ought to say that the difficulty about it is that I could not take the time to practice, although I did for about a dozen years. But I had to give over my time to the teaching of law in a university of law in which I had much to do with the teaching of evidence. Probably I have forgotten too much law to keep up with my friend from Arizona, and I humbly beg his pardon and make the humiliating apology to him.

Mr. President, I ask unanimous consent to insert in the RECORD the letter of ex-Attorney General Daugherty declining to appear before the committee.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter referred to is, as follows:

JUNE 4, 1924.

HON. SMITH W. BROOKHART,
*Chairman Select Committee of the Senate Investigating the Department of Justice and H. M. Daugherty, formerly Attorney General, Washington, D. C.*

DEAR SIR: I beg to acknowledge, through my counsel, your verbal suggestion of the 31st ult. that I appear before your committee on Friday, June 6. This is the first intimation I have had from your committee that I was to be accorded the privilege of a hearing and, up to this time, of course, have had no opportunity of calling witnesses on my behalf or on behalf of the Department of Justice.

Before definitely replying to your suggestion that I appear before your committee, I wish to call your attention to certain matters which seem to me to be pertinent at this time.

1. The great volume of business of the Department of Justice, so diversified that it vitally touches every branch of the Government, is of necessity handled in detail by the various Assistant Attorneys General and Special Assistants to the Attorney General, but under the general direction and supervision of the Attorney General himself. In order to arrive at a correct judgment regarding any particular case it is absolutely necessary to call said assistants who have had that case in charge and who, having access to the files of the department, can fully and accurately advise the committee in every detail in connection therewith. It would be absolutely necessary for me or any Attorney General to refer to such assistants and to the files before I could with any degree of satisfaction attempt to make a statement before your committee. That being true, such assistants and others having the active charge of cases and fully advised with reference to all details and executive work under inquiry, and who have full access to and the use of records and files pertaining thereto, and are familiar with every phase of such cases, should have been called before your committee prior to my appearance. The adoption of such a course would in all probability eliminate the necessity of my appearance in connection with the investigation of my official duties, by reason of the fact that full and accurate information would be in the possession of the committee as a result of calling the assistants in active charge of litigation. The calling of these witnesses at the commencement of the inquiry would have enabled the committee to bring this inquiry to an end at an earlier date, at least in so far as it concerned my official conduct as Attorney General.

2. Since the commencement of your inquiry—that is to say, on the 12th day of March last—I have hoped to be asked to appear before your committee and have been somewhat surprised that I was not asked to appear at an earlier period in your proceedings, as I was under the impression that the investigation would be confined to my official actions as Attorney General of the United States and matters directly relating thereto. The fact that your committee has not up to the present time called a single witness suggested by me and has sought for evidence from unexpected sources and generally from persons so situated that under ordinary circumstances very little credence would be given their testimony, has from the beginning caused me to feel that there was a feeling of antagonism entertained toward me by certain members of your committee and that these members of your committee instead of prosecuting a fair and impartial inquiry into my official conduct as Attorney General of the United States, have made a desperate attempt to blacken my reputation and injure my standing in the country by the statements of unreliable witnesses which would not be admitted in any court of justice. I have never been able to understand why your investigation was conducted upon such unusual and peculiar lines, and with such bitter personal feeling toward me on the part of certain members of your committee. Nevertheless, full of confidence in the ability of the Department of Justice to demonstrate to the satisfaction of your committee, or any other, the fact that it functioned during the time of my administration to a high degree of efficiency, I have been ready and anxious to assist your committee in every way within my power to make public the splendid record of accomplishment of the department.

At this point I take occasion to contradict and deny any inference, surmise, or suspicion that I profited in any illegal, corrupt, or unethical way, directly or indirectly, by reason of any activities of political associates or friends at any time, or that my conduct, either official or personal, was directly or indirectly influenced at any time, in any way, by venal and corrupt motives. No witness has appeared before your committee who has by surmise, innuendo, suspicion, or otherwise intimated the existence of any such circumstance, except by way of the grave, and the silence of the tomb has forever rendered the direct denial of these slanders impossible.

3. The controversy which arose in regard to the power of your committee to issue a subpœna duces tecum to the officers of the Midland National Bank of Washington Court House, Ohio, to produce certain books and documents, resulted in an appeal to the courts on the part of the bank and a judicial determination of the powers of your committee. A copy of the opinion of Judge Cochran, of the Federal Court for the Southern District of Ohio, was placed in my hands on Monday evening, June 2. A careful examination of this opinion has settled, as it seems to me, the course which I must now adopt in connection with this investigation and has answered for me your request that I appear before your committee on Friday next. Judge Cochran holds squarely that your committee has been and is now exercising a power not granted by the Constitution, expressly or by implication, and that each and all of your actions under Senate Resolution No. 157 are absolutely void. In view of this decision, and in obedience thereto, it would seem to me to be a vain thing to continue an illegal proceeding

and inquiry, and I must therefore decline to appear before your committee. From the very commencement of your hearings—that is, on the 12th day of March last—I have been constantly represented by counsel at all of said hearings, and during all this time have entertained the hope and have been encouraged by the promise that ultimately I would have the privilege of producing witnesses on my own behalf and on behalf of the Department of Justice. The decision of the court above referred to has changed the whole situation and rendered it unnecessary for me to appear before your committee in person or by counsel, and their attendance at your hearings will be discontinued from and after this date.

For your convenience and for purposes of the record I submit herewith a true copy of the opinion of Judge Cochran.

Very truly yours,

H. M. DAUGHERTY.

Mr. JONES of Washington. Mr. President, I feel that I should say a word, and I am a little bit embarrassed in doing it, too, because I do not desire in any way to reflect upon the action of any member of the committee. In anything that I may say I do not intend to do so, nor to question their right or the propriety of their taking the course that they may take, but I do feel, in view of the discussion that has been had and the fact that I am a member of the committee, that I ought to say a word in justice to myself.

I feel, Mr. President, that I am sitting as a judge in this case, that I am expected to report to the Senate at the conclusion of the investigation my opinion based upon all the evidence taken. We have not concluded the taking of testimony, so I have felt and I still feel that it is my duty to withhold a definite judgment or the expression of a conclusive decision until all the testimony has been taken on both sides of all the questions involved in the case and that then and then only is the proper time for me to express my conclusion. So, Mr. President, I have refrained publicly and I propose to refrain from expressing my conclusion until we complete the taking of the testimony in the case and I have then had the time to give it all careful study and consideration.

I am in favor of passing the resolution proposed by the Senator from Iowa.

Mr. BORAH. Mr. President, I have no intention of discussing at length the decision of the court. It has been printed in full in the RECORD of yesterday's proceedings. I want to read a paragraph or two, however, to show the circumscribed view which the court took of the case before the court, and the questions upon which he did not pass. He said:

> But it should be borne distinctly in mind that the question raised here is not as to the power of Congress to compel evidence from outsiders in aid of legislation but of either branch thereof acting by itself without previous action on the part of Congress. The necessities of this case, however, do not require that I should pass on this question.

Whatever the court may have said after that upon the subject, of course, would be mere dicta. Again, it is said:

> It is urged that such is the case because the investigation was not, at the start, expressly based on the ground that it was in aid of legislation, if such is the case. But I do not find it necessary to determine this question.

So the court determines neither the proposition of an inquiry in aid of legislation nor the question of whether or not the resolution must originally disclose whether it is in aid of legislation, two of the most important principles with which we can be concerned in matters of investigation. I pause to say, too, that the case of Kilbourn versus Thompson, upon which the court relies principally, decided neither one of those questions. The question of how far away we may go in making inquiries for the purpose of legislation or the question of what the resolution must disclose as to our desire to secure information for legislation, so far as I have been able to find, has never been passed upon by the Supreme Court, and certainly is not passed upon by this court.

Mr. McKELLAR. Mr. President——

Mr. BORAH. I yield to the Senator from Tennessee.

Mr. McKELLAR. Does not the Senator think that the trial judge in this case might be excused upon a statement that he himself made in the delivery of his opinion? I call the Senator's attention to it:

> A Federal district judge is the humblest and loneliest member of the Federal judiciary. He is at the bottom and has no one to help him think clear and straight.

If this was the position of the judge in delivering this opinion, it seems to me that we ought not to criticize him either directly or indirectly. If the poor fellow was lonely and he did not have anybody to help him think clear and straight, as he himself said, how can it be possible for anybody to blame him?

Mr. BORAH. My experience is that I can think a good deal better alone than I can in a crowd. I do not think that is what interfered with the court. I think it was the condition of the record. The court did not make the record in the case but the court was bound by the record.

The court further said:

> The power of the Senate to investigate the Attorney General's office or any department of the Government to the fullest extent is not involved here. In brief of counsel for respondent this is said:
>
> "In order that the legislative function may be performed, properly outside of the court, it must be conceded that the first duty of the legislature is to properly and fully inform itself. In no matter can this duty be more paramount than in respect to the conduct of the various departments of the Government itself. This would seem to be the first and foremost duty. Annually, Congress must legislate for the continued support and, therefore, for the very existence or ability to continue to function for all the departments of the Government. To contend that such power and such duty are not present and inherent and intrinsic is to say that Congress must pass willy-nilly the money of the people (not their money, nor the money of the departments, but of the people, contributed by enforced taxation). The complaint is generally that too much is spent in that manner as it is, and for the court to deny the power of Congress to inform itself with the aid of compulsory process to get the information would not merely be the height of effrontery but would be destructive."

The court, after quoting that, says:

> I hold nothing contrary to this.

So, Mr. President, I think, notwithstanding the statement made by the Senator from Arkansas [Mr. ROBINSON], that the error of the court, if error there be, lies in the fact that the court arrived at a wrong conclusion as to what the record was before it. That I do not discuss. The principles of law which the court has announced may be entirely correct if we take the court's view of the record; but the decision throws very little light upon what the Congress would like to know with reference to other inquiries. It is apparent from the decision itself that the court was very careful to confine its opinion to the specific matter before it, as the court viewed it, and not to indulge in an effort to decide general principles of law which might be relevant in other investigations.

I want to say that, in my opinion, the courts will ultimately determine that we have a right to investigate for the purpose of legislation, and that each body of Congress, whether it be the Senate or the House of Representatives, has a right to initiate its proceedings without the concurrence of the other body for that purpose; but I do think that we shall be held to disclose by the record which we present to the court the desire for legislation or the necessity or the reasonableness of the claim that we are asking information for the purpose of legislating.

Mr. EDGE obtained the floor.

Mr. HARRISON. Mr. President, will the Senator from New Jersey yield to me just for a moment?

Mr. EDGE. I am only going to make a brief statement and I shall have the floor for about only two minutes.

I have not the slightest desire to interfere with the disposition of the pending matter if it is the intention of the Senate to dispose of it to-day, but I simply rose to draw attention to the fact that we have only a little over two days left of the session. I have been trying to get the attention of the Senate to a conference report, which includes two most important measures, the postal salary readjustment bill, and a complete new corrupt practices act which has been considered by the other House as well as this. The conference report after action here must also be considered in the House. I sincerely hope that I may be able, without interfering with the pending resolution, to have the conference report to which I refer considered this afternoon.

Mr. MOSES. Mr. President, I quite agree with the Senator from New Jersey [Mr. EDGE] that at this stage of the session there are other things more important and of more consequence to the Senate and to the country than the attempt to pass upon the uncompleted testimony which has been taken by the select committee investigating the Department of Justice. The Senator from Washington [Mr. JONES] and I happen to be members of the nominal majority party and of the actual minority party in the committee which has been conducting that investigation. We have felt that it would be necessary for us at some time to formulate a report, possibly in consonance with that which would be presented by the majority of the committee, quite

probably, so far as I am concerned, in dissent, at least in some particulars. I took occasion the other day in the committee to record briefly my dissent from certain conclusions there announced. I take occasion now to express a certain dissent from what has here been said.

It is true, Mr. President, that substantially everything which has ever been cited as having been adduced in evidence before the committee has been so adduced. Much of it remains uncorroborated to this day; practically all of it is hearsay, and upon those portions of evidence the committee, I suppose, will formulate its report.

As I have sat with great patience, Mr. President, throughout the prolonged hearings of the committee, as I have witnessed with some impatience some of the proceedings of the committee, as I have paid close attention to the various sensational and startling lines of testimony brought before us, there constantly has run through my mind the phrase of the grandmother in Tennyson's poem, who spoke of a lie which is half a truth as ever the blackest of lies.

Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from New Hampshire will state the inquiry.

Mr. MOSES. May I ask what is the status of the resolution presented by the junior Senator from Iowa [Mr. BROOKHART]?

The PRESIDENT pro tempore. It is the pending question. Senators who favor agreeing to the resolution submitted by the Senator from Iowa will say "aye"——

Mr. SHIPSTEAD. Mr. President, I should like to have the resolution read. Some Senators have been away from the Chamber attending meetings of committees, I among them. I do not know what the resolution is; I did not hear it, and I ask that it may be read.

The PRESIDENT pro tempore. The Secretary will read the resolution.

The reading clerk read the resolution submitted by Mr. BROOKHART, as follows:

Whereas in a proceeding in the United States district court for the southern district of Ohio, western division, entitled "In the matter of the application of Mally S. Daugherty for writ of habeas corpus," an opinion has been handed down and judgment entered by the judge hearing said cause, which seriously affects the constitutional rights and power of the Senate of the United States and of the Congress; and

Whereas it is believed that said opinion and judgment are erroneous; and

Whereas it is highly desirable to have the law in the matter settled by the Supreme Court: Therefore be it

*Resolved*, That the Attorney General, on behalf of the Senate and the respondent in said cause, be requested to have the proper officials of his department, including counsel heretofore designated in the cause, take the necessary steps for a prompt review and determination thereof by the Supreme Court.

Mr. WILLIS. Mr. President, I have just heard the statement in the second "whereas," that the Senate of the United States is about to pronounce a decision of a court of the United States erroneous.

I am very much in favor of having this case carried to the highest court of the land. In my judgment the matter is now where it should be, namely, before the courts; but I can not believe that the Senate of the United States wants to put itself in the attitude of saying that a case now in process of final determination by the courts of the United States has been erroneously decided.

I move, therefore, that the whereas, whatever the appropriate number is—I think it is the second whereas—be stricken from the resolution.

Mr. BORAH. I do not suppose the "whereases" have anything to do with the resolution.

Mr. WILLIS. Perhaps not; but I think the Senate ought not to be on record as undertaking to review the decision of a court.

I move that that language be stricken from the resolution.

Mr. BORAH. Of course, Mr. President, the general statement which the Senator makes is correct. We are not undertaking to sit as a court of review. I believe that was put in as a mere formal matter to justify our seeking an appeal. The "whereases" do not throw any light upon the resolution one way or the other, anyway.

Mr. WALSH of Montana. Mr. President, I was unfortunately absent from the Chamber when the resolution was read from the desk. I am unadvised as to what the resolution calls for. I ask that the resolution be read in its entirety.

The PRESIDENT pro tempore. The Secretary will read the resolution.

The reading clerk again read the resolution.

Mr. WALSH of Montana. Mr. President, I have not been fully advised concerning the exact foundation for these proceedings. I should like to be more completely advised by the chairman of the committee or others who are familiar with it.

My understanding about the matter is that subpœnas duces tecum were issued requiring the attendance of certain witnesses and requiring them to bring certain books and records, the latter being alleged to be private in character and confidential, and likewise that the committee, possibly anticipating that some objections would be made upon that ground, and for other reasons, issued a simple subpœna simply requiring the attendance of the witnesses—nothing else—and that this subpœna requiring his attendance was disputed upon the ground, in some way or other, that the Senate of the United States has not the power even to compel the attendance of a witness before one of its committees.

The gravity of a contention of that kind must be obvious to anybody who reflects for a moment. It seems to me altogether appropriate that the Senate of the United States should take every step necessary to vindicate what has long been considered its undoubted authority and power, without which, it seems to me, it can not properly function at all. Perhaps the Senator from Iowa can give us definite information on that point.

Mr. BROOKHART. Mr. President, I think the Senator from Montana has the correct understanding of the situation. The attorney representing the committee, Colonel Chantland, was of opinion that the Senate should adopt a resolution directing this appeal to be taken in order that there might be no question about the authority of the lawyer when he comes to prosecute the appeal, and this resolution was prepared by him for that purpose.

The Senator from Ohio objects to one of the whereases.

Mr. WILLIS. That portion of it.

Mr. BROOKHART. He objects to the words—

Whereas it is believed that said opinion and judgment are erroneous,

That is no slam at the court or anything of that kind. That is the usual formal statement.

Then the resolution proceeds:

Whereas it is highly desirable to have the law in the matter settled by the Supreme Court: Therefore—

And so forth.

I see no impropriety in that statement. It is the way an attorney talks to a court when he is talking right to his face.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Virginia?

Mr. WALSH of Montana. I do.

Mr. GLASS. Suppose we were to expunge that "whereas." In what different situation would we be? The action taken itself is indicative of the fact that we think the opinion is erroneous, or we would not take the action. What matters it if we express that opinion textually? If we take that action, we indicate that that is our opinion.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Nebraska?

Mr. WALSH of Montana. I do.

Mr. NORRIS. I should like to make this suggestion: If we do not believe the decision is wrong, what is the sense of taking an appeal from it? When you try a lawsuit, even in a justice of the peace court, and the decision is against you, and you think it is right, do you appeal? And if you think it is wrong, what objection is there to saying so? There never yet was an appeal taken but that it was based on the theory that the man who took it at least claimed that the decision was wrong. If we do not believe it is wrong, let us not appeal from it.

Mr. WILLIS, Mr. BORAH, and other Senators addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Montana yield; and if so, to whom?

Mr. WALSH of Montana. I yield to the Senator from Ohio.

Mr. WILLIS. If I may have the attention of the Senator from Nebraska, I think my motion was to strike out the whole paragraph, which read as follows:

Whereas it is believed that said opinion and judgment are erroneous; and

Whereas it is highly desirable to have the law in the matter settled by the Supreme Court.

I desire to strike out from that whereas the words "said opinion and judgment are erroneous; and whereas," so that it will read:

Whereas it is believed that it is highly desirable to have the law in the matter settled by the Supreme Court.

I want to say to the Senator from Nebraska that the purpose of this resolution is to get a final decision in the matter by the highest court in the land; but I, as the humblest Member of the Senate, do not desire to be on record here as saying in a resolution that a decision of the court is erroneous. It seems to me that language can be stricken out and still we will have all the authority for carrying up the case as it ought to be carried.

Mr. WALSH of Montana. Mr. President, the Senator from Ohio doubtless is aware that if we expect to get this decision reversed by any court we shall be obliged to tell the court that we think it is erroneous.

Mr. WILLIS. Oh, I understand that. That is a matter of the pleadings; but it seems to me the Senate ought not to go on record as criticizing a decision of a court and declaring that the court has erred.

Mr. WALSH of Montana. But we empower our representatives to say so in our behalf.

Mr. BORAH. Mr. President, as suggested by the Senator from Virginia [Mr. GLASS], it is wholly immaterial whether this language is out or in, because the fact of taking the appeal is based upon the theory, I suppose, that we think the opinion is erroneous. The "whereases" in a resolution do not signify anything, to my mind, one way or the other.

Mr. McKELLAR. Mr. President, may I ask the Senator from Ohio a question? What is the law in his State about the taking of appeals? Is it required that reasons be given or not? In some jurisdictions they require reasons to be given.

Mr. WILLIS. So far as I know there is no law of that kind in Ohio; but, anyhow, the Senator recognizes the vast difference between the rather unusual proceeding in which we are now engaged and the ordinary appeal of a case in regular course through the courts. What I am seeking to avoid is at least an apparent prejudgment of the case by having the Senate officially declare that this decision is erroneous.

Mr. BROOKHART. The Senate does not declare that.

Mr. WILLIS. It says it believes so.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield to the Senator from Nebraska.

Mr. NORRIS. We either believe the decision is wrong or we believe it is right. Suppose we do not say that we believe it is wrong. Then we ought to say that we believe it is right, and we ought to say, "Whereas, we believe that the decision is right," we are going to appeal it.

If I were drawing the resolution, I would not have put any whereases in it, because I do not think they add anything to it or detract anything from it; but, since they are there, I do not want to go on record as striking out the one that says we think the decision is erroneous.

Mr. CARAWAY. Mr. President, while the Senator from Ohio is so tender of the courts, I should like to have him introduce a resolution to strike out, on page 10483 of the RECORD, this statement from the judge himself, because it is not complimentary to himself, and the Senator wants to protect the judge. The judge says this:

A Federal district judge is the humblest and loneliest member of the Federal judiciary. He is at the bottom and has no one to help him think clear and straight.

That is a criticism of the Federal judge. Why does not the Senator from Ohio have it stricken from the opinion? He is the keeper of the dignity of the court.

Mr. WALSH of Montana. Mr. President, I really did not get the information I was seeking. I wanted to know whether the proceedings in the court in the State of Ohio are founded upon a subpœna which merely called for the presence of the witness.

Mr. BROOKHART. They are, and the decision is founded upon the idea that the committee has no authority even to subpœna a witness for what the court holds to be an investigation of a private party.

Mr. WALSH of Montana. Now I desire to make a further observation in connection with this matter.

The resolution directs the Attorney General to prosecute this appeal; but, strange as it may appear, things have come to such a pass—and I am not sure that it can be avoided—that the Attorney General does not any longer represent the Government of the United States in the Supreme Court of the United States. My information is that the retiring Attorney General never appeared there except in some formal matters, or on the occasion of the deliverance of obsequies upon the death of some official of the Government, or possibly some member of the court. His predecessor, according to my information, never appeared there, either; and when we say here that the Attorney General shall present this matter by appeal to the Court of Appeals or the Supreme Court, as the case may be, we merely mean that some assistant in his office shall present it.

Mr. President, this is a profoundly important matter. Its eventual consequences, if that theory should be sustained, no Member of this body has sufficient foresight or sagacity to understand.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Montana yield to the Senator from Iowa?

Mr. WALSH of Montana. I yield.

Mr. BROOKHART. With reference to the attorney who is representing the committee, I will state that the committee selected him in the Department of Justice.

Mr. WALSH of Montana. Yes; I so understand.

Mr. BROOKHART. The resolution is so worded that he will continue to represent them.

Mr. WALSH of Montana. That is right, and that is why I make these remarks.

Mr. BROOKHART. I think it would be well to have the committee represented by any of the distinguished lawyers in the Senate, when it comes to the hearing, in addition to the representative of the Department of Justice, and I would be delighted to have the resolution so amended that that may be done.

Mr. WALSH of Montana. Mr. President, I feel that there is no member of the American bar of talent so high as that his services should not be secured in a matter of this character. Without in the slightest degree disparaging the gentleman who had charge of the matter in the past, I do not believe he occupies such a preeminent place at the bar of the country as that this tremendously important question should be intrusted solely to him. I do not know what ought to be suggested in the matter, but I should like to see this matter presented to the Supreme Court by one of the foremost members of the American bar.

I venture to say that eminent members of the American bar would feel honored by being invited to associate themselves with the Attorney General's office in the presentation of this matter to the Supreme Court, and that without any compensation.

Mr. BROOKHART. Mr. President, I would be glad to accept an amendment that would authorize the committee to secure the services of counsel in additon to the other counsel.

Mr. WALSH of Montana. I am glad to hear the Senator's statement.

Mr. BROOKHART. I would like to ask the Senator if he thinks the suggested modification of the whereas would make any difference in the effect of the resolution?

Mr. WALSH of Montana. No; I do not. That is merely formal.

Mr. ROBINSON. Mr. President, may I bring to the Senator's attention another point. I note that the word "appeal" is used. The resolution directs that an appeal be prosecuted. I presume the word "appeal" is intended and would be construed to mean the prosecution of such process as would bring the matter before the Supreme Court for decision, whether by writ of error or otherwise.

Mr. BROOKHART. That is the idea.

Mr. ROBINSON. I am sure that is the interpretation that would be given to it.

Mr. BROOKHART. I think so.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Ohio.

Mr. BROOKHART. I will accept the amendment of the Senator from Ohio.

Mr. NORRIS. I will object to that.

Mr. CARAWAY. Oh, no; we will not accept that amendment.

Mr. NORRIS. I would like to have the yeas and nays. If you want to strike out one whereas, take them all out.

Mr. MOSES. What became of the suggestion of the Senator from Ohio?

Mr. McKELLAR. We are asking for the yeas and nays on it.

Mr. MOSES. On the motion he makes?

Mr. McKELLAR. On the motion he makes to strike out.

Mr. WILLIS. With the consent of the Senate, I modify the original motion, which I would like to have the Secretary state now.

Mr. HEFLIN. What is the proposition now, as it reads?

The PRESIDING OFFICER. The Senator from Ohio desires to modify his motion, as the Chair understands, but the first question, I think, is on the resolution itself, and not the preamble.

Mr. HEFLIN. The Senator from Ohio withdraws his motion regarding the preamble?

Mr. WILLIS. Oh, no.

Mr. McKELLAR. I ask that the amendment of the Senator from Ohio be stated.

Mr. WILLIS. As modified?

Mr. McKELLAR. Yes; as modified.

The PRESIDING OFFICER. The Secretary will report the amendment offered by the Senator from Ohio.

The READING CLERK. In the second whereas the Senator from Ohio proposes to strike out the words "said opinion and judgment are erroneous; and, whereas," so that as modified it would read:

Whereas it is believed that it is highly desirable to have the law in the matter settled by the Supreme Court.

Mr. McKELLAR. On that I ask for the yeas and nays.

The PRESIDING OFFICER. The Chair is of the opinion that the Senate must first pass upon the resolution itself, and that the recitals in the whereases at the beginning of the resolution will be acted upon after that. The question is upon agreeing to the resolution.

Mr. BALL. Is the vote on the resolution now, or on the amendment to the resolution?

The PRESIDING OFFICER. The Senator from Montana is to offer an amendment to the resolution.

Mr. WALSH of Montana. I offer this amendment, to cover the conclusion of the resolution which has been presented:

And the special committee appointed under Senate Resolution No. 157 is hereby authorized and empowered to secure the services of such other counsel, to act in conjunction with the Attorney General, as to it may seem necessary and advisable.

The PRESIDING OFFICER. The question is upon agreeing to the amendment offered by the Senator from Montana.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is upon the resolution as amended.

Mr. McKELLAR. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr WILLIS. So that there may be no misunderstanding, I desire to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. WILLIS. What is the question upon which we are about to vote?

The PRESIDING OFFICER. The question is upon the resolution itself, as amended by the amendment offered by the Senator from Montana.

Mr. WALSH of Montana. It just occurred to me that possibly, with the amendment which has now been agreed to, the resolution must be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. WILLIS. I think so.

Mr. ROBINSON. That committee can probably report the matter immediately. I suggest that if the chairman of the committee is present, we give him an opportunity to report immediately, so that the matter may be acted upon now.

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The principal clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Fletcher | Lenroot | Sheppard |
| Ashurst | Frazier | Lodge | Shields |
| Ball | George | McKellar | Shipstead |
| Bayard | Gerry | McKinley | Simmons |
| Borah | Glass | McLean | Smith |
| Brandegee | Gooding | McNary | Spencer |
| Brookhart | Hale | Moses | Stanfield |
| Broussard | Harris | Neely | Stephens |
| Bruce | Harrison | Norbeck | Sterling |
| Bursum | Heflin | Norris | Swanson |
| Capper | Howell | Oddie | Trammell |
| Caraway | Johnson, Calif. | Overman | Wadsworth |
| Copeland | Johnson, Minn. | Pepper | Walsh, Mass. |
| Dale | Jones, N. Mex. | Phipps | Walsh, Mont. |
| Dill | Kendrick | Pittman | Willis |
| Edge | King | Ransdell | |
| Ferris | Ladd | Reed, Mo. | |
| Fess | La Follette | Robinson | |

The PRESIDING OFFICER. Sixty-nine Senators having answered to their names, there is a quorum present.

Mr. ROBINSON. Mr. President, it was stated that on account of the nature of an amendment which was proposed, and I believe accepted by the author of the resolution, it was necessary that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate. The statute makes that requirement. I suggested that the reference be made and the committee discharged from consideration of the resolution, so that the Senate might act upon it immediately. I inquire whether any report has been made by the Committee to Audit and Control the Contingent Expenses of the Senate?

The PRESIDENT pro tempore. The Chair is advised that no report has been made.

Mr. ROBINSON. I ask unanimous consent, for the purpose of complying with the statutory requirement and avoiding any question as to the legality of the resolution and the right of the committee to employ counsel, that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, and that the committee be asked to report immediately, or that it be discharged from the further consideration of the resolution.

SEVERAL SENATORS. Let the committee be discharged.

Mr. ROBINSON. I ask that the committee be discharged from the further consideration of the resolution.

Mr. MOSES. Mr. President, I have no objection to any parliamentary step which the Senator from Arkansas may wish to take, but as a member of the committee—not the Committee to Audit and Control the Contingent Expenses of the Senate, but of the Committee to Investigate the Department of Justice—I am of the opinion that the committee already has sufficient authority, under the amendments to the original resolution creating the committee, to do everything which the Senator from Montana has proposed in his amendment. I think the language of the amendment giving the committee authority to employ clerks, experts, accountants, and other assistants as it may seem necessary is sufficiently broad to enable the committee to employ counsel to defend any action in which it may be an interested party.

Mr. ROBINSON. Mr. President, my suggestion is intended to obviate any controversy as to the right of the committee to employ special counsel, and that can be done by referring the matter to the committee and discharging the committee, or directing it to report forthwith.

Mr. MOSES. As I said, I have no objection to the Senate making any unnecessary gestures which it pleases in the matter, but my opinion remains that the committee already has authority to do this thing.

The PRESIDENT pro tempore. Is there objection to the request for unanimous consent? The Chair hears none, and it is so ordered. The question is upon agreeing to the resolution as amended.

Mr. PEPPER. Mr. President, I believe a vote is about to be taken on the resolution as amended. I wish to state my position upon that resolution, which briefly is this: I was prepared to vote for the resolution as offered, because it seems to me that the Senate ought to take official cognizance of the judicial decision by a Federal judge which so seriously affects its power or the power of one of its committees. I should have been of opinion that that cognizance should be taken by the Senate, whether we thought the decision right or wrong, because, as suggested by several Senators, the important matter is to have the law settled, and it will not be settled until the Supreme Court has passed upon the question. Therefore I attach relatively little importance to the recital which has been debated here, although, personally, I am not prepared to commit myself on the legal proposition.

I can not vote for the resolution, however, as amended, because, as I understand it, it authorizes a committee of the Senate to employ counsel in connection with a litigation to which the Senate is not a party and in which the Senate has no right to appear. I should suppose that we were entirely safe in intrusting this matter to the Department of Jusice.

The point made by the Senator from Montana is undoubtedly sound, that in the practice of many administrations the Attorney General himself seldom appears to argue. The Solicitor General appears on the part of the United States, and the very competent, able, and distinguished Solicitor General will, no doubt, have charge of this case on appeal. But I can not vote for a resolution authorizing the Senate committee to retain counsel to represent it in a litigation to which we are not parties.

Mr. BROOKHART. Mr. President——

Mr. PEPPER. I yield to the Senator from Iowa.

Mr. BROOKHART. The real party to the suit is the Assistant Sergeant at Arms of the Senate, who went out there on order of the Senate to perform this duty. To say that the Senate is not a party and ought not to defend him and take care of him seems to me to be clear out of reason.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. ROBINSON. Is it not a fact that the important issue to be determined in the litigation is the question of the extent and nature of the power of the Senate to make investigations?

Mr. PEPPER. Undoubtedly, and that is the reason why——

Mr. ROBINSON. Will the Senator yield further?

Mr. PEPPER. Let me finish my sentence first. Undoubtedly so, and that is the reason why I am in favor of urging that an appeal be taken in order that the question may be decisively settled.

Mr. ROBINSON. Will the Senator now yield to another question?

Mr. PEPPER. I yield.

Mr. ROBINSON. If the Senator desires to safeguard those prerogatives, it can not be an unwise policy to see that the case is presented by counsel who are qualified and who are interested in the success of the case.

Mr. PEPPER. That may or may not be a wise policy, but the point I am making is that after the Senate has passed its resolution and after the committee has retained counsel, and after counsel has gone to the court, it will be a rather humiliating position to discover that the counsel has no standing to appear in the cause, and if heard could only be heard as amicus curiæ. Therefore I can not vote for the resolution.

Mr. REED of Missouri. Mr. President, to my mind there is a very great importance attached to our proceeding here to-day. For something over a century of time the Senate and the House of Representatives and the various legislative bodies of the States have exercised a practically undisputed right to inquire into any question or matter or thing which relates to the administration of the Nation, or of the State, if it be a State legislative body, and to inquire relative to any question, matter, or thing which may affect or throw light upon the legislative duties of the body conducting the investigation. Courts have not been in the habit of denying to the legislative body this means of gaining information.

We are confronted with the fact that a court has held that this power so long exercised and so long acquiesced in by the bar, the bench, and the public generally does not exist—that, indeed, being in my judgment the effect of the opinion of the judge of the court. I read the opinion so far as it was printed in the press, and there was enough printed in the space covered by that part of the opinion which I read to have contained four or five opinions. I tried to get at the reasoning of the court. As nearly as I can arrive at it he has struck at the very heart of the power of legislative bodies to exercise the functions they have heretofore employed without challenge.

It would not be, perhaps, consistent with the proprieties to discuss the opinion, but I can not refrain from saying that as I read it I recalled an experience I had when I was a law student and went along with one of the lawyers, with whom I had the honor of studying to hear an argument in the Supreme Court.

The lawyer upon the other side was not possessed of much learning but with a great deal of enthusiasm and a vast flood of words. When he came to argue his case, the Chief Justice asked him, "Mr. Jones, we have been looking over your petition, and we are not quite able to say whether it sounds in tort or sounds in contract. Will you please explain to us just the nature of your case?" Mr. Jones, in a long and involved rigmarole of words, undertook to explain, but did not explain. Whereupon the Chief Justice turned to the attorney on the other side, the man whose books I happened to be carrying that day, and said, "Colonel Clark, can you tell us what is in the petition?" Colonel Clark replied, "If your honor please, in the language of the late lamented Hamlet, 'Words.'" I recalled that incident as I read the dissertation of the learned judge who decided this case.

If it be true that the legislative branch of the Government can not by resolution of either House inquire into facts which affect the conduct of public officers or which affect the propriety of proposed legislation, then there is, indeed, a necessity for one amendment to the Constitution of the United States.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. REED of Missouri. I yield.

Mr. BORAH. I do not want to concede in passing upon the proposition that the court has decided anything of that kind. The court expressly states that he does not decide that question.

Mr. REED of Missouri. I do not know what he decided. I have been unable to determine what he decided.

Mr. BORAH. I do not know exactly what the court did decide, but I know what it did not decide. That is the comfort of the decision, the fact that these important matters in which we are interested are not passed upon by the court adversely. I think that it is extremely important before the record goes to the Supreme Court that the record be made up in such way that the court will be authorized to pass upon these questions.

Mr. GLASS. The court evidently decided one question, and that was that Mr. Daugherty did not have to appear here in Washington.

Mr. BORAH. Exactly; but that was decided upon a point which aids us very little in the general proposition. It turns upon his construction of the facts in the record, which I confess I do not understand. I am speaking of the legal principle of which the Senator speaks, to wit, that we have not the right to inquire for the purpose of legislation.

Mr. ROBINSON. It was held that it was not an investigation to aid legislation, that it is not an inquiry into the affairs of the Department of Justice, that it was a mere interference with the private affairs of an individual, and that therefore the attempt of the Senate to carry on the investigation was an effort to discharge a judicial function rather than to act in aid of its legislative affairs.

Mr. REED of Missouri. The Senator from Arkansas, I think, has as correctly stated as any human being can what the judge said. When we are through with it, all that we know is what the Senator from Virginia has indicated, that the court undertook to stop the investigation. There is wrapped up in the decision of this question, as my friend from Idaho of course concedes, this proposition: Is the Senate of the United States or indeed the entire Congress of the United States the judges of the time and the necessity for inquiring into facts which may affect the public business; and if so, are they authorized to go ahead and secure that evidence, or can they be controlled by a subordinate judge of a coordinate branch of the Government and their discretion and action dominated and dictated by that judge? I think that question is squarely here and I want to see the question properly attended to in the court.

Mr. BORAH. Mr. President——

Mr. REED of Missouri. I yield to the Senator from Idaho.

Mr. BORAH. I only want to make this suggestion, and then I will not interrupt the Senator again. I think a record can be made up which will present all of these questions. But the more I look into the record which was presented the more I am of the opinion that the record was not full and complete for presentation of the questions. The questions which should be presented, as stated by the Senator, are, of course, of extremely great importance, but the court can only pass upon matters which are in the record.

Mr. REED of Missouri. That perhaps emphasizes the necessity for the employment of special counsel.

Mr. BORAH. I was not arguing against that.

Mr. REED of Missouri. No.

Mr. ROBINSON. I think the Senator from Missouri is right in his position. The practical effect of the decision is to restrain and circumscribe the power of the Senate, and that is the purpose of it. It is to deny to the Senate information which the Senate thinks it is entitled to in the performance of its duties. If the decision should be sustained, it would have that practical effect.

Mr. BROOKHART. Certainly any officer by resigning could head off any investigation under the peculiar wording of the decision. That is quite certain if the judge is correct.

Mr. WALSH of Montana. Mr. President, will the Senator from Missouri pardon me for interrupting him for a moment?

Mr. REED of Missouri. Certainly.

Mr. WALSH of Montana. I have a word to say to the Senator from Pennsylvania, with the permission of the Senator from Missouri. I feel very certain that the Senator from Pennsylvania must have misconceived the character of the proceedings under which the opinion in question was rendered.

Mr. PEPPER. Perhaps I did. I would be glad to be corrected if that is the fact.

Mr. WALSH of Montana. The Senator took the position, as I understood from his remarks, that the Senate was not a party to the litigation at all, and, therefore, that the Senate would be in the nature of an intruder; but that is not the situation at all. The Senate, acting through its committee, served its subpœna on M. S. Daugherty, commanding Daugherty to appear before one of its committees. Daugherty declined to appear or omitted to appear. The committee re-

ported the facts to the Senate, and the Senate thereupon adopted a resolution directing that Daugherty be cited to the bar of the Senate for contempt of the Senate. The writ was accordingly placed in the hands of our Sergeant at Arms, who proceeded to arrest Daugherty and to bring him here before the bar of the Senate. Thereupon counsel for Daugherty sued out a writ of habeas corpus directed against David S. Barry, the Sergeant at Arms of the Senate, acting in an official capacity as our representative, to bring the body of Daugherty before the court that it might inquire why and by what authority and what power the Senate of the United States undertook to bring him here. Thereupon he was released in proceedings, Daugherty being one party and Barry being the other party.

Mr. ROBINSON. But in every practical sense the proceeding was against the Senate of the United States.

Mr. WALSH of Montana. The proceeding was against the Senate of the United States. Accordingly, Mr. President, the Attorney General not being the official attorney of the Senate of the United States and acting in the matter merely by courtesy and by request of the Senate very properly comes before the Senate to say, "I should like to have authority to appeal this case," recognizing that he must get that authority from the Senate of the United States. The Senate says, "We shall be very glad to do so; we are obliged to the Attorney General for his courtesy, and we would like associate counsel." But, Mr. President, if it were otherwise, I can not for one moment conceive that the Attorney General of the United States, gentleman as he is, would for an instant hesitate about associating with him any counsel which the Senate of the United States might think advisable so to associate in the case. If he did, however—and I can not conceive, as I have stated, that he would—I am perfectly certain that any court before which the matter may come, recognizing the vital interest of the Senate of the United States in the matter to be determined by it, although it might not technically be a party to the proceedings, I can not conceive that a court would for an instant hesitate to hear the representatives of the Senate as amicus curiæ.

Mr. PEPPER. Mr. President, my thought was that when a witness is alleged to be in contempt of the Senate or of the House of Representatives and has been placed under arrest by the Sergeant at Arms of either body and a habeas corpus issues, the question precipitated is one of the sovereignty of the United States, and that it has to do with the question whether the authority of the United States has or has not been properly exercised by one of the branches of the legislative body; and that that being so, the United States, as a sovereign, is the actor in the case and is represented in that capacity by its Attorney General.

I quite recognize that the Senate has a substantial interest in the outcome of the controversy, and I am heartily in favor of urging as strongly as possible that an appeal should be taken, but I am not willing to vote to suggest an associate or additional counsel; I am in favor of leaving it where it properly belongs—in the hands of the Department of Justice and the Attorney General, being assured that when the question does come before the Supreme Court on appeal it will be properly handled and disposed of, so far as counsel for the appellant is concerned, by the Solicitor General or anybody else whom the Attorney General may designate.

Mr. WALSH of Montana and Mr. NORRIS addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Missouri yield; and if so, to whom?

Mr. REED of Missouri. I yield first to the Senator from Montana, in order to complete the colloquy.

Mr. WALSH of Montana. Mr. President, I feel like saying this in further explanation of the amendment proposed by me: The Attorney General came before the Committee on Public Lands a few days ago to confer with us in relation to the employment of counsel to prosecute the proceedings authorized by the Senate in relation to section 36. The name of Mr. Knight, of California, was, it will be recalled, sent to the Senate in that connection, and being rejected the Attorney General recommended the appointment of Mr. Morrow, whose name has now been sent in. I said to the Attorney General at that time, "Why, Mr. Attorney General, everybody has confidence in you. What is the use of appointing another attorney at all in this matter? Why do you not take care of it yourself?" The Attorney General laughed and asked me if I did not think he had enough to do as it is. That is why I feel that he will be obliged to get some one else to take care of this matter for him; and we may very properly have the committee select the associate counsel.

Mr. BROOKHART. Mr. President, there is one little matter in reference to this controversy which I might explain and which may be of some assistance. There is a statute providing that when a committee of Congress or officers of a department are involved in litigation of this kind they may apply to the district attorney in the district where the controversy occurs. Then, after that, the Attorney General may assist in the defense or prosecution of the case. That is what was done in this instance. I made the application to General Hough, the district attorney in Ohio. He reported the facts to the Attorney General, and then an attorney who was agreeable to the committee was sent out and conducted the trial in the court. The committee, however, did not have to go to the Attorney General at all. We could have come back to the Senate in the first place and asked the authority to employ another attorney.

Mr. NORRIS. Mr. President——

Mr. REED of Missouri. I yield to the Senator from Nebraska.

Mr. NORRIS. Mr. President, I should like to suggest to the Senator from Pennsylvania, in reference to his objection to the amendment to the resolution offered by the Senator from Montana, that it seems to me quite apparent that his position is not well taken, if he considers for a moment what might very likely be the situation in this particular case. His objection to the particular amendment is that the Attorney General ought to conduct this litigation on the part of the Senate.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. NORRIS. I will yield in just a moment. The controversy originally was in reality between the Senate and Attorney General Daugherty. It is true that he is not Attorney General now; but suppose he had remained in that office and was Attorney General at the time, if the theory of the Senator from Pennsylvania be right, we would be absolutely at the mercy of the very official with whom we are having the litigation to select counsel for us.

Mr. PEPPER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Pennsylvania?

Mr. PEPPER. I beg the Senator to yield merely in order that I may say a word in answer to what has just been said by the Senator from Nebraska.

Mr. REED of Missouri. I yield.

Mr. PEPPER. If the facts were different, my view of what would be proper to do under the circumstances might also be different. I call the attention of the Senator from Nebraska to the fact that I was not debating an amendment to a resolution which has already been adopted, but I was venturing to suggest the reason why I as an individual Senator would have been happy to vote for the resolution as introduced by the Senator from Iowa but could not vote for it as amended, for the reason that in my judgment it puts the Senate in a wrong relation to the litigation.

Mr. REED of Missouri. Mr. President, I am unable quite to follow the distinguished Senator from Pennsylvania in his line of reasoning. The original resolution read:

> Therefore be it
>
> *Resolved*, That the Attorney General, on behalf of the Senate and the respondent in said cause, be requested to have the proper officials of his department, including counsel heretofore designated in the cause, take the necessary steps for a prompt review.

I am unaware whether special counsel was employed or not. What is the fact about that?

Mr. WALSH of Montana. The Attorney General designated one of his assistants.

Mr. REED of Missouri. Very well. If we can undertake in the original resolution to designate the counsel to be employed, I see no distinction between that and the proposal that the committee may employ additional counsel, because, in either event, the Senate is undertaking, in a way, to interfere in the matter of the selection of counsel.

Mr. President, I have yielded to a number of Senators, and merely wish to conclude very briefly what I was going to say.

My respect for the courts, whether I have agreed with their decisions or not, and my desire that the courts shall always be held in reverence by the people of this country is so great that I do not want to comment upon the particular decision further than I have already done. I might say some things that perhaps would be improper. I recognize that when a court decides a case we must all, as good citizens, bow to its judgment; but we do have the right to appeal in this instance to the highest tribunal in the land—at least such is conceived to be our right—and until the highest tribunal in this land has said that a legislative body exists without the power of ascer-

tainment of facts upon which to act, I will never believe that it is the law of this land, and nobody else will believe it.

The former Attorney General was presumptively a great lawyer, and in his statement to the committee in which he declined to testify he substantially admits that until he was enlightened by this remarkable decision—I will not say "remarkable," but this decision of first instance in the State of Ohio—he thought it was the right of the committee not only to bring him before the committee but to bring all of his subordinates before the committee; indeed, he complained in his letter that his subordinates ought to have been brought before the committee or been requested to come.

A little plain common sense is always a good thing to employ when you come to consider any question of law; for, after all, law is the common sense of the ages crystallized into statutes or into rules which have the effect of statutes. The common sense of the ages has held to the doctrine that any body required to legislate with reference to the affairs of a people has the right to determine, by such investigations as it deems proper, what the facts are with relation to the particular matters touching which it is about to act. The common sense of the ages has been that that right is not to be interfered with save and except in those instances where, under the guise of proceeding under legislative sanction or legislative power, an abuse of the fundamental rights of the citizen has been perpetrated. That common sense had so impressed itself upon the minds of the people of this country, including the Attorney General, that when these several investigations were begun no one thought of challenging the general authority of a committee to inquire. The truth is that the challenge came out of the lips of desperation at the hour of conviction.

It will be recalled that Mr. Fall expressed his great anxiety to appear and to make a clear and clean statement regarding all of his activities as the head of the Department of the Interior, and that anxiety continued until one fact after another had been brought forward, so that out of these facts there had been forged a chain of circumstances which pointed indubitably to his guilt; and then the former Secretary of the Interior—himself a lawyer of some distinction, and advised by lawyers of great ability—did not challenge the general authority of the committee, but took refuge beneath the shield of the Constitution, which, of course, provides that no citizen can be obliged to give testimony which will tend to incriminate himself.

Again, we were told by Mr. Daugherty that he wanted to disclose every fact and circumstance; that he was eager to appear before the committee and testify. If I am not mistaken, his brother, Mal Daugherty, evinced a similar desire to appear. But, Mr. President, some things happened in the meantime. Telegrams were discovered, various facts were demonstrated, which made it perfectly apparent that the committee was in pursuit of a line of investigation almost certain to result in conviction; and when the committee, pursuing the very practical and sensible line of investigation of the books and accounts of the Attorney General, proceeded to Ohio and sought to bring in the books and accounts which any honest man ought to have been glad to have laid before the committee, it was then that we found the defense in these matters driven to the extraordinary expedient of challenging the general authority of a legislative body to make an investigation at all; and when that decision had been rendered we find the former Attorney General seizing upon it as the excuse for a failure to testify.

Mr. President, whether this committee had authority under the law or did not have authority has nothing to do with the propriety of the Attorney General disclosing to the people of the United States the facts touching his conduct of the office of Attorney General. It had only to do with the necessity of his testifying against his will. When any man who has held the high, the exalted, and the responsible office of the chief prosecutor of this land, engaged for years of time in prosecuting men and seeking to send them to the penitentiary for violation of the law, calling to his aid grand juries and special investigators of the Department of Justice, prying into their secrets and using all of the power and influence and dominance of his great office for the purpose of sending the humble citizen to the penitentiary, or fining him and taking away his goods and chattels—when such a man is obliged to take refuge behind the pretense that he is not compelled to testify, and therefore that it is improper to testify, as sorry a spectacle is presented to the American people as has ever offended against the good taste, the judgment, and the sense of decency of the people of the United States.

I am for this resolution. Let us allow this committee to select their own counsel. Let us present this case on behalf of the Senate of the United States. The Supreme Court, I am sure, will not hesitate to read the brief or listen to the arguments of counsel representing one of the great coordinate branches of this Government in an issue which challenges its jurisdiction and strikes at its right of investigation.

The PRESIDENT pro tempore. The question is upon agreeing to the resolution as amended. Upon that question the yeas and nays have been ordered, and the Secretary will call the roll.

Mr. WALSH of Montana. Mr. President, upon reflection there is no reason why the resolution should not be passed with the amendment. The question will be only as to the right to make the payments to counsel. That can be taken care of, I dare say, in some other way.

Mr. WILLIS. Mr. President, may we have the question stated? Some of us were unavoidably absent from the Chamber. Just what is the precise question now before the Senate?

The PRESIDENT pro tempore. The precise question is upon agreeing to the resolution as amended.

Mr. WILLIS. And the vote has not yet been had, of course, upon the preamble. That will follow?

The PRESIDENT pro tempore. The vote upon the Senator's motion to strike out a portion of the preamble will follow.

Mr. DILL. Mr. President, what is the amendment? May we have the amendment stated?

The PRESIDENT pro tempore. The Secretary will state the amendment.

Mr. DILL. I withdraw the request. I understand it now.

Mr. MOSES. There is no amendment pending. The amendment has been agreed to, as I understand.

The PRESIDENT pro tempore. The amendment has been agreed to. The question is upon agreeing to the resolution as amended. Upon that question the yeas and nays have been ordered. The Secretary will call the roll.

The reading clerk called the roll.

Mr. LODGE. I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD]. I understand that on this question he would vote as I am about to vote, and I vote "yea."

Mr. GERRY. I desire to announce that the Senator from Oklahoma [Mr. OWEN] is paired with the Senator from West Virginia [Mr. ELKINS]. If present, the Senator from Oklahoma would vote "yea."

Mr. TRAMMELL (after having voted in the affirmative). I have a pair with the senior Senator from Rhode Island [Mr. COLT]. In his absence I transfer that pair to the junior Senator from Indiana [Mr. RALSTON], and allow my vote to stand.

Mr. WALSH of Montana. I desire to announce that my colleague [Mr. WHEELER] is unavoidably absent, and that if present he would vote "yea."

Mr. ERNST. I have a general pair with the senior Senator from Kentucky [Mr. STANLEY], and I understand that if present he would vote "yea." I am therefore at liberty to vote, and I vote "yea."

Mr. PHIPPS. I have a general pair with the junior Senator from South Carolina [Mr. DIAL]. I understand that if present he would vote "yea," and therefore I am at liberty to vote. I vote "yea."

Mr. ROBINSON. I desire to announce that the junior Senator from Georgia [Mr. GEORGE] is necessarily absent. If he were present, he would vote "yea."

Mr. SHEPPARD. My colleague, the junior Senator from Texas [Mr. MAYFIELD], is unavoidably detained from the Senate. If he were present, he would vote "yea."

The result was announced—yeas 70, nays 2, as follows:

YEAS—70

| | | | |
|---|---|---|---|
| Adams | Edwards | Kendrick | Reed, Mo. |
| Ashurst | Ernst | Keyes | Robinson |
| Ball | Ferris | King | Sheppard |
| Bayard | Fess | La Follette | Shields |
| Borah | Fletcher | Lenroot | Shipstead |
| Brandegee | Frazier | Lodge | Simmons |
| Brookhart | Gerry | McKellar | Smith |
| Broussard | Glass | McKinley | Stanfield |
| Bruce | Hale | McLean | Sterling |
| Bursum | Harreld | McNary | Swanson |
| Capper | Harris | Moses | Trammell |
| Caraway | Harrison | Neely | Wadsworth |
| Copeland | Heflin | Norris | Walsh, Mass. |
| Cummins | Howell | Oddie | Walsh, Mont. |
| Curtis | Johnson, Calif. | Overman | Watson |
| Dale | Johnson, Minn. | Phipps | Willis |
| Dill | Jones, N. Mex. | Pittman | |
| Edge | Jones, Wash. | Ransdell | |

NAYS—2

| | |
|---|---|
| Pepper | Spencer |

NOT VOTING—24

| | | | |
|---|---|---|---|
| Cameron | George | Norbeck | Stanley |
| Colt | Gooding | Owen | Stephens |
| Couzens | Greene | Ralston | Underwood |
| Dial | Ladd | Reed, Pa. | Warren |
| Elkins | McCormick | Shortridge | Weller |
| Fernald | Mayfield | Smoot | Wheeler |

So the resolution as amended was agreed to.

The PRESIDENT pro tempore. The question now is upon the preamble, which the Senator from Ohio moves to amend.

Mr. ROBINSON. May I inquire if upon my request for unanimous consent the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, and that committee discharged from the further consideration of the resolution?

The PRESIDENT pro tempore. The Senate has already given its consent to that request. The Secretary will report the amendment proposed by the Senator from Ohio [Mr. WILLIS] to the preamble.

The READING CLERK. The second whereas reads:

Whereas it is believed that said opinion and judgment are erroneous; and

Whereas it is highly desirable to have the law in the matter settled by the Supreme Court.

The Senator from Ohio proposes to strike out the words—

said opinion and judgment are erroneous; and

Whereas

So that as amended it would read:

Whereas it is believed that it is highly desirable to have the law in the matter settled by the Supreme Court.

Mr. WILLIS. Mr. President, without taking more than a moment of time, I would like to state that Senators will observe the effect of this amendment, if agreed to, will be simply to strike out of the whereas any expression of opinion as to whether or not the action of the lower court was correct. I personally do not believe that the Senate wants to resolve itself into a reviewing court. I think the matter is now in the courts, where it belongs, and that we should follow the regular procedure. Therefore, I have offered this amendment.

Mr. NORRIS. Mr. President, this resolution would suit me entirely if there were no whereases whatever in it. As I said once before this afternoon, if I had been drawing a resolution, I would have had no whereases in it. They are, of course, not technically a part of the resolution. A whereas is only explanatory, for the reason that it is a sort of an argument for a resolution.

It is proper to have whereases, however, if we want to have them, even though they do not have any legal effect, and these whereases are in the resolution. I am opposed to striking out any part of a whereas like the part sought to be stricken out. It seems to me like making an apology for passing the resolution. Since we have the whereas here, I am opposed to striking out a very vital part of it.

If we do not believe the ruling was erroneous, then we ought to abide by the decision of the court. If we are going to appeal it, the appeal ought to be based upon the fact that we believe the decision to be erroneous. If we believe it is erroneous, it is not dishonorable, it is not disrespectful, to say so.

Mr. WILLIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Ohio?

Mr. NORRIS. I yield.

Mr. WILLIS. I should like to have the Senator's opinion upon this point; without going into the question as to whether or not the decision of the lower court is erroneous, does he not think it is desirable to have a matter finally settled by the highest court of the land, and may there not be some who are willing to vote for this resolution simply in order to have the matter finally settled, but who yet do not believe that the decision of the lower court was erroneous?

Mr. NORRIS. If the decision is not erroneous, there is no use and there is no sense in trying to change it. If we have received a judgment that is not wrong, and which we do not believe to be wrong, let us like men abide by it.

Mr. McKELLAR. If there are Senators who believe the decision is not erroneous, they ought to vote that way. It is up to them.

Mr. WILLIS. Mr. President, just a word in response to the Senator from Tennessee. I think that observation is not correct or fair. So far as I am concerned, I believe the decision of the lower court is right, but I do not desire that the matter shall be left there. I want the matter decided finally by the highest court in the land, and it is not fair to say that if I think the decision of the lower court is correct, I should therefore vote against this resolution. That is not logical at all.

Mr. NORRIS. That is for the Senator from Ohio to decide.

Mr. REED of Missouri. Mr. President——

Mr. NORRIS. I yield.

Mr. REED of Missouri. If the Senator from Ohio does not believe that decision to be wrong, he has no business in joining in an appeal. The first thing you have to do to get an appeal is to swear that you are aggrieved by the decision of the lower court. There is no disrespect in a recital by the Senate that we regard this decision as erroneous. Every litigant in court who preserves a right on appeal must do so by objecting to the decision, by saving his exception, and by alleging not only in his motion for a new trial but in his assignment of error that the trial court committed error in certain specified particulars. If the Senator from Ohio thinks that neither the Senate of the United States nor any other legislative body has the right to summon a witness, and believes this decision to be a correct decision, he has no right to join in this appeal.

Mr. NORRIS. In discussing the question here involved we hear such things said as that we ought not to be discourteous to the court, we ought to have respect for the court, we ought not to criticize the court. And yet every case that has ever been decided by the Supreme Court of the United States that came up from a lower court, and that means practically every one, has been there because somebody has felt aggrieved by some court's action, somebody has complained, somebody has claimed in argument that the lower court was wrong, and no court of any enlightened country has felt aggrieved on account of it. It is no disrespect to this court to say that we think its decision is wrong.

There seems to be some dispute as to what it has decided, but the effect of it has been at least that the committee of the Senate making the investigation can not compel the attendance of a witness to testify before that committee. Once establish that fact by final judicial decision and we might as well close the doors of the Senate and the House, and every other legislative assembly in the land might as well do the same thing. We would be at the mercy then of any department of the Government, particularly the Department of Justice. Then we could be met by injunction whenever we undertook to uncover anything anywhere in any department and thrust aside.

The result of it goes almost beyond the imagination. It would mean the destruction of our form of government unless we changed the Constitution, if that be held to be the law. We have involved in the proposition the very existence of the legislative branch of our Government.

Now, just a word not bearing perhaps particularly on the pending question. When the resolution providing for the appointment or election of the committee was before the Senate there was considerable criticism on the part of some who, it seemed to me, were extraordinarily zealous in protecting the Attorney General. I said on that occasion that no matter what might be the personnel of the committee the hearings would be public, the Attorney General could be represented by counsel, he would have compulsory attendance of witnesses, and he would be allowed to cross-examine all witnesses summoned by the committee.

I said if that is done it is immaterial what the personnel of the committee may be. The country is going to form its judgment. The real judgment is going to be formed by the people of the country who hear the evidence. If the committee is unfair, if the committee takes any procedure that curtails the rights of the Attorney General to have a fair investigation, to cross-examine witnesses, to testify himself, and bring others to testify on his behalf, the country will know it. They will render judgment regardless of what may be the opinion or the personnel of the committee.

The investigation has gone on, not finished, it is true, and startling evidence has developed. The Attorney General has been represented every day by two attorneys, ex-Senator Chamberlain and ex-Congressman Howland, both able and eminent attorneys. They have cross-examined every witness that they wanted to cross-examine. They have protected every right that the Attorney General could possibly have. The hearings have been in the open before the American people. But now it is said by some, "Why, some members of the committee have not been fair." As far as results are concerned it is immaterial what they think. He has not been deprived of the privilege of calling a single witness. He has not been deprived of the right to examine and cross-examine every witness that appeared. The evidence was all taken in the face of the American people, and all preserved and printed. What difference does it make even if for argument's sake we admit that the committee has been unfair; that some members have been too zealous; that they have been prosecutors as I have heard claimed? No right of the Attorney General has been taken away. No evidence has been covered up, but on

the other hand the most startling conditions have been shown to exist around the Attorney General.

Mr. REED of Missouri. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Missouri?

Mr. NORRIS. I yield.

Mr. REED of Missouri. The Senator has referred to criticism of the committee on the ground that it has taken a trend toward prosecution. The Senator has been a judge of a court. Did he ever know the attorney for a guilty man brought to the bar of justice who did not spend most of the time abusing the prosecuting attorney and the officers of the law?

Mr. NORRIS. As a rule, that is their usual pastime, it is true.

I do not agree with the charge that the committee has been unjust and unfair, but I am not offering my testimony on it. I simply want to say that, as far as I have been able to see, they have done their duty and done it fearlessly. They started out while Daugherty was in office, surrounded by a horde of detectives, trailing them every step they took, interfering with all the witnesses. Instead of the Department of Justice helping to ferret out crime, it has had its hundreds of secret detectives trying to forestall anything that the committee might do.

After Daugherty had professed his eagerness to go on the witness stand, after he had on several occasions given publicity to statements showing how he was going to make everything plain and clear, the time came when the committee courteously invited him to come before them and take the stand. The opportunity that he had been longing to get he declines to accept. He declines to go any further. He gives as his reason that the committee has no legal authority. If that authority has been denied, it has been denied because of the action that he has taken—or, at least, the action of his own brother—to deny the authority of the committee. It is immaterial, in my judgment, as far as Daugherty is concerned, whether the committee has any authority or whether it has unlimited authority. If he is innocent, if he is now anxious to do what he has always said he was going to embrace the first opportunity to do, now is his time. Even though the committee has had no authority, when he refuses to go further, when he refuses to come before the committee, in my judgment he enters a plea of guilty to all of the charges that have been made upon which evidence has been produced.

Until the investigation reached the stage where he refused to come to the committee, I withheld comment so far as I was concerned. However dark and black the evidence might look, it seemed to me that in trying a case or lawsuit or investigation of that kind we ought to withhold our judgment, no matter how bad it might look, until those charged had had a full and fair opportunity to offer their evidence and explain. When the time came and he refused to go on and refused to explain, then he has in effect acknowledged his guilt, and that is the reason why it seems to me now, when the investigation has reached that stage, that it is proper for anybody on the committee or off of it to express freely their opinion, and for the Senate to express its opinion freely, because, as far as he is concerned, he has admitted by his refusal to proceed a condition of chicanery and of disgraceful conduct and of corruption surrounding that office while he held it that must bring the blush of shame to every honest American citizen.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment.

Mr. McKELLAR. Let us have the yeas and nays.

The yeas and nays were ordered, and the principal clerk proceeded to call the roll.

Mr. LODGE (when his name was called). I transfer my pair with the senior Senator from Alabama [Mr. UNDERWOOD] to the senior Senator from Illinois [Mr. McCORMICK] and will vote. I vote "yea."

Mr. PHIPPS (when his name was called). I transfer my pair with the junior Senator from South Carolina [Mr. DIAL] to the senior Senator from Vermont [Mr. GREENE] and will vote. I vote "yea."

Mr. TRAMMELL (when his name was called.) I transfer my pair from the senior Senator from Rhode Island [Mr. COLT] to the junior Senator from Indiana [Mr. RALSTON] and vote "nay."

The roll call was concluded.

Mr. BAYARD (after having voted in the negative). I have a general pair with the junior Senator from Pennsylvania [Mr. REED]. I had supposed he was present, but I find he is absent. I therefore transfer my pair to the junior Senator from Montana [Mr. WHEELER] and will allow my vote to stand.

Mr. ERNST (after having voted in the affirmative). I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the junior Senator from California [Mr. SHORTRIDGE], and will allow my vote to stand.

Mr. SHEPPARD. The junior Senator from Texas [Mr. MAYFIELD] is unavoidably absent. If he were present, he would vote "nay."

Mr. ROBINSON. The Senator from Georgia [Mr. GEORGE] is necessarily absent. If present, he would vote "nay."

Mr. JONES of New Mexico. I have a general pair with the Senator from Maine [Mr. FERNALD]. I transfer that to the Senator from Georgia [Mr. GEORGE], and vote "nay."

Mr. GLASS. I have a general pair with the Senator from Connecticut [Mr. McLEAN]. I transfer that pair to the Senator from Texas [Mr. MAYFIELD], and vote "nay."

The result was announced—yeas 29, nays 44, as follows:

YEAS—29

| | | | |
|---|---|---|---|
| Ball | Edge | Lodge | Sterling |
| Brandegee | Ernst | McKinley | Wadsworth |
| Bursum | Fess | McNary | Warren |
| Cameron | Gooding | Moses | Watson |
| Capper | Hale | Oddie | Willis |
| Cummins | Harreld | Phipps | |
| Curtis | Keyes | Spencer | |
| Dale | Lenroot | Stanfield | |

NAYS—44

| | | | |
|---|---|---|---|
| Adams | Frazier | Kendrick | Robinson |
| Ashurst | Gerry | King | Sheppard |
| Bayard | Glass | Ladd | Shields |
| Brookhart | Harris | La Follette | Shipstead |
| Bronsard | Harrison | McKellar | Simmons |
| Caraway | Heflin | Neely | Smith |
| Copeland | Howell | Norris | Stephens |
| Dill | Johnson, Calif. | Overman | Swanson |
| Edwards | Johnson, Minn. | Pittman | Trammell |
| Ferris | Jones, N. Mex. | Ransdell | Walsh, Mass. |
| Fletcher | Jones, Wash. | Reed, Mo. | Walsh, Mont. |

NOT VOTING—23

| | | | |
|---|---|---|---|
| Borah | Fernald | Norbeck | Smoot |
| Bruce | George | Owen | Stanley |
| Colt | Greene | Pepper | Underwood |
| Couzens | McCormick | Ralston | Weller |
| Dial | McLean | Reed, Pa. | Wheeler |
| Elkins | Mayfield | Shortridge | |

So the amendment of Mr. WILLIS to the preamble was rejected.

The PRESIDENT pro tempore. The question now is upon agreeing to the preamble, which, without objection, will be agreed to.

INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT

Mr. WARREN. I present a conference report on the independent offices appropriation bill.

The PRESIDENT pro tempore. The conference report will be read.

The conference report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8233) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 6, 7, and 15.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 8, 9, 12, and 14, and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "No part of the moneys appropriated or made available by this act for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall, unless the President shall otherwise direct, be used or expended for the repair or reconditioning of any vessel owned or controlled by the Government, if the expense of such repair or reconditioning is in excess of $50,000, until a reasonable opportunity has been given to the available Government navy yards to estimate upon the cost of such repair or reconditioning if performed by such navy yards within the limit of time within which the work is to be done: *Provided*, That this limitation shall only apply to vessels while in the harbors of the United States, and all expenditures in connection with such work are to be considered in estimating the cost"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the follow-

ing: "$10,000 except the following: One at not to exceed $25,000, and five at not to exceed $18,000 each"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 4 and 10.

F. E. WARREN,
W. L. JONES,
LEE S. OVERMAN,
*Managers on the part of the Senate.*
WILL R. WOOD,
J. W. SUMMERS,
JOHN N. SANDLIN,
*Managers on the part of the House.*

Mr. ROBINSON. Mr. President, I ask the Senator from Wyoming what are the outstanding amendments about which agreement has not been reached?

Mr. WARREN. There are two such amendments. As the report was previously submitted two amendments were not agreed to on the House side. The matter came back to the Senate and was again referred to the committee of conference. This is a second report in which the two items have been changed. One item is merely nominal, while the other is quite important. One is in reference to the repair of ships and the other to the compensation of attorneys for the Emergency Fleet Corporation. The bill in the first place fixed $11,000 as the maximum salary for the attorneys, with the exception of three who might receive $18,000. Under the change which has been made $10,000 is fixed as the maximum compensation for attorneys, except two, who may receive $18,000. I move the adoption of the report so that it may go to the House for action by that body.

Mr. McKELLAR. What was done with the provision as to work being performed in navy yards?

Mr. WARREN. The conferees changed the $100,000 limit to $50,000. There are one or two other minor changes.

Mr. McKELLAR. The conferees have agreed upon that?

Mr. WARREN. Yes.

Mr. COPELAND. Mr. President, I am sorry I was out of the Chamber when the conference report was presented. As I understand, the change which has been made provides that the amount shall be $50,000 instead of $100,000.

Mr. WARREN. That is the principal change.

Mr. COPELAND. What other changes are there?

Mr. WARREN. They are not important; a few words have been changed to perfect the provision, but those changes I do not think make any difference, perhaps, so far as the objection the Senator has is concerned.

Mr. COPELAND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. COPELAND. Under the rules does not the report have to go over for a day?

The PRESIDENT pro tempore. The Chair is of the opinion that it does not have to lie over for a day.

Mr. WARREN. Mr. President, the motion is to agree to the report, on which, of course, the Senator may have the yeas and nays, if he so desires.

The PRESIDENT pro tempore. If the Senator from New York will examine Rule XXVII, he will find that it discloses what must be done upon the presentation of a conference report.

Mr. COPELAND. Mr. President, of course I am dissatisfied with the report, because it does not give an opportunity to the navy yards to bid upon work unless the amount is in excess of $50,000, and then only if the President shall so direct. Furthermore, there is no provision, in case the bid of a navy yard should be the low bid, that the contract would be let to the navy yard.

The PRESIDENT pro tempore. May the Chair relieve the situation a little by saying that the conference report itself is not before the Senate for consideration? When the question of the consideration of the conference report is raised, then it must be decided by the Senate.

Mr. WARREN. I have moved that the Senate agree to the report.

Mr. ROBINSON. The Senator from Wyoming moved to agree to the conference report.

The PRESIDENT pro tempore. The rule makes it the duty of the Chair to put the question of the consideration of a conference report to the Senate, and that is to be determined without debate. If the Senate shall vote to consider the conference report, then it will be before the Senate.

Mr. McKELLAR. Mr. President, may I ask the Senator a question?

Mr. WARREN. Certainly.

Mr. McKELLAR. Does the agreement as reported by the conferees in reference to work done by navy yards embody the provision as adopted by either the House or the Senate, or is it a new provision?

Mr. WARREN. It is made up of the two. It is very much like the present law, except that it is more liberal, in so far as the work that may be done at navy yards is concerned.

Mr. MOSES. Mr. President, may we have the regular order?

The PRESIDENT pro tempore. The regular order is, will the Senate proceed to the consideration of the conference report? [Putting the question.] The ayes have it, and the conference report is now before the Senate. The question is upon agreeing to the report.

Mr. BURSUM. I desire to inquire what is the status of the unfinished business.

The PRESIDENT pro tempore. The status is the same. The question is on agreeing to the conference report.

The report was agreed to.

### DEFICIENCY APPROPRIATIONS

Mr. WARREN, from the Committee on Appropriations, to which was referred the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, reported it with amendments.

### ESTATE OF CHARLES L. FREER

Mr. WARREN, from the Committee on Appropriations, to which was referred the bill (S. 3368) to cancel the additional taxes together with all penalties and other charges assessed against the estate of Charles L. Freer, deceased, and to remit any further taxes, penalties, or charges which may hereafter be found due from the said estate, reported it without amendment and submitted a report (No. 772) thereon.

### POSTMASTERS AND POSTAL EMPLOYEES—CONFERENCE REPORT

Mr. EDGE. Mr. President, I now ask unanimous consent that the Senate proceed to the conference report on Senate bill 1898, being the postal salary readjustment bill embodying also the corrupt practices act.

The PRESIDENT pro tempore. Is there objection?

Mr. BURSUM. Mr. President, I object.

Mr. EDGE. Then I move——

Mr. BURSUM. Mr. President——

Mr. EDGE. I think I still have the floor, Mr. President. I have not given up the floor.

Mr. BURSUM. I ask that the regular order may be proceeded with.

The PRESIDENT pro tempore. The Chair desires to ask the Senator from New Mexico if he is preferring a request?

Mr. BURSUM. I objected to the request of the Senator from New Jersey [Mr. EDGE] for unanimous consent.

The PRESIDENT pro tempore. That was the end of the request for unanimous consent.

Mr. EDGE. Now, Mr. President, I move that the Senate proceed to the conference report on Senate bill 1898.

Mr. HEFLIN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from Alabama?

Mr. EDGE. I yield.

Mr. HEFLIN. I was going to ask the Senator from New Mexico [Mr. BURSUM] to withdraw his objection. It is very important that the conference report may be adopted and go to the House of Representatives. I think it would take but a few moments to get the conference report through, if the Senator from New Jersey can have the right of way.

Mr. BURSUM. If there is not likely to be debate I will not object, but I understood that the report would occasion considerable debate. If, however, there will not be much time taken on it——

Mr. HEFLIN. I do not think it will take up very much time.

Mr. BURSUM. Then I have no objection. I will agree that the unfinished business may be temporarily laid aside with the understanding that there will not be much debate on the conference report. I withdraw my objection to the consideration of the conference report.

Mr. EDGE. I thank the Senator from New Mexico, and I hope that the conference report may be speedily disposed of.

The PRESIDENT pro tempore. The Chair hears no objection to the unanimous consent asked for by the Senator from New Jersey.

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the bill (S. 1898) reclassifying the salaries of postmasters and employees of the Postal Service and readjusting their salaries and compensation on an equitable basis, and for other purposes.

Mr. EDGE. I move that the Senate agree to the conference report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. ADAMS. Mr. President, I wish to make an inquiry of the Senator from New Jersey in reference to subparagraph (c), which appears on page 15 of the report. My inquiry is as to why the particular definition of a "political committee"? Apparently the provision is so framed as only to refer to committees which function in more than one State or which are subdivisions of a larger committee. It seems to me that the bill, should it become a law, could be easily evaded by reason of that definition.

Mr. EDGE. Mr. President, in answer to the Senator from Colorado I will say that the definition of "political committee" in paragraph C has, in my opinion, been amplified for the very wise purpose of endeavoring to comprehend all political committees, including subcommittees of national committees, political or otherwise, which might take part or become interested in a political campaign. I can not see any possible objection to having the subdivisions of political committees so clearly defined that the act would comprehend any possible subcommittee spending money, securing contributions, or interesting itself financially in a campaign.

Mr. ADAMS. My only inquiry was whether the language was broad enough, not whether it was too narrow. I wondered if it did not open the way by which some campaign collection committees might escape.

Mr. EDGE. I will say to the Senator, as I have already indicated, that the language of the section has been amplified by the conferees in order to make it broader than it was originally.

Mr. FESS. Mr. President, will the Senator from New Jersey yield there?

Mr. EDGE. I yield to the Senator from Ohio.

Mr. FESS. The present law is easily evaded by organizations that are not known as political committees—for instance, by industrial committees; and collections may be made in a way that the law does not cover. The provision now under consideration, however, includes all of those, for the term "political committee" comprehends any kind of a committee collecting money for election purposes.

Mr. EDGE. The intent is, as the Senator from Ohio very properly has said, to comprehend the activities of any organization interested in a political campaign.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from Tennessee?

Mr. McKELLAR. I ask for the floor in my own right. The Senator from New Jersey has yielded the floor, I understand.

Mr. EDGE. I will yield to the Senator from Tennessee.

Mr. McKELLAR. I thought the Senator had yielded the floor.

Mr. EDGE. No; Mr. President.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from Massachusetts?

Mr. EDGE. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. Mr. President, I should like to ask the Senator if there is any provision in this amendment, which seeks to regulate corrupt practices in elections, limiting the amount of money which may be raised and expended in an election?

Mr. EDGE. Mr. President, the provision as found in the conference report is patterned very much after the existing law so far as the limit being $10,000 for a Senator and, as I recall, $2,500 for a Member of the other House. However, the present law, which has been more or less in a position of uncertainty on account of various decisions of the Supreme Court, has been strengthened to take care of the weaknesses disclosed by those decisions. Further than that——

Mr. WALSH of Massachusetts. The Senator does not answer my question. It may be answered "yes" or "no." There is a limit in this amendment to the amount of money that a candidate may spend; is that not the fact?

Mr. EDGE. Yes.

Mr. WALSH of Massachusetts. A candidate for Senator himself can spend but $10,000, but his political committee and the political committee of his party can spend any amount of money.

Mr. EDGE. That is not entirely correct.

Mr. WALSH of Massachusetts. Will the Senator state in what particular it is not correct?

Mr. EDGE. The act plainly stipulates that wherever a State law exists—and they exist in most of the States of the Union—the State law, of course, will be in effect.

Mr. WALSH of Massachusetts. I doubt the accuracy of that statement. But if it is a good thing for the States to limit the amount of money that may be expended in political campaigns, why should not the National Government do so? As I read the whole amendment, I believe it has much merit; I think it is an improvement over the present law. There are two serious evils that lead to corrupt practices in elections; one is the secrecy with which money is raised and expended, and the second is the unlimited amount that it is possible to raise and spend to control elections. I think this amendment has merit in that it does provide for publicity of the amount of money collected and expended and requires public returns from time to time; but the greatest evil of all, namely, that one political committee can spend unlimited amounts and another can spend but $5,000, is still untouched by this bill. It seems to me that is the end we ought to strive to reach, to limit the amount of money that may be expended by a political committee. To limit the amount a candidate may spend is not of special consequence.

For a poor man to spend $10,000 is impossible, but for a very wealthy man to spend $10,000 is inconsequential, when his own personal committee and the committee of the political party of which he is a member can spend any amount of money without violating the law.

I think I ought to say to the Senator that I hope the amendment to control corrupt practices in elections will be accepted, and that the conference report will be agreed to; but I want to call attention to the fact that we have not yet obtained a corrupt practices act that really reaches the greatest of all evils in our elections, of unlimited amounts of money being spent to promote the election of individuals. Of course, it would have been much better to have this subject dealt with in a separate bill in the earlier days of the session rather than making it a hastily considered rider to another subject matter.

Mr. EDGE. Mr. President, I am very glad that the Senator has admitted that the work of the conferees, which has been limited to a very few hours, and with a bill with which they were totally unacquainted, has at least contributed somewhat to improve the present corrupt practices laws.

Mr. WALSH of Massachusetts. There is no doubt about that.

Mr. EDGE. I appreciate that the bill is perhaps not all that it might be, but the improvements in the law are very decided and direct. For instance, it provides that there shall be publicity of contributions, as I recall, five or six times a year—every quarter, and before and after an election. Under existing legislation that is not required. In other words, we have improved the situation as best we could with a conference report. It is absolutely necessary, if we want any corrupt-practices legislation on the statute books as the result of this session, to adopt this report.

Mr. WALSH of Massachusetts. Mr. President, I want to call attention again to the fact that I think the amendment of the Senator from Idaho that has been taken out in conference is broader and a better amendment on the question of publicity, but this conference amendment is better than the present law in dealing with the problem of proper publicity for amounts received and amounts expended; but there is still the very serious evil that one political candidate may have a million dollars behind him to help elect him and another candidate may have only a few thousand dollars behind him. In other words, there is no limit to the amount that can be spent in advertising, in circularizing, in canvassing and soliciting, in carrying voters to the polls, and in many other practices by which elections are influenced.

Mr. DILL. Mr. President, the Senator spoke of this being an improvement over the present law. As I understand, there is no law on this subject at the present time with relation to Congressmen and Senators; is there?

Mr. EDGE. It is under more or less legal doubt, I believe.

Mr. DILL. I mean as a result of the decision of the Supreme Court.

Mr. EDGE. I understand that it has been declared unconstitutional so far as it relates to primary elections.

Mr. DILL. Does this amendment—I have not had time to read it—exclude, under expenditures, the same things that are excluded under the law that previously existed before the Supreme Court decision?

Mr. EDGE. According to my recollection, it does. I have not had time to compare it with the old law.

Mr. DILL. The old law limited to $10,000 the amount that a Senator might spend.

Mr. EDGE. Ten thousand dollars.

Mr. WALSH of Massachusetts. That he himself can spend.

Mr. EDGE. And it permitted him to spend money for certain purposes—half a dozen in number, as I recall—without their being included in the $10,000.

Mr. DILL. And this makes a limit of $25,000?

Mr. EDGE. Oh, no; this retains the limit of $10,000 for Senators, and $2,500 for Members of the lower House.

Mr. McKELLAR. It is $25,000 for the big States.

Mr. EDGE. It has a new provision, I might say, that has been frequently discussed when such legislation was before the Senate in the past, that in States where the population permitted, computing the expenditure at 3 cents, I think, per voter, they could spend a maximum of $25,000 if the State laws did not interfere and the population was great enough to so permit.

Mr. WALSH of Massachusetts. The limit is only on what a candidate himself can contribute and spend on his own election. There is no limit upon the amount that may be raised by committees to elect him.

Mr. DILL. There is no limit to what other people may spend in his behalf.

Mr. WALSH of Massachusetts. He himself can give only $10,000 to his committee. They can spend $10,000,000.

Mr. EDGE. Mr. President, while technically the Senator from Massachusetts is correct, I am quite sure, as was the design of the Senator from Idaho with his amendment, that the publicity of contributors four times a year—every quarter—will have a tendency to limit contributions. The object of the amendment of the Senator from Idaho to publish these contributions every 10 days was to accomplish that purpose. If the contributions are published quarterly, and before the election, it must have that tendency. Otherwise, of course, the aim of either amendment in this particular fails.

Mr. McKELLAR. Mr. President, just a word or two about this bill before it is passed.

So far as the readjustment of postal salaries is concerned, there is no difference of opinion on the part of anybody. I believe all concede that it should pass; but about the Federal corrupt practices act there was a difference in the conference committee, and there is a difference between the two Houses.

Personally, I want to say that neither of the proposed plans met my approval, for the reason that neither the Borah plan nor the House plan fixed a limit upon the amount that a party could spend. It is unlimited under this plan. It was unlimited under the Borah plan. The Borah plan, as it seemed to me, provided for a little better publicity than this plan does; and I think I violate no confidence in saying that I very earnestly sought to have the conferees report both plans. I did not think there was any antagonism between the two plans, and I thought both plans might well have been adopted.

We ought to do something to limit campaign expenditures in this country. We ought to do something to have a proper corrupt practices act. This is the very best that we could do at this particular time of the session, and therefore I voted to report this as being the very best we could get. If I had to choose, as I did have to choose, between the Borah plan and this plan, I should choose the Borah plan first; but I believe that this plan is a considerable step in the right direction, and it is all that we could get at this time, and I think it ought to be adopted by the Senate.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. EDGE. Is it not correct, likewise, without violating any confidence, to say that the House conferees were instructed by special resolution, and that it was absolutely impossible to do anything else than what we did?

Mr. McKELLAR. The Senator is exactly right. It was absolutely impossible to do anything else than what we did do, namely, to report the House bill.

While this bill does not limit the amount that a political committee can spend, it does provide for a fairly good publicity; and if it is enforced, as I believe it will be enforced, I believe it will do a great deal of good.

I regret very much that we did not put some limitation upon campaign expenditures. I said the other day, and I say again, that four years ago, when our Republican friends spent nearly $10,000,000 in their campaign, and reported that fact to the Secretary of the Senate and the Clerk of the House, it was too much; and I believed that when the Democrats spent some two and a half million dollars that was too much. It is not necessary that these enormous expenditures should be made in campaigns. There is but one purpose in it, and that is to debauch the electorate, and the Congress ought to put a limitation upon it. Some time ago I prepared a bill for the purpose of putting a limitation upon it, but my bill has not been reported, and it was impossible to get it before the Senate at this session.

I regret it very much. I think it is a better bill, perhaps, than either one of the plans that have been suggested; but so anxious am I to put something on the statute books that will in some way limit the extravagant and excessive and sometimes, I have no doubt, illegal use of money in elections, that I accepted this plan rather than not have any plan at all.

In conclusion, I will say that I hope the Senate will adopt this plan as being the best that we can get at this time.

Mr. BORAH. Mr. President, I am in accord with the suggestion of the Senator from Tennessee that the Senate, under the circumstances, ought to adopt this conference report, including the provision with reference to campaign funds.

I think the amendment which was incorporated in the report in lieu of the amendment which I offered is in many respects a good one. Nothing could be gained at this time by pointing out what I think are its defects, but it has sufficient virtues to entitle it to adoption. It is a step in the right direction, and a very substantial step. Evidently the Member who prepared the amendment, Mr. CABLE, of the House, has spent considerable time upon the subject, and with good results, and I am, therefore, heartily in favor of this measure.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. BORAH. Yes.

Mr. EDGE. The difficulty brought out by the Senator from Massachusetts [Mr. WALSH] as to the pending legislation not limiting the contributions would not have been remedied by the amendment of the Senator from Idaho himself, except through the publicity feature. Is not that correct?

Mr. BORAH. Yes; my opinion is that ultimately we will solve this question by securing publicity with reference to campaign funds. I do not believe it is practicable in our country, owing to the way the population is distributed to specify a particular amount of money which may be expended by the candidate. Neither is it practicable, in my judgment, to specify a particular sum which a committee may expend. If we can secure the kind of publicity which accompanies the progress of the campaign, it is my opinion that that will be the only real solution of the utilization of money in the campaign.

I think there are some advantages which my amendment has which are not incorporated in this one. But, on the other hand, there are some things here which I did not cover; but I am in favor of the adoption of the report of the conference committee so far as that feature of it is concerned.

The PRESIDENT pro tempore. The question is upon agreeing to the conference report.

The report was agreed to.

### EXPENDITURES IN THE PRESIDENTIAL CAMPAIGN

Mr. MOSES. Mr. President, out of order, I ask unanimous consent to present a report from the Committee on Printing, and I ask further unanimous consent for its immediate consideration. If it takes longer than 10 minutes of 6, I will agree to withdraw it.

Mr. LA FOLLETTE. Mr. President——

Mr. MOSES. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I ask the Senator to yield to me to introduce a resolution, which I send to the desk and ask to have read.

Mr. MOSES. I yield to the Senator.

The PRESIDENT pro tempore. Without objection, the resolution will be received and read.

The resolution (S. Res. 248) was read, as follows:

*Resolved*, That a special committee of five Senators be elected forthwith to investigate and report to the Senate on December 5, 1924, the campaign expenditures made by or on behalf of, or in support of, or in opposition to, any and all candidates for President and Vice President and presidential electors; the names of the persons, firms, or corporations contributing to the said candidate or candidates or their party committee or committees, or any other agency, the amounts contributed, pledged, loaned, or otherwise made available for use, the method of expenditure of said sums, and all the facts in relation thereto, not only as to the subscriptions of money and the expenditures thereof but as to the use of any other means of influence, including the promise of patronage, and all other facts in

relation thereto that would not only be of public interest but would aid the Congress in any necessary remedial legislation.

That said committee is hereby empowered to sit and act during the adjournment of Congress at such time and place as it may deem necessary; to require by subpœna, or otherwise, the attendance of witnesses, the production of books, papers, and documents; to employ stenographers at a cost of not exceeding 25 cents per hundred words. The chairman of the committee, or any member thereof, may administer oaths to witnesses. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee. Every person who, having been summoned as a witness by authority of said committee, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

The expenses thereof shall be paid from the contingent fund of the Senate on vouchers ordered by said committee, signed by the chairman thereof and approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. LA FOLLETTE. I ask that the resolution lie on the table, to be called up later.

Mr. ROBINSON. I ask unanimous consent that the resolution just read be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. MOSES. I yield to the Senator from Arkansas for the purpose of making that request.

Mr. ROBINSON. I thank the Senator.

The PRESIDENT pro tempore. It will be so referred.

CLAIMS OF CHOCTAW AND CHICKASAW INDIANS

Mr. HARRELD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Hampshire yield to the Senator from Oklahoma?

Mr. MOSES. I yield to the Senator from Oklahoma on the express condition that any time he occupies may not be taken out of my elapsed time, as I have been yielded to by the Senator from New Mexico [Mr. BURSUM].

Mr. HARRELD. I desire to submit a concurrent resolution (S. Con. Res. 21), which I ask to have read. I also ask for its immediate consideration.

The PRESIDENT pro tempore. The Secretary will read the resolution offered by the Senator from Oklahoma, for information.

The reading clerk read the concurrent resolution, as follows:

*Resolved by the Senate (the House of Representatives concurring)*, That the President of the United States be requested to return to the House of Representatives the enrolled bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes.

The PRESIDENT pro tempore. The Senator from Oklahoma asks unanimous consent for the immediate consideration of the bill just read. Is there objection?

The concurrent resolution was considered by unanimous consent and agreed to.

LANDS IN PYRAMID LAKE INDIAN RESERVATION, NEV.

Mr. PITTMAN. Mr. President——

Mr. MOSES. I yield to the Senator from Nevada on the same conditions under which I yielded to the Senator from Oklahoma.

Mr. PITTMAN. I ask that the Chair lay before the Senate the amendment of the House to Senate bill 1309.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1309) for the relief of settlers and town-site occupants of certain lands in the Pyramid Lake Indian Reservation, Nev., which was on page 2, lines 10 and 11, to strike out "used by the Secretary of the Interior" and to insert in lieu thereof "subject to appropriation by Congress."

Mr. PITTMAN. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

GOVERNMENT PRINTING OFFICE EMPLOYEES

Mr. MOSES. Now I ask further unanimous consent for the immediate consideration of the bill (H. R. 7996) to regulate and fix rates of wages for employees of the Government Printing Office, which I have been permitted to report under unanimous consent.

I desire to state to the Senate that this is Senate action upon a bill passed by the House terminating a controversy which has existed for six years to my personal knowledge with reference to the conduct of the Government Printing Office. In its terms it carries an increase of salaries, due to the reclassification act, in part, which does not apply to the employees of the Government Printing Office. But this bill is a legislative anomaly, in this, that whereas it carries an increase in pay in the Government Printing Office amounting, net, to 5 cents an hour, it does not cost the Government in the end anything, because under the statute the rates charged by the Government Printing Office for public documents and all other classes of printed matter which under the statute may be sold are regulated by the overhead cost of running the establishment, and a Senate amendment is here provided extending the time before which the act shall not take effect to the 1st of July, so that the Government Printer can readjust the schedule of prices for the Government Printing Office so as to absorb almost completely the slight increase which this bill carries.

Mr. McKELLAR. Mr. President——

Mr. MOSES. I yield.

Mr. McKELLAR. About what would the immediate increase in salaries be?

Mr. MOSES. The immediate increase in salaries under the procedure which I have outlined is estimated by the Public Printer to be something like $100,000, and probably will be much less, because, if I may advert to a subject which is never discussed on the floor, namely, politics, there will be a great amount of political printing, probably, from the Government Printing Office in the next six months which will completely absorb the increases.

Mr. McKELLAR. The Senator speaks by the card, does he?

Mr. MOSES. Of course, I realize that in dragging politics on the floor I am following the constant practice of the Senate, and I beg the pardon of the Senator from Tennessee for doing it.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New Hampshire?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. MOSES. There are some amendments proposed by the Committee on Printing.

The PRESIDENT pro tempore. The Secretary will state the amendments.

The amendments were, on page 1, line 3, after the word "that" to insert "on and after July 1, 1924"; in line 4, after the word "wages" to insert "and salaries"; on page 2, line 2, after the words "and after" to strike out "the passage of this act," and to insert "July 1, 1924"; on page 2, line 15, after the word "wages" to insert a comma and the word "salaries"; in line 18, after the word "wages" to insert a comma and the word "salaries"; in line 20, after the word "further" to strike out, "That no employee of the Government Printing Office whose wage or compensation is increased as provided for herein shall, on and after said increase becomes effective, receive any additional compensation provided for in the act approved March 4, 1923, known as the $240 bonus act," and to insert "That employees and officers of the Government Printing Office shall continue to be paid at the existing rates of wages, salaries, and compensation (including night rate) as provided by law until such time as their wages, salaries, and compensation shall be determined as hereinbefore provided"; and on page 3, at the beginning of line 6, to change the section number from 3 to 2, so as to make the bill read:

*Be it enacted, etc.*, That on and after July 1, 1924, the Public Printer may employ, at such rates of wages and salaries, including compensation for night and overtime work, as he may deem for the interest of the Government and just to the persons employed, except as otherwise provided herein, such journeymen, apprentices, laborers, and other persons as may be necessary for the work of the Government Printing Office; but he shall not at any time employ more persons than the necessities of the public work may require or more than 200 apprentices at any one time: *Provided*, That on and after July 1, 1924, the minimum pay of all journeymen printers, pressmen, and bookbinders employed in the Government Printing Office shall be at the rate of 90 cents an hour for the time actually employed: *Provided further*, That except as hereinbefore provided, the rates of wages, including compensation for night and overtime work, for more than ten employees of the same occupation shall be determined by a conference between the Public Printer and a committee selected by the trades affected, and the rates and compensation so agreed upon shall become effective upon approval by the Joint Committee on Printing; if the Public Printer and the committee representing any trade fail to agree as to wages, salaries, and compensation, either party is hereby granted the right of appeal to the Joint Committee on Printing, and the decision of said committee shall be final; the wages, salaries, and compensation determined as provided herein shall not be subject to change oftener than once a year thereafter: *Provided further*, That employees and officers of the Government Printing Office shall continue

to be paid at the existing rates of wages, salaries, and compensation (including night rate) as provided by law until such time as their wages, salaries, and compensation shall be determined as hereinbefore provided.

SEC. 2. All acts or parts of acts in conflict with the provisions of this act are hereby repealed.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read "A bill to regulate and fix rates of pay for employees and officers of the Government Printing Office."

CLASSIFICATION OF GOVERNMENT EMPLOYEES

Mr. STERLING. Mr. President, from the Committee on Civil Service I report the joint resolution (S. J. Res. 146) to amend section 13 of the act entitled "An act to provide for the classification of civilian positions within the District of Columbia and the field service," introduced this morning, and ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read, as follows:

*Resolved, etc.*, That paragraph 5, under the heading "Custodial service," of section 13 of the act entitled "An act to provide for the classification of civilian positions within the District of Columbia and in the field services," be amended by striking out the sums $780 and $840 from the rates of compensation fixed for grade 2 in said section, and that paragraph 7, under said heading in said section 13, be amended by striking out the sums $900 and $960 as rates of compensation fixed for grade 3 in said service; said amendments being made necessary for purpose of correcting a clerical error in preparing the bill for the signature of the President, the bill as it passed both Houses and agreed to in conference not having included the sums proposed to be stricken out.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF AIRPLANE MAIL SERVICE TO BOSTON, MASS.

Mr. STERLING. Mr. President, from the Committee on Post Offices and Post Roads I report favorably, with an amendment, the bill (S. 3319) authorizing the extension and operation of the transcontinental airplane mail service to Boston, Mass., and I call the matter to the attention of the Senator from Massachusetts.

Mr. LODGE. I ask unanimous consent for the immediate consideraton of this bill.

Mr. MOSES. Let the bill be read.

The READING CLERK. The committee proposes to strike out, on line 4, the words "and directed" after the word "authorized," so as to make the bill read:

*Be it enacted, etc.*, That the Postmaster General is hereby authorized to extend and operate the transcontinental airplane mail service to Boston, Mass.: *Provided*, That the appropriations heretofore or hereafter made for the operation and maintenance of the transcontinental airplane mail service shall be sufficient for such purpose.

The Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment was agreed to.

Mr. MOSES. Mr. President, I move to amend by inserting after the words "to Boston, Mass.," the words "and to Manchester, N. H."

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the Senator from New Hampshire.

Mr. MOSES. I ask for a division.

Mr. OVERMAN. Mr. President, is there anything now before the Senate except the unfinished business?

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from New Hampshire.

Mr. OVERMAN. The Senator surely is not serious.

Mr. MOSES. I am just as serious as any Senator can be. We are all besieged by requests to make the route of this transcontinental mail service go through our cities. The Senator from Massachusetts is besieged by requests to make it go through Boston, Mass., and I am besieged by requests to make it go through cities in my State. If you are going to play favorites, I want to know about it; that is all.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from New Hampshire.

The amendment was rejected.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ST. MARYS RIVER BRIDGE

Mr. SHEPPARD. Mr. President, from the Committee on Commerce I report back favorably without amendment the bill (S. 3464) granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River. I direct the attention of the Senator from Georgia to the bill.

Mr. GEORGE. Mr. President, I ask unanimous consent for the present consideration of the bill just reported.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the States of Georgia and Florida, through their respective highway departments, and their successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Marys River, at a point suitable to the interests of navigation, at or near St. Marys, Camden County, Ga., known as the "Borrell Tract," and to the shore opposite thereto, known as "Roses Bluff," in the county of Nassau, in the State of Florida, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

TERM OF COURT AT SHELBY, N. C.

Mr. OVERMAN. Mr. President, I report back favorably from the Committee on the Judiciary, without amendment, the bill (H. R. 8657) to amend section 98 of the Judicial Code providing for the holding of the United States district court at Shelby, N. C. I ask for the immediate consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That section 98 of the Judicial Code be, and the same is hereby, amended by adding the following language:

"That terms of the District Court of the United States for the Western District of North Carolina shall be held in each and every year in the town of Shelby, N. C.: *Provided*, That suitable accommodations for holding court at Shelby are furnished free of expense to the United States."

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SOLDIERS' HOME HOSPITAL, SANTA MONICA, CALIF.

Mr. WARREN. Mr. President, I ask that the Senate proceed now to the consideration of House bill 2821, authorizing the erection of a sanitary fireproof hospital at the National Home for Disabled Volunteer Soldiers at Santa Monica, Calif.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That the Board of Managers of the National Home for Disabled Volunteer Soldiers be, and it is hereby, authorized and directed to cause to be erected at the Pacific branch of said home at Santa Monica, Calif., on land now owned by the United States, a sanitary fireproof hospital of a capacity for 500 beds at a total cost of not more than $1,500,000. Such hospital shall include all the necessary buildings, with the appropriate mechanical equipment, including roads and trackage facilities leading thereto, for the accommodation of patients, and storage, laundry, and necessary furniture, equipment, and accessories as may be approved by the Board of Managers of the National Home for Disabled Volunteer Soldiers.

SEC. 2. That the persons who shall be entitled to the privileges of treatment in this hospital when constructed, and who may be admitted thereto upon the order of a member of the Board of Managers of the National Home for Disabled Volunteer Soldiers, shall be the following: Honorably discharged officers, soldiers, sailors, and marines who served in the Regular, Volunteer, or other forces of the United States in the war with Mexico, the Civil War, the war with Spain, and the World

War, or in any war in which the country has been engaged, in campaigns against hostile Indians, or who served in any of the extra-territorial possessions of the United States in foreign countries, including Mexican border service, or in the Organized Militia or National Guard when called into the Federal service, and who are disabled by diseases or wounds and by reason of such disability are either temporarily or permanently incapacitated from earning a living.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PAYMENT OF TAXES TO STEVENS AND FERRY COUNTIES, WASH.

Mr. DILL, from the Committee on Indian Affairs, to which was referred the bill (H. R. 1414) to authorize the payment of certain taxes to Stevens and Ferry Counties, in the State of Washington, and for other purposes, reported it without amendment and submitted a report (No. 765) thereon.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House insisted on its amendment to the amendment of the Senate No. 1 to the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, and that the House further insisted on its disagreement to the amendments of the Senate Nos. 2 to 167, inclusive, to said bill.

The message also announced that the House had passed a bill (H. R. 7998) granting public lands to the city of Golden, Colo., to secure a supply of water for municipal and domestic purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 7998) granting public lands to the city of Golden, Colo., to secure a supply of water for municipal and domestic purposes, was read twice by its title and referred to the Committee on Public Lands and Surveys.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on June 4, 1924, the President approved and signed the following acts:

S. 1213. An act for the relief of Harold Kernan; and

S. 1941. An act for the relief of Ezra S. Pond.

SUPPLEMENTAL ESTIMATE, BUREAU OF MINES (S. DOC. NO. 141)

The PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Interior Department, Bureau of Mines, fiscal year 1924, to remain available until June 30, 1925, for the development of oil shale, etc., $90,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

REPORT OF UNITED STATES COAL COMMISSION

Mr. MOSES. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 671, which is a resolution providing for the printing of the report of the Coal Commission and which through inadvertance was omitted in the various reports of the Committee on Printing the other day.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New Hampshire?

Mr. SIMMONS. I object. We have set apart the time between 8 and 11 o'clock to-night to consider matters on the calendar.

Mr. MOSES. If that is the attitude of the Senator from North Carolina, there will be no unobjected bills to-night on the calendar until No. 671 is reached.

Mr. SIMMONS. I will ask the Senator from New Hampshire in all good humor——

Mr. MOSES. It will only take one minute to pass the resolution.

Mr. SIMMONS. Why is not the Senator willing to take his chances with the other bills on the calendar after 8 o'clock?

Mr. MOSES. One of the reasons is that the resolution has been here for a long time and it was solely through inadvertence that it was not immediately considered when reported. It will take one minute to do it.

Mr. SIMMONS. Upon that statement of the Senator I withdraw my objection. I made the statement because I am anxious that the pension bill shall be called up and concluded.

Mr. MOSES. I am just as anxious as the Senator to have the pension bill considered.

The concurrent resolution (S. Con. Res. 3), providing for the printing of the report of the United States Coal Commission, which had been reported from the Committee on Printing without amendment, was considered by unanimous consent and agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring)*, That the report of the United States Coal Commission relative to the anthracite and bituminous coal industry, with accompanying papers, charts, diagrams, and illustrations (including not to exceed one supplemental volume), be printed as a Senate document, with contents and index, and that 5,000 additional copies be printed, of which 1,100 copies shall be for the use of the Senate document room, 100 copies for the use of the Committee on Mines and Mining of the Senate, 3,500 copies for the use of the House document room, and 300 copies for the use of the House Committee on Interstate and Foreign Commerce.

PENSIONS AND INCREASE OF PENSIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6426) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

The next amendment of the Committee on Pensions was, on page 43, after line 6, to insert:

The name of Frederick Antoni, late of Company C, Nineteenth Regiment United States Infantry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of John H. Berard, late of the Signal Corps, United States Army, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Christopher Dennis, late of Company L, Twenty-fifth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Remigia J. Buell, now known as Remigia J. Meacham, former widow of Charles T. Meacham, late of Company C, First Regiment Michigan Volunteers, Mexican War, and pay her a pension at the rate of $30 per month.

The name of Esta Abbott, widow of Minor E. Abbott, late private, United States Marine Corps, Regular Establishment, and pay her a pension at the rate of $12 per month, with $2 per month additional for each of soldier's minor children under 16 years of age.

The name of John S. Schooler, late of Company D, Twenty-second Regiment United States Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of La Barron T. Marshall, late of Company F, Second Regiment Wisconsin Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Maywood Smith, late of Company H, Forty-fourth Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of $18 per month in lieu of that he is now receiving.

The name of Claude L. Bonta, late of Company C, Twenty-second Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Robert H. Cowan, late second lieutenant, Company K, Second Regiment North Carolina Infantry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Laura Briggs, dependent mother of Alvin E. Briggs, late of Company B, Third Regiment Field Artillery, New York National Guard, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of William A. Williams, late of Company H, Two hundred and second Regiment New York Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Jasper N. Stanfill, alias Joseph N. Stanfill, late of Company M, Fourth Regiment Tennessee Infantry, war with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Ellen L. Curran, widow of Patrick Curran, late of Company I, Twentieth Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Filen Whalin, late of Company B, Third Regiment Kentucky Volunteer Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Ludwig Zugner, late of Thirty-fourth Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of James M. Cline, late of One hundred and sixty-eighth Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of Mattie E. Prewitt, widow of John N. Prewitt, late of Company D, Second Regiment Kentucky Volunteers, Mexican War, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of August Getz, late of Company E, Third Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of James K. Harvey, late of Company M, Eleventh Regiment United States Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Mary L. Reese, widow of Thomas J. Reese, late of Company F, Eighth Regiment Pennsylvania Infantry, war with Spain, and pay her a pension at the rate of $20 per month.

The name of Lawson Ellsworth, late of Company C, One hundred and sixtieth Regiment Indiana Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Mary F. Lunau, widow of Frank Lunau, late of Troop A, Fifth Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Alden T. Wathan, late of the Hospital Corps, United States Army, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Mathias Backes, late of Troop C, Fourth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $24 per month.

The name of Ada M. Young, widow of Charles Young, late lieutenant colonel of the Ninth Regiment United States Cavalry, and pay her a pension at the rate of $50 per month, with $4 per month additional on account of the children of soldier under 16 years of age; said pension to be paid her in lieu of compensation which she now receives from the Veterans' Bureau.

The name of Martha R. Biddle, widow of William P. Biddle, late major general commandant, United States Marine Corps, Regular Establishment, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Charles D. Felter, late of the United States Marine Corps, war with Spain, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Gilbert E. Mayor, late of Company L, Twentieth Regiment Kansas Infantry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Mary F. Conway, widow of Michael F. Conway, late of Company B, Seventh Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Joseph Holtz, late of Battery B, First Colorado Field Artillery, Regular Establishment, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Charles Fuhr, late of the U. S. S. *Minneapolis* and *Washington*, United States Navy, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Lenora Piper, former widow of Francis Cunningham, late of Company D, Third Regiment Tennessee Volunteer Infantry, Mexican War, and pay her a pension at the rate of $20 per month.

The name of William F. Elfeldt, late of Battery M, Fifth Regiment United States Artillery, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Walter A. Bailey, late of Company B, Sixth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Lester L. Coffee, late of Company L, First Regiment Arkansas Infantry, war with Spain, and pay him a pension at the rate of $18 per month.

The name of Ke-wuck-oo-lah-la-shar, known as Ruling His Sun, late of Company B, Pawnee Scouts, United States Army, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Cicero Columbus Patton, late of Capt. Buck Roberts's Company, Texas Minute Men, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Edmund J. Gosselin, late of Company G, Nineteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Anna M. Carroll, widow of Daniel P. Carroll, late of Company K, Third Regiment Nebraska Infantry, war with Spain, and pay her a pension at the rate of $20 per month and $4 per month additional for each child of the soldier under 16 years of age in lieu of that she is now receiving.

The name of Fannie Fleischmann, widow of George Fleischmann, late of Company F, Fifth Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Peter C. Jackson, late of Capt. N. O. Reynold's Company E, Texas Frontier Battalion, Indian wars, and pay him a pension at the rate of $20 per month.

The name of John Clarence Giles, late of Company L, Forty-first Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of David S. Hills, late of Troop L, Nineteenth Regiment Kansas Cavalry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Newton Gambrel, dependent father of James T. Gambrel, late of Company A, Second Regiment Kentucky Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Belle Kelley, widow of James F. Kelley, late of Company G, Third Regiment Missouri Mounted Volunteers, Mexican War, and pay her a pension at the rate of $30 per month.

The name of Charles Carl, late of Company L, Third Regiment Nebraska Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Charles B. Diemart, late of Company H, Twenty-first Regiment Kansas Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of William H. Finley, late of Company C, Forty-seventh Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Fred B. Weaver, Hospital Corps, United States Army, war with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Ruth E. Strickler, widow of George W. Strickler, late of Company A, United States Voltigeurs, war with Mexico, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of William A. Holmes, late of the United States Navy, war with Spain, and pay him a pension at the rate of $18 per month in lieu of that he is now receiving.

The name of Katie Lewis, widow of Frederick Lewis, late of Troop C, Sixth Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of William F. Rogers, late of Company A, Sixth Regiment California Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Edward F. O'Toole, late of Company F, Two hundred and first Regiment New York Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Margaret Daley, widow of John Daley, late of Company F, Twelfth Regiment United States Infantry, and Company G, Fourteenth Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Milligan Comstock, late of Battery A, First Regiment United States Artillery, war with Spain, and pay him a pension at the rate of $20 per month.

The name of James P. Bradley, late of Company G, First Regiment Kentucky Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Mary C. Allen, widow of Williamson Allen, late of Captain Bouy's Company B, Second Regiment Oregon Mounted Volunteers, Indian wars, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Louis H. Blake, late of Company H, Sixteenth Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of William E. Lytle, late of Company I, Twenty-sixth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Albert C. Spurgeon, late of Battery G, First Battalion Ohio Light Artillery, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Charles F. Cramer, late major, Fifth Regiment Ohio Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Stanislaus Zelazny, late of Hospital Corps, United States Army, Regular Establishment, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of George W. Cover, late of Company L, Thirtieth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Zodak Kemster Basden, late of Company I, First Regiment North Carolina Infantry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Oren O. Pound, late of Company L, Third Regiment New York National Guard Infantry, Regular Establishment, border

defense, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Danie E. Dresser, late of Battery A, First Battalion Maine Heavy Artillery, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Timothy F. Buckley, late of Company I, First Regiment Maine Infantry, war with Spain, and pay him a pension at the rate of $30 per month.

The name of Rose M. Connell, widow of James Connell, late first lieutenant, Fourth Regiment Infantry New Jersey National Guard, border defense, and pay her a pension at the rate of $25 per month, with $2 per month additional on account of soldier's minor child under 16 years of age, in lieu of that she is now receiving.

The name of Alexander McCready, alias McReady, late of Company B, Sixth Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Judah L. Wormington, widow of J. S. Wormington, late of Quartermaster Department, United States Army, Indian wars, and pay her a pension at the rate of $20 per month.

The name of Walter E. Tarver, late of Company M, Third Battalion Engineers, United States Army, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Lewis M. Stevenson, late of Company B, Fourth Regiment Ohio Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Daniel F. Stocker, late of Troop M, Eighth Regiment United States Cavalry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of John Gearns, late of Troop D, Third Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Charles A. Skaggs, late of Company A, Twenty-sixth Regiment United States Infantry, war with Spain, and pay him a pension at the rate of $15 per month.

The name of Vivian L. Saunders, late of Company F, Fourth Regiment Missouri Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Elizabeth M. Durand, widow of Charles T. Durand, late of Troop H, Third Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Catherine Wilson, widow of Wood C. Wilson, late of Troop L, Eighth Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of James A. Butler, late of Troop B, First Regiment United States Volunteer Cavalry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Essie Bandhauer, widow of William J. Bandhauer, late of Company B, Tenth Regiment United States Infantry, war with Spain, and pay her a pension at the rate of $20 per month with $4 per month additional on account of each of the minor children of said William J. Bandhauer, until they reach the age of 16 years.

The name of George Ayres, late of Company E, First Regiment Ohio Infantry, war with Spain, and pay him a pension at the rate of $18 per month.

The name of Charles E. Keck, late of the Hospital Corps, United States Army, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Joshua C. Carney, late of Company C, Eleventh Regiment, and Company K, Twenty-fourth Regiment, United States Infantry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of James F. Lyons, late of Company K, Twenty-ninth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of John Foster, late of Troop K, Ninth Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Lillie E. Trego, widow of Jacob A. Trego, late of Company L, Third Regiment United States Artillery, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Neil F. Hill, late of Company L and Band, Fifth Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Lucian D. Copin, late of Battery F, Third Regiment United States Artillery, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of John Feiereisen, late of Troop B, Second Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Mary J. Portley, widow of Daniel L. Portley, late of Company F, Fifteenth Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Joseph J. Nedd, late of Company F, Twelfth Regiment Minnesota Infantry, war with Spain, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Samuel F. Shannon, late of Company L, First Regiment Nebraska Infantry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Frank T. Potter, late of Company L, Two hundred and second Regiment New York Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Charles S. Kinman, late of Company C, Seventh Regiment United States Infantry, war with Spain, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Malcolm D. Lincoln, late of Company G, First Regiment United States Volunteer Cavalry, and pay him a pension at the rate of $18 per month.

The name of Lillian H. Corcoran, widow of Thomas M. Corcoran, late of Troop —, Thirteenth Regiment United States Cavalry, and pay her a pension at the rate of $30 per month and $4 additional on account of the minor child.

The name of Eloise Wilkinson, widow of George Wilkinson, late of Troop E, Fifth Regiment United States Cavalry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Frederick Muller, late of Troop E, First Regiment United States Volunteer Cavalry, and pay him a pension at the rate of $50 per month.

The name of Bernard Higgins, late of Company F, Fifteenth Regiment United States Infantry, and pay him a pension at the rate of $30 per month.

The name of Edith B. Macon, widow of Edward N. Macon, late of the First Light Artillery Corps, United States Army, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of William H. Scott, late of Troop K, Ninth Regiment United States Cavalry, and pay him a pension at the rate of $20 per month.

The name of Nellie Wilkinson, widow of James Wilkinson, late of Company E, Seventeenth Regiment United States Infantry, and pay her a pension at the rate of $12 per month.

The name of Vicente Fresquez, late of Captain William's Company A, Saint Vrain's Battalion, New Mexico Mounted Volunteers, and pay him a pension at the rate of $50 per month.

The name of Nicholasita B. Speakman, widow of Robert Speakman, late of Company B, Third Regiment United States Infantry, and pay her a pension at the rate of $20 per month.

The name of Mary Dungan, widow of John Joseph Dungan (alias Joseph Dunigan), late of Company B, Seventh Regiment United States Infantry, and pay her a pension at the rate of $25 per month in lieu of that she is now receiving.

The name of Samuel E. Wright, late of band, Twenty-sixth Regiment United States Infantry, Spanish-American War, and pay him a pension at the rate of $72 per month in lieu of that he is now receiving.

The name of Carrie O'Neil, widow of James H. O'Neil, who served in Troop E, Third Regiment United States Cavalry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Mathew Cavaness, late of Lieutenant W. Charles Lewis's company, "Texas Minute Men," and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of John A. Avirett, late of Company I, Fourteenth Regiment United States Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Cecelia DeKuhn, widow of the late Richard DeKuhn, Troop K, Fifth United States Cavalry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of George W. Buckey, late of Company E, First Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of $72 per month in lieu of that he is now receiving.

The name of Claude Wallace, late of Company F, Twenty-fourth Regiment United States Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of John Sands, late of Company A, Second Regiment Mississippi Volunteer Infantry, and pay him a pension at the rate of $18 per month.

The name of Charles F. Smith, late of Company H, Sixth Regiment United States Cavalry, and pay him a pension at the rate of $20 per month.

The name of Thomas Gorman, late of Company B, First Regiment New Hampshire Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Josephine L. Webber, widow of William W. Webber, late of United States Marine Corps, and pay her a pension at the rate of $25 per month.

The name of William McElhinny, late of Company D, Seventh Regiment United States Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Axel Dahlgren, late of Company K, Thirteenth Regiment United States Infantry, and pay him a pension at the rate of $30 per month.

The name of John James Hester, late of Company C, Twenty-ninth Regiment United States Volunteer Infantry, and pay him a pension at the rate of $12 per month.

The name of James R. Lewis, late of Company —, ——— Regiment United States Marine Corps, and pay him a pension at the rate of $12 per month.

The name of Albert M. Griffith, late of Company B, Eighteenth Regiment United States Infantry, and pay him a pension at the rate of $50 per month.

The name of Samuel N. Bridgman, captain and commissary of subsistence, United States Volunteer Infantry, and pay him a pension at the rate of $60 per month in lieu of that he is now receiving.

The name of Isobel M. Evans, widow of Charles J. Evans, late of Troop C, Nineteenth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Fanny De Russy Hoyle, widow of Eli D. Hoyle, late brigadier general, United States Army, and pay her a pension at the rate of $100 per month.

The name of Jess Musgrave, late of the United States Marine Corps, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Ernest Otles Rose, late of United States Navy, and pay him a pension at the rate of $30 per month.

The name of John Hiet, late of Troop G, Fifth Regiment United States Cavalry, and pay him a pension at the rate of $60 per month in lieu of that he is now receiving.

The name of George Reynolds, late of Company E, Twenty-third Regiment United States Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Miller Kincaid, late of the One hundred and fourteenth Company, United States Coast Guards, and pay him a pension at the rate of $30 per month.

The name of Michael O'Connor, late unassigned, of the Second Regiment United States Infantry, and pay him a pension at the rate of $24 per month.

The name of Alwilda Flannery, widow of Edward Flannery, late of Company G, Third Regiment United States Cavalry, and pay her a pension at the rate of $25 per month.

The name of John Hermo, late of Captain Eastland's company, Second Regiment Oregon State Militia, and pay him a pension at the rate of $30 per month.

The name of Frank L. Simpson, late of Company D, Fifty-first Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of John F. Waggoner, late of Company H, Twelfth Regiment United States Infantry, and pay him a pension at the rate of $20 per month.

The name of Christena Coey, dependent mother of Thomas W. Coey, United States Navy, and pay her a pension at the rate of $12 per month.

The name of Henry Wilton, late of Troop F, Fifth Regiment United States Cavalry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of John C. Lockwood, late of Company M, Seventh Regiment United States Cavalry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Robert T. McKeen, late of Troop A, Ninth Regiment United States Cavalry, and pay him a pension at the rate of $12 per month.

The name of Edward J. Meacum, late of Company H, Fourth Regiment Missouri Volunteer Infantry, war with Spain, and pay him a pension at the rate of $50 per month.

The name of John E. Miles, late of Company H, Fourth Regiment United States Infantry, and pay him a pension at the rate of $60 per month.

The name of Lizzie Noland, widow of Thomas Noland, late of Company C, Third Regiment United States Artillery, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Tom Pogue, late of Company C, Thirty-second Regiment United States Volunteer Infantry, and pay him a pension at the rate of $15 per month.

The name of Amanda E. Pollard, widow of Charles W. Pollard, late of Company M, Nineteenth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Ella C. Nichols, widow of Lieut. Thomas B. Nichols, late of Company G, Sixth Regiment United States Cavalry, and pay her a pension at the rate of $25 per month in lieu of that she is now receiving.

The name of John T. Mack, late of Company C, First Battalion Nevada Volunteer Infantry, and pay him a pension at the rate of $30 per month.

The name of John H. Grotness, late of Company B, Twenty-second Regiment United States Infantry, and pay him a pension at the rate of $60 per month in lieu of that he is now receiving.

The name of Jennie Webb, widow of John Webb, late of Company L, Third Iowa Cavalry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Herbert O. Kohr, late of Company E, Seventh Regiment United States Infantry, and Company B, First Battalion of United States Engineers, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Harriet Bache, widow of George M. Bache, commander, United States Navy, and pay her a pension at the rate of $50 per month.

The name of Joseph Hart, late of Company C, Second Regiment United States Cavalry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Virginia M. Gearhart, widow of Guy S. Gearhart, late of Company C, Fifty-second Iowa Infantry, and pay her a pension at the rate of $50 per month in lieu of compensation which she is now receiving.

The name of Andrew L. McCamish, late of Troop L, First United States Cavalry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of James Farrell, late of Company C, Twentieth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $30 per month.

The name of Anna Katharine Leahy, crippled daughter of James C. Leahy, late of Company G, First Territorial Regiment United States Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of James W. Turknett, late of Company B, Kerr County, Texas Minute Men, Frontier Defense, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Richard F. Clark, late of Company G, Fifteenth Regiment United States Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Therron B. Leftwich, late of Company E, First Territorial Regiment United States Volunteer Infantry, and pay him a pension at the rate of $75 per month in lieu of that he is now receiving.

The name of Stephen Easton, late of Company K, First Regiment United States Volunteer Cavalry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Ernest H. Hill, late of Troop A, Thirteenth Regiment United States Cavalry, and pay him a pension at the rate of $30 per month.

The name of John D. Thompson, late of Company K, First Regiment New Mexico Volunteer Cavalry, and pay him a pension at the rate of $30 per month.

The name of John H. Feely, late of Company H, First Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of $75 per month in lieu of that he is now receiving.

The name of Josephine Lydy, widow of Horace E. Lydy, late of Company C, One hundred and fourteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mariah E. Baxter, widow of Theodore C. Baxter, late of Company D, Seventy-ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $45 per month in lieu of that she is now receiving.

The name of Daniel Webster Roberts, late of Company D, Texas Frontier Forces, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Margaret A. O'Brien, widow of George O'Brien, late of Company B, Seventh Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Grace F. Marix, widow of Adolph Marix, rear admiral, United States Navy, and pay her a pension at the rate of $100 per month in lieu of that she is now receiving.

The name of Anthony P. J. Henry, late of Company B, Twelfth United States Infantry, and pay him a pension at the rate of $18 per month.

The name of Mary Fitzpatrick, former widow of John Fitzpatrick, late of the United States Navy, war with Mexico, and pay her a pension at the rate of $30 per month.

The name of Maria Lamar Duvall, widow of William P. Duvall, late a major general in the United States Army, and pay her a pension at the rate of $100 per month in lieu of any pension to which she might now or may hereafter be entitled and in lieu of any compensation she is now receiving from the Veterans' Bureau.

The name of Malcolm J. McNeill, late of Company G, First Regiment Illinois Volunteer Infantry, and Company D, Twelfth Regiment United

States Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Patrick J. O'Brien, late of Company F, Ninth Regiment United States Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Leo Forst, late of Company D, Fifth Regiment United States Infantry, and pay him a pension at the rate of $12 per month.

The name of Robert Furlong, late of Company I, Eleventh United States Infantry, and pay him a pension at the rate of $30 per month.

The name of Thomas M. Mason, late of the United States Marine Corps, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of R. F. Wilkinson, late a citizen volunteer under Major Brisbin, United States Army, and pay him a pension at the rate of $30 per month.

The name of Anita de Garmendia Stephens, widow of John Edmondson Stephens, late brigadier general, United States Army, and pay her a pension at the rate of $100 per month in lieu of compensation which she is now drawing.

The name of John C. Collins, late of Company C, Eighth Regiment Massachusetts Volunteer Infantry, and pay him a pension at the rate of $18 per month.

The name of Dorothy Annie Britton, widow of Joseph W. Britton, late of Company A, Second Regiment United States Field Artillery, and pay her a pension at the rate of $25 per month with $8 additional for each of the soldier's minor children until they severally attain the age of 16 years.

The name of Ella M. Sims, widow of Thomas D. Sims, late of Company A, Seventh Regiment United States Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret L. Ferriter, widow of John Ferriter, late of Battery H, Second Regiment United States Artillery, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of William A. Estep, late of Company C, Thirty-sixth Regiment United States Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Samuel F. Hoover, late of the United States Navy, and pay him a pension at the rate of $18 per month.

The name of John Adams, late of Company D, Twenty-third Regiment Kansas Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Blas Sanchez, late of Company F, First Territorial Regiment United States Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Anastacio Molinar, late of Company A, First Regiment New Mexico Militia Cavalry, and pay him a pension at the rate of $30 per month.

The name of Eugene Van Patten, late major, First Battalion, First Regiment, New Mexico Militia Cavalry, and pay him a pension at the rate of $50 per month.

The name of Benjamin F. Parks, late of Company K, First Regiment New Mexico Militia Cavalry, and pay him a pension at the rate of $30 per month.

The name of Robert Owen Crim, late a member of the Citizens' Military Training Camp at Camp Knox, Kentucky, and pay him a pension at the rate of $30 per month.

The name of Patrick Hennessy, late of Company I, Twentieth Regiment United States Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Fred Rife, late of Company A, Fifth Regiment United States Infantry, and pay him a pension at the rate of $17 per month.

The name of John J. Holmes, late of the United States Navy, and pay him a pension at the rate of $18 per month.

The name of William J. Mahoney, late of Company C, Sixth Regiment United States Cavalry, and pay him a pension at the rate of $20 per month.

The name of John H. Barnacle, late of Troop D, Third Regiment United States Cavalry, and pay him a pension at the rate of $20 per month.

The name of Charles Connor, late of Company E, Second Regiment Tennessee Volunteer Infantry, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Martin Padgett, late of Captain Hardee's company, Florida Mounted Volunteers, Florida Indian war, and pay him a pension at the rate of $20 per month.

The name of William E. Snyder, late of Company A, Fourth Regiment South Dakota National Guard Infantry, and pay him a pension at the rate of $100 per month.

The name of William B. Yeater, late of Company C, First Regiment United States Infantry, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of James Hunt, late of Company H, Twenty-fourth Regiment United States Infantry, and pay him a pension at the rate of $20 per month.

The name of William A. Keating, late of Company D, First Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $24 per month.

The name of Thomas Johnson, late of Troop A, Ninth Regiment United States Cavalry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of George H. Barrows, late of Company D, Fourteenth Regiment United States Cavalry, and pay him a pension at the rate of $65 per month in lieu of that he is now receiving.

The name of Margaret F. Gallaher, widow of John H. Gallaher, late of Battery M, Third Regiment United States Artillery, and pay her a pension at the rate of $20 per month.

The name of Matilda A. Swift, widow of Henry Swift, late chaplain (major), United States Army, and pay her a pension at the rate of $30 per month.

The name of John L. Thorpe, late of the Hospital Corps, United States Army, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Jennie Boland, widow of Edward Boland, late of Troop G, Fifth Regiment United States Cavalry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of John Lannon, late of Company H, First Regiment United States Volunteer Cavalry, and pay him a pension at the rate of $30 per month.

The name of James M. Piersol, late of Company E, Thirty-fourth Regiment United States Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of James N. Yates, late of Company G, Eleventh Regiment United States Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of George C. Rimes, late of Company E, Thirty-fifth Regiment United States Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of William Ferrell, late of Company B, Thirteenth Regiment, and Company G, Thirty-eighth Regiment, United States Volunteer Infantry, and pay him a pension at the rate of $18 per month in lieu of that he is now receiving.

The name of Eben W. Troupe, late of Company E, First Regiment South Dakota Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of George F. Souls, late of Company L, Fourteenth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Edmo Le Claire, who served as Indian scout, United States Army, and pay him a pension at the rate of $50 per month.

The name of Patrick Murphy, late of Company B, Fourteenth Regiment United States Infantry, and pay him a pension at the rate of $30 per month.

The name of Edward D. Hassett, late of Company H, Tenth Regiment United States Infantry, and pay him a pension at the rate of $20 per month.

The name of Leize Holmes Weaver, widow of Maj. Gen. Erasmus Morgan Weaver, jr., United States Army, and pay her a pension at the rate of $50 per month in lieu of compensation now being paid her.

The name of Ziba A. Redding, late of Company K, First Regiment United States Cavalry, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Emma Higgins, widow of Bernard Higgins, late of Company F, Fifteenth Regiment United States Infantry, and pay her a pension at the rate of $20 per month.

The name of Seledon Jaramillo, late of Company A, Casual Camp, Ninety-seventh Division, United States Army, and pay him a pension at the rate of $30 per month.

The name of Jose Rafel Apodaca, late of Forty-first Company, Twentieth Regiment United States Engineers, and pay him a pension at the rate of $30 per month.

The name of Jose Esperidion Pineda, late of the Quartermaster's Department United States Army, and pay him a pension at the rate of $30 per month.

The name of William H. Archer, late of Company H, Nineteenth Regiment Kansas Volunteer Cavalry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Ascension S. de Wheeler, widow of Charles F. Wheeler, late of Troop D, Sixth United States Cavalry, and pay her a pension at the rate of $20 per month.

The name of Mary V. Jones, widow of Theodore Jones, late colonel Thirtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $45 per month in lieu of that she is now receiving.

The name of Sarah Elizabeth Robinson, widow of Thomas M. Robinson, late of Tyler's rangers, Colorado Volunteers, Indian wars, and pay her a pension at the rate of $20 per month.

The name of Newton Ernest McElvain, late of Troop K, Fourth Regiment United States Cavalry, and pay him a pension at the rate of $50 per month.

The name of Isabel J. Rogers, widow of Josias N. Rogers, late quartermaster sergeant, Thirty-ninth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary G. Sullivan, helpless and dependent child of Gerald Sullivan, late of Company M, First Regiment Montana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Mathew Galvin, late of Quartermaster Corps, United States Army, and pay him a pension at the rate of $30 per month.

The name of Mary J. Kepler, widow of Louis C. Kepler, late of Company B, Seventh Regiment United States Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Manuel Baca, late teamster, Quartermaster's Department, United States Army, and pay him a pension at the rate of $50 per month.

The name of Carlos Conklin, late of Captain Duran's company, First Regiment New Mexico State Militia, and pay him a pension at the rate of $50 per month.

The name of Isabel M. Quackenbush, widow of Stephen Wright Quackenbush, late captain's clerk, United States Navy, and captain, United States Marine Corps, and pay her a pension at the rate of $85 per month in lieu of that she is now receiving.

The name of John C. Lockwood, late of Troop M, Seventh Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of James D. McFadden, late of Troop G, First Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Phoebe J. Sweeney, widow of Edward Sweeney, late of Company D, Twenty-second Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Jesse Gibson, late of Company A, First Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Charles Burch, late of Company I, Thirteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $30 per month.

The name of Thomas H. Goodge, late of Company H, Tenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Elwood Donley, late of Company C, Eighteenth Regiment United States Infantry, war with Spain, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Jacob Adams, late of Troop H, Seventh Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Edith M. Murray, widow of James O. Murray, late of Company I, Eighth Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of $25 per month, with $8 per month additional on account of soldier's minor child under 16 years of age, in lieu of that she is now receiving.

The name of Bruce R. Vaughn, late of the Twenty-first Battery, United States Field Artillery, Regular Establishment, and pay him a pension at the rate of $30 per month.

The name of Harriet Smith, widow of Robert Smith, late of Company F, One hundred and twenty-fifth Regiment United States Colored Infantry, Regular Establishment, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Elizabeth Horton, widow of Roy C. Horton, late captain of Company E, Fourth Infantry, Alabama National Guards, border defense, and pay her a pension at the rate of $20 per month.

The name of Daisy B. Fear, widow of Theodore C. Fear, late of the United States Navy, Regular Establishment, and pay her a pension at the rate of $12 per month, with $2 per month additional on account of each child of the sailor under 16 years of age.

The name of Mary A. Kane, widow of Patrick H. Kane, late of the United States Navy, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Arthur N. Jones, late of the United States Navy, war with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Catherine Ahern, widow of Michael Ahern, late of Company A, Seventeenth Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Willis P. McCampbell, late of Company A of Instruction General Service, United States Army, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of William D. Miller, late of Company C, Fourth Regiment Tennessee Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Seward B. Pickens, late of Company I, First Regiment South Carolina Infantry, war with Spain, and pay him a pension at the rate of $18 per month.

The name of Catherine Rodgers, widow of Hugh Rodgers, late of Company I, Sixteenth Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Claude A. Holder, late of Company G, First Regiment Tennessee Infantry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Charles V. Harris, late of Hospital Corps, United States Army, war with Spain, and pay him a pension at the rate of $35 per month in lieu of that he is now receiving.

The name of Louis Anderson, late of Troop H, Tenth Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Samuel D. Lee, late of Thirty-sixth Company, United States Coast Artillery, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Royal O. Tyler, late of Troop B, Third Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Joseph Bailey, late of Troop A, Thirteenth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Chester G. Ramsey, late of Company M, Third Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Frank Robinson, late of Company D, Twenty-third Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of Theo Rasner, late of Company F, Twenty-third Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Leo V. Burchett, late of Company D, Thirty-eighth Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Alva C. Brooks, late of One hundred and twenty-first Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Charles S. Cooper, late of Company L, Second Regiment United States Infantry, and Company C, Eleventh Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of Fred Sandlin, late of One hundred and sixty-sixth Company, United States Coast Artillery, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Alice M. Fowler, dependent mother of Clarence E. Fowler, late of the United States Navy, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Lucius P. Burress, late of Company H, First Regiment North Carolina National Guard Infantry, Regular Establishment, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of George C. Peterson, late of Battery F, Fourth Regiment United States Artillery, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Mack Raney, late of Company K, First Regiment Arkansas Infantry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Mary Sullivan, widow of Joseph Sullivan, late of the One hundred and nineteenth Company, United States Coast Artillery, war with Spain, and pay her a pension at the rate of $20 per month.

The name of Alex McWhorter, late of Troop M, Sixth Regiment United States Cavalry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Walter G. Abner, late of the Eighth Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of James B. Waters, late of Company I, Eighth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Joseph B. Beller, late of Company B, First Regiment Ohio Cavalry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Roscoe Caudill, late of the One hundred and sixty-sixth Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $17 per month in lieu of that he is now receiving.

The name of Charles F. Westfield, late of Battery F, Third Regiment United States Artillery, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Michael Kraus, late of Company F, Seventh Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Minnie Heath, widow of William S. Heath, late of Company L, Twenty-first Regiment Kansas Infantry, war with Spain, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving, the increase hereby granted to cease and determine in the event of the death of soldier's helpless child, Ralph Heath.

The name of John F. Graper, late of Thirteenth Company United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Alma Staker, late of Capt. Jacob Christianson's company Utah Militia Infantry, Indian wars, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of John F. Connolly, late of Company A, First Regiment California Infantry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Thomas D. Heard, late of Company F, Frontier Battalion Texas Rangers, Indian wars, and pay him a pension at the rate of $20 per month.

The name of D. F. Sanders, late of Capt. Pat Dolan's company F, Texas Frontier Battalion, Indian wars, and pay him a pension at the rate of $20 per month.

The name of Joseph H. Kellerman, late of the United States Navy, regular establishment, and pay him a pension at the rate of $12 per month.

The name of Robert A. Herbst, late of Company D, Fifth Regiment United States Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of James Jones, dependent father of Francis M. Jones, late of the Hospital Corps, United States Army, regular establishment, and pay him a pension at the rate of $12 per month.

The name of Lizzie Lunger, widow of Lemuel Lunger, late of Troop M, First Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Joseph Kasiah, late of Company D, Sixth Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of James Wood Haynes, late of Troop F, Third Regiment United States Cavalry, Indian Wars, and pay him a pension at the rate of $20 per month.

The name of Sarah J. Bolender, widow of Levi Bolender, late of Company C, Twenty-second Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Lucy W. Slaughter, widow of Edwin L. Slaughter, late major Second Regiment Virginia National Guard, regular establishment, border defense, and pay her a pension at the rate of $25 per month.

The name of Mary J. Darling, widow of Traverse R. Darling, late of Company I, First Regiment Rhode Island Volunteer Infantry, war with Spain, and pay her a pension at the rate of $12 per month, this pension to cease and determine in the event it should at any time be found that soldier is living.

The name of Jacobus Hemmes, late of Company E, Seventh Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $12 per month.

The name of Harry Stephens, late of Company L, Thirty-fifth Regiment, and Company K, Thirty-ninth Regiment, United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of $30 per month.

The name of Frederick Turner, late of Company A, Ninth Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $30 per month.

The name of Frank Rawson, late of Company L, Thirty-third Regiment Michigan Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Elsie M. Hayes, widow of Perley B. Hayes, late of Troop C, Rhode Island National Guard Cavalry, border defense, and pay her a pension at the rate of $12 per month and $8 per month additional on account of soldier's minor child under 16 years of age.

The name of Frank Mueller, late of Company F, Fifth Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of James K. White, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of John Cantwell, late of Company I, Third Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Lucy J. Hartley, widow of William L. Hartley, late of Captain Simpson's company, First Regiment Tennessee Infantry, Indian wars, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Raymond E. Fisher, late of Troop K, Sixth Regiment United States Cavalry, war with Spain, and pay him a pension at the rate of $25 per month in lieu of that he is now receiving.

The name of Roy B. Wilcox, late of Company D, Third Regiment Tennessee Volunteer Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Warren A. Ritter, late of Company M, Forty-fourth Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of $22 per month in lieu of that he is now receiving.

The name of James A. Garner, late of Sixty-fourth Company, United States Coast Artillery, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of George E. Jones, late of Battery E, Sixth Regiment United States Artillery, war with Spain, and pay him a pension at the rate of $15 per month.

The name of William M. Love, late of Company H, Seventeenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Almira Davis, widow of William S. Davis, late of Company B, Thirteenth Regiment United States Infantry, war with Spain, and pay her a pension at the rate of $20 per month with $4 per month additional for soldier's minor child under 16 years of age.

The name of Martin A. Hellwig, late quartermaster sergeant, Sixth Battery, Iowa Volunteer Light Artillery, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Norman Campbell, late of Troop C, Fifteenth Regiment United States Cavalry, Philippine insurrection, and pay him a pension at the rate of $12 per month.

The name of Rome Patton, late of Company E, Seventeenth Regiment United States Infantry, war with Spain, and pay him a pension at the rate of $18 per month in lieu of that he is now receiving.

The name of James M. Arnold, late of Company F, Twelfth Regiment Minnesota Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Sarah F. Williams, dependent mother of Charles M. Williams, late unassigned, First United States Field Artillery, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of William Weaver, late of Company D, First Regiment Tennessee Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of George L. Robinson, late of Company F, Second Regiment Arkansas Infantry, war with Spain, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of John W. Garten, late of the Sixty-fourth Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Everett Braley, late of Company H, Seventh Regiment United States Artillery, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Gustave Pinksohn, late of Company H, Fifth Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Charles W. Dencker, late of Troop I, Seventh Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of $12 per month.

The name of Eli Hayes, late of Company D, Twelfth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Mary B. Aiken, dependent mother of Frank L. Aiken, late of Companies L and M, Forty-first Regiment United States Volunteer Infantry, war with Spain, and pay her a pension at the rate of $20 per month.

The name of Charles A. Bushey, late of Company H, Fifth Regiment Massachusetts Volunteer Infantry, war with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Catherine Barger, dependent mother of Andrew Barger, late of Company F, Second Regiment Oregon Volunteer Infantry, war with Spain, and pay her a pension at the rate of $20 per month.

The name of Fannie Jacobs, dependent mother of Elmer P. Jacobs, late of Service Company, Twenty-second Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of $12 per month.

The name of Julia J. Ray, dependent mother of Samuel H. Ray, late of Company A, of Instructions, United States Army (Jefferson Barracks, Mo.), Regular Establishment, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Fritz Stocker, late of Company E, Twenty-first Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Joseph Wilms, late of Company I, Twenty-first Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $12 per month.

The name of Carleton E. Bradley, late of Company L, Fourteenth Regiment Minnesota Volunteer Infantry, and Company K, Thirty-fifth Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Thomas Devine, late of Company F, Eighth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $24 per month.

The name of David McMillan, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Stella Hudson Owen, widow of William N. Owen, late of Troop F, Third Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Jesse T. George, late of Company B, First Regiment South Carolina Volunteer Infantry, war with Spain, and pay him a pension at the rate of $30 per month.

The name of Denis Holland, late of Company F, First Regiment United States Artillery, Regular Establishment, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Nettie I. Moffatt, widow of Louis M. Moffatt, late captain, Company I, First Regiment Separate Battalion Infantry, Wyoming National Guard, border defense, Regular Establishment, and pay her a pension at the rate of $20 per month, with $2 per month additional on account of each of the minor children of the soldier until they reach the age of 16 years.

The name of John W. Harmon, late of Hospital Corps, United States Army, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Alfred Bonaccorsi, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of William C. Hagelgans, late of the United States Marine Corps, Regular Establishment, and pay him a pension at the rate of $15 per month.

The name of Norma E. McEnhill, widow of Frank McEnhill, late second lieutenant, Second Regiment United States Cavalry, Regular Establishment, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Patrick J. McGuire, late of Company A, Fourteenth Regiment United States Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Reuben R. Romey, late of the United States Marine Corps, Regular Establishment, and pay him a pension at the rate of $20 per month.

The name of Rachel J. Smith, widow of William C. Smith, late colonel of the First Regiment Tennessee Infantry, war with Spain, and pay her a pension at the rate $50 per month in lieu of that she is now receiving.

The name of Kathryn Hately, widow of Nineveh P. Hately, late a member of Capt. George Hunter's company, Washington Volunteers, Nez Perce Indian war, and pay her a pension at the rate of $12 per month.

The name of Robert H. Seidel, late of Company H, First Regiment Missouri Infantry, war with Spain, and pay him a pension at the rate of $18 per month in lieu of that he is now receiving.

The name of Mollie F. Shockley, widow of Jasper Shockley, late of Company L, Twenty-first Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of $12 per month with $2 per month additional for the minor child of the soldier until he reaches the age of 16 years.

The name of William A. Salmon, late of Company C, Twenty-first Regiment Kansas Infantry, war with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of George Sheffield, late of Company K, Seventh Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of Mary Wilson, widow of Leander Wilson, late of Company G, Thirteenth Regiment United States Infantry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Charles J. Marten, late of Troop L, Seventh Regiment United States Cavalry, war with Spain, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The name of James Shaw, late of the United States Navy, and of Battery G, Third Regiment United States Artillery, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Caroline Good, widow of Francis M. Good, late of Captain Gardner's company, Ninth Regiment Oregon Mounted Volunteers, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Arthur E. Palmer, late of Company G, Forty-fourth Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of James M. Peterson, late of Company G, Thirty-eighth Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of $15 per month.

The name of John T. Petty, late of Company E, Nineteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month in lieu of that he is now receiving.

The name of Charles Flannigan, helpless and dependent child of Patrick Flannigan, late of the United States Marine Corps, Regular Establishment, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of George D. Crandall, late of Company L, Third Regiment New York Infantry, and Company F, Twenty-sixth Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Mary T. McGinn, widow of James H. McGinn, late of Troop C, Sixth Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of $12 per month.

The name of Michael Quinn, late of Company D, Twenty-first Regiment United States Infantry, Indian wars, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Leo Edmund Owings, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of $24 per month.

The name of John R. Tapp, late of Company C, First Regiment Illinois Infantry, war with Spain, and pay him a pension at the rate of $18 per month in lieu of that he is now receiving.

The name of Isaac T. Osler, late of Company F, Seventeenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Elmer Ware, late of Company G, Twentieth Regiment United States Infantry, war with Spain, and pay him a pension at the rate of $12 per month.

The name of Daniel McDonald, late of Company G, Eighth Regiment United States Infantry, and Company B, Eighteenth Regiment, United States Infantry, Regular Establishment, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Eugene Augustus Gosling, alias James Gaslin, late of Company L, Sixth Regiment United States Artillery, war with Spain, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Charles D. Forney, late of the United States Marine Corps, Regular Establishment, and pay him a pension at the rate of $17 per month.

The name of Eliza Lemmond, widow of Cyrus Q. Lemmond, late of Company A, Third Regiment United States Dragoons, Mexican War, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Allen R. Read, late of Troop M, Fourth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of William Smallwood, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of John F. Kilbride, late Sanitary Detachment, First New York Cavalry, National Guard, border defense, and pay him a pension at the rate of $20 per month.

The name of Fred H. Helms, late of the United States Marine Corps, Regular Establishment, and pay him a pension at the rate of $12 per month.

The name of Vance Perkins, who served in Company K, Third Georgia Regiment of Infantry, war with Spain, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Thomas Anderson, late of Company I, Sixth United States Volunteer Cavalry, during the war with Spain, and pay him a pension at the rate of $30 per month.

The name of Oscar M. Simpkins, late of First Separate Troop, Oklahoma National Guard Cavalry, and pay him a pension at the rate of $50 per month.

The name of Mary Juan, widow of Cochino Achuk, alias Coche Aar, late of Company B, Battalion First Regiment Arizona Infantry, Indian wars, and pay her a pension at the rate of $20 per month.

The name of Jesse T. George, late of Company B, First Regiment South Carolina Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Fred Fornoff, late of Troop G, First Regiment United States Volunteer Cavalry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of William H. H. Llewellyn, late of Troop G, First Regiment United States Volunteer Cavalry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Joseph T. Fanning, late of Company F, Texas Frontier Battalion, in defense of the frontier against Indian depredations, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of John E. Burgett, Second Battalion Fifth United States Field Artillery, and pay him a pension at the rate of $30 per month.

The name of Bert Sabins, late of Sixth Battery Iowa Light Artillery, war with Spain, and pay him a pension at the rate of $30 per month.

The name of Nellie Roche McAndrews, widow of James William McAndrews, late a major general in the United States Army, and pay her a pension at the rate of $150 per month, in lieu of any pension or compensation to which she might otherwise be entitled, in special recognition of the eminent services of said James William McAndrews as Chief of Staff of the American Expeditionary Forces in the World War.

The name of John J. McNally, late of United States ship *Georgia*, and pay him a pension at the rate of $12 per month.

The amendment was agreed to.

The PRESIDENT pro tempore. That concludes the amendments of the committee. If there are no further amendments as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CIVIL GOVERNMENT FOR PORTO RICO

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2573) to amend and reenact sections 20, 22, and 50 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," which were: On page 1, lines 8 and 9, to strike out "not less than $5,000 and not more than"; on page 1, lines 9 and 10, to strike out "as shall be fixed by the Legislature of Porto Rico"; on page 3, line 23, after the word "and," to insert the following: "also those appointed by the Governor of Porto Rico"; and, on page 4, line 3, to strike out all after "departments" down to and including "$6,000" in line 6, and to insert "$6,000; chief justice of the supreme court, $7,500; associate justices of the supreme court, $6,500."

Mr. WILLIS. I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

ALTERATIONS AND CONSTRUCTION OF CERTAIN NAVAL VESSELS

The PRESIDENT pro tempore. Under the order previously made the Chair lays before the Senate House bill 8687.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8687) to authorize alterations to certain naval vessels and to provide for the construction of additional vessels, which had been reported from the Committee on Naval Affairs without amendment, and which was read, as follows:

*Be it enacted, etc.*, That alterations are hereby authorized for the United States ships *New York, Texas, Florida, Utah, Arkansas*, and *Wyoming*, to consist of the installation of additional protection against submarine attack, of the installation of antiair attack deck protection, of the conversion of such vessels to oil burning, and, in addition, for the *New York* and *Texas*, the purchase, manufacture, and installation of new fire-control systems, at a total cost not to exceed $18,360,000 in all.

SEC. 2. That the President of the United States is hereby authorized to undertake prior to July 1, 1927, the construction of the vessels enumerated below: Eight scout cruisers, carrying protection and armament suited to their size and type, to have the highest practicable speed and the greatest desirable radius of action, and to cost, exclusive of armor and armament, not to exceed $11,100,000 each; six river gunboats, to cost, exclusive of armament, not to exceed $700,000 each: *Provided*, That in the construction of the vessels herein enumerated the President is authorized, in his discretion, to make use of the naval ordnance plant at South Charleston, W. Va., for the manufacture of armor and armament needed for such vessels.

Vessels to be constructed or reconditioned by this act shall be constructed or reconditioned in the Government navy yards of the United States when time and facilities permit and when in the judgment of the Secretary of the Navy such construction or reconditioning would not involve an appreciable increase in the cost of the Government.

SEC. 3. That the alterations to capital ships and the construction of new vessels under the authorization contained in this act shall be subject to the limitations prescribed by the treaty limiting naval armament, ratified August 17, 1923.

SEC. 4. That in the event of an international conference for the limitation of naval armaments the President is hereby empowered, in his discretion, to suspend in whole or in part any or all alterations or construction authorized in this act.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. KING subsequently entered a motion to reconsider the vote by which the bill was passed.

EXECUTIVE SESSION

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session, the Senate (at 6 o'clock and 15 minutes p. m.) under the order previously entered, took a recess until 8 o'clock p. m.

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EVENING SESSION

The Senate reassembled at 8 o'clock p. m., on the expiration of the recess.

APPROPRIATONS FOR THE DISTRICT OF COLUMBIA CONFERENCE REPORT

Mr. PHIPPS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, having met, after free and full conference have been unable to agree.

LAWRENCE C. PHIPPS,
W. L. JONES,
L. HEISLER BALL,
CARTER GLASS,
E. I. EDWARDS,
*Managers on the part of the Senate.*
C. R. DAVIS,
FRANK H. FUNK,
W. A. AYRES,
*Managers on the part of the House.*

The report was agreed to.

The PRESIDENT pro tempore laid before the Senate the following message from the House of Representatives:

IN THE HOUSE OF REPRESENTATIVES,
*June 5, 1924.*

*Resolved*, That the House insists on its amendment to the amendment of the Senate No. 1 to the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes.

*Resolved further*, That the House further insists on its disagreement to amendments 2 to 167, inclusive, to said bill.

Mr. PHIPPS. I move that the Senate insist on its amendments, ask a further conference with the House, and that the Chair appoint the conferees on the part of the Senate at the further conference.

The motion was agreed to, and the President pro tempore appointed Mr. PHIPPS, Mr. JONES of Washington, Mr. BALL, Mr. GLASS, and Mr. EDWARDS conferees on the part of the Senate.

ORDER OF BUSINESS

Mr. NORRIS. Mr. President, I ask unanimous consent out of order to report from the Committee on Agriculture and Forestry two bills, and I ask unanimous consent for their present consideration.

Mr. ROBINSON. Does the Senator desire to consider them both at once?

Mr. NORRIS. No; I will take them one at a time.

Mr. ROBINSON. I suggest that the first one be reported.

Mr. SMOOT. The unanimous-consent agreement will not permit that, I think.

Mr. NORRIS. Is there a unanimous-consent agreement that it would conflict with?

Mr. MOSES. Yes; from 8 to 11 o'clock.

Mr. NORRIS. Of course, I do not expect to have the unanimous-consent agreement set aside.

Mr. SMOOT. If we get through with the calendar before 11 o'clock, the Senator can call up the bills.

Mr. FLETCHER. Regular order!

The PRESIDENT pro tempore. Under the unanimous-consent agreement as the Chair conceives it, conference reports are first in order, appropriation bills are next in order, and the calendar next in order.

Mr. NORRIS. I withdraw the request.

THE CALENDAR

The PRESIDENT pro tempore. The clerk will state the first bill on the calendar.

The bill (S. 55) making an appropriation to pay the State of Massachusetts for expenses incurred and paid, at the request of the President, in protecting the harbors and fortifying the coast during the Civil War, in accordance with the findings of the Court of Claims and Senate Report No. 764, Sixty-sixth Congress, third session, was announced as first in order.

Mr. OVERMAN. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1181) naming the seat of government of the United States was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 33) making eligible for retirement under certain conditions officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. It will be passed over.

The joint resolution (S. J. Res. 46) for the relief of Capt. Ramon B. Harrison was announced as next in order.

Mr. SMOOT. Let the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The joint resolution (S. J. Res. 60) to stimulate crop production in the United States was announced as next in order.

Mr. BAYARD. Let it go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The resolution (S. Res. 124) directing the Interstate Commerce Commission to secure information relative to amount of money expended for the purpose of creating public interest favorable to railroad sentiment was announced as next in order.

Mr. SMOOT. Let it go over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 185) to promote agriculture by stabilizing the price of wheat was announced as next in order.

Mr. SMOOT. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2401) providing for the compensation of retired warrant officers and enlisted men of the Army, Navy, and Marine Corps, or any other service or department created by or under the jurisdiction of the United States Government, and warrant officers and enlisted men of the Reserve Corps of the Army and Navy, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2691) to amend the Penal Code was announced as next in order.

Mr. KING. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2299) to validate the payment of commutation of quarters, heat, and light under the act of April 16, 1918, and of rental and subsistence allowances under the act of June 10, 1922, was announced as next in order.

Mr. SMOOT. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2149) to facilitate and simplify the work of the Forest Service, United States Department of Agriculture, and to promote reforestation, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2150) to authorize arrests by officers and employees of the Department of Agriculture in certain cases and to amend section 62 of the act of March 4, 1909, entitled "An act to codify, revise, and amend the penal laws of the United States," was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2151) to increase the subsistence and per diem allowances of certain officers and employees of the Department of Agriculture was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

GIRLS' DORMITORY, FORT LAPWAI SANATORIUM, IDAHO

The bill (H. R. 192) to provide for a girls' dormitory at Fort Lapwai Sanatorium, Lapwai, Idaho, was announced as next in order.

Mr. GOODING. Mr. President, I hope there will be no objection to the bill. It provides for building a girls' dormitory at the Fort Lapwai Indian Reservation. No building has been erected there for a number of years. What they have there is in unfit condition. This has been recommended by the Secretary of the Interior, authorized by the Budget, and passed by the House without amendment, and I hope that it may be permitted to pass.

Mr. KING. I ask that the report be read.

The PRESIDENT pro tempore. The report will be read.

The reading clerk read the report, as follows:

The Committee on Indian Affairs, to whom was referred the bill (H. R. 192) to provide for a girls' dormitory at the Fort Lapwai Sanatorium, Lapwai, Idaho, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment.

The facts are fully set forth in House Report No. 133, Sixty-eighth Congress, first session, which is appended hereto and made a part of this report.

[House Report No. 133, Sixty-eighth Congress, first session]

The Committee on Indian Affairs, to whom was referred the bill (H. R. 192) to provide for a girls' dormitory at the Lapwai Indian Sanatorium, Lapwai, Idaho, having considered the same, report thereon with a recommendation that it do pass with the following amendment:

Line 3, after the word "hereby," insert "authorized to be."

This legislation is very much needed to properly care for the girls at the Lapwai Indian School, and meets the approbation of the Department of the Interior as well as that of your committee, as evidenced by the letter from the Secretary of the Interior, which is attached hereto and made a part of this report.

DEPARTMENT OF THE INTERIOR,
*Washington, December 29, 1923.*

Hon. HOMER P. SNYDER,
*Chairman Committee on Indian Affairs,*
*House of Representatives.*

MY DEAR MR. SNYDER: I have your letter dated December 17, 1923, requesting a report on H. R. 192, a bill to provide for a girls' dormitory at the Fort Lapwai Sanatorium, Fort Lapwai, Idaho.

With the exception of the employees' quarters and the laundry, the Fort Lapwai plant is made up of frame buildings, some of which are rather old. The place was originally established as a military fort in 1863. It was abandoned by the Army as a fort in 1884 and established as an Indian school by the Indian Service in 1886. Practically all of the principal buildings date back to within a few years of the establishment of the school. The girls' dormitory, which has capacity for 50 girls, is divided so as to provide dormitory space on the second floor only, the first floor being used for a dining room, kitchen, and sewing room. The present building is not satisfactorily adapted, nor adequate in space, for a sanatorium school dormitory such as is needed at Fort Lapwai. A new dormitory building would serve an excellent purpose at this institution, but an estimate therefor was not included in the Budget.

Very truly yours, HUBERT WORK, *Secretary.*

Mr. KING. I would like to ask the Senator from Idaho whether there is any necessity for the building; whether, after it has been constructed, there will be any inmates for it; and, if so, from what reservation they come and where they are now being cared for?

Mr. GOODING. They are at the Lapwai Indian Reservation at the present time. They come from different Indian tribes. I do not know exactly from what part of the country they come. Some come from Alaska. The buildings, as I said before, are all old and in unfit condition for the patients. These are young girls afflicted with tuberculosis. The Indian Commissioner, together with the Secretary of the Interior, feels that the appropriation should be authorized. It is only an appropriation. I hope it may be permitted to pass.

The PRESIDING OFFICER (Mr. CURTIS in the chair). Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, There is hereby authorized to be appropriated out of the Treasury of the United States the sum of $50,000 for the purpose of constructing and equipping a girls' dormitory for the housing of patients being treated for tuberculosis in the Fort Lapwai Sanatorium, said dormitory to be erected on the grounds now occupied by the sanatorium at Lapwai, Idaho.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LANDS FOR THE CLALLAM TRIBE OF INDIANS, WASHINGTON

The bill (S. 1707) appropriating money to purchase lands for the Clallam Tribe of Indians in the State of Washington, and for other purposes, was announced as next in order.

The bill had been reported from the Committee on Indian Affairs with an amendment to strike out all after the enacting clause and insert the following:

That there is hereby authorized to be appropriated, out of moneys in the Treasury of the United States not otherwise appropriated, the sum of $600,000, to be paid per capita to the Clallam Indians of the State of Washington upon enrollment of said Indians to be made under the direction of and to be approved by the Secretary of the Interior: *Provided*, That before payment to the individual Indians they shall relinquish in writing all claims of any nature against the United States under any treaty, agreement, or act of Congress, and agree to accept such payment in full satisfaction of any and all claims whatsoever against the United States: *And provided further*, That the shares of minor children shall be retained in the Treasury of the United States, where they shall draw interest at the rate of 3½ per cent per annum until such minors reach the age of majority under the laws of the State of Washington, after which such minors shall be paid their shares upon application to the Secretary of the Interior: *Provided further*, That not more than 10 per cent of the amount appropriated, and in no event not more than $15,000 thereof, shall be paid to the attorney employed by the tribe under contract approved by the Secretary of the Interior.

Mr. KING. Mr. President, I would like an explanation of the bill.

Mr. JONES of Washington. The bill authorizes an appropriation of $600,000. I know that that sounds a little bit large, yet the facts in the case I think will appeal to everyone. The facts briefly are these: The Clallam Indians are involved. There were 4,000 or 5,000 of them a great many years ago. They entered into an agreement with the Government together with other Indians under which the Skokomish Indian Reservation was established. These Indians thought they were going to have certain territory that they had been occupying for a great many years, but they found as a matter of fact they were going to be put on the same reservation with the Skokomish Indians, their hereditary enemies. They refused to go on the tract with those Indians. There are now some three or four hundred of them. The report read in part as follows:

There are now between 300 and 400 Indians, some of whom are in need of immediate assistance. A number of these Indians reside on a small tract of about 213 acres near Jamestown, Wash., which tract they themselves purchased about 40 years ago. They have always been loyal and peaceable, and it is the boast of the Clallam Indians "that they have never shed the blood of a white person." They have never received any land from the Government but have managed to get along by fishing, working in factories and mills, and doing farm work for the whites, and their income at best has been meager.

The reason of that was very plain, because these lands were very heavily timbered and it was impossible for them to make a living on them. This in brief is the condition: These Indians surrendered to the Government a large tract of their land and believed they were going to be placed upon a reservation. When they found the reservation they were going upon it was discovered to be among their hereditary enemies. The Committee on Indian Affairs looked into this very carefully. They considered it at several meetings and came to the conclusion that it was but just and fair that we should recommend this treatment to the Indians. I hope in justice to them that the bill may be passed.

Mr. ASHURST. Mr. President, I recall distinctly the various hearings held before the Committee on Indian Affairs when the bill was up for consideration. It appealed very wholesomely to my sense of justice. They are not asking all that is due them in justice. They are not asking that much. It is rather a poor substitute for what is really and justly due them. The best that can be done is proposed in the bill, and I think that it ought to be passed. I remember distinctly the hearings before the committee. I know of no case in the Northwest that appears to be stronger than this one.

Mr. ROBINSON. The original draft of the bill contemplated the purchase of land for the use of the Indians.

Mr. JONES of Washington. It did.

Mr. ROBINSON. I see it has been changed and modified to provide for a per capita payment.

Mr. JONES of Washington. It has been. There was no public land to be taken, and they could not get land for less than $100 or $200 per acre.

Mr. FLETCHER. How much per capita would it amount to?

Mr. JONES of Washington. They estimate that there are about 400 Indians, so it would be about $1,000 per capita.

Mr. ROBINSON. It would be $1,500 per capita if there are 400 of them.

Mr. JONES of Washington. Yes; that is true.

Mr. FLETCHER. The Government would pay the amount to each individual, and they would still be in the same situation they are now in.

Mr. JONES of Washington. They are a very industrious tribe of Indians. This would enable them to get a small tract of land and build some small homes.

Mr. ASHURST. They own about 2,000 acres now.

Mr. JONES of Washington. They have about 2,000 acres.

Mr. ASHURST. It is the purpose to take this money and buy a small tract to add to the 2,000 acres which the tribe now holds.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 1809) for the relief of Emelus S. Tozier was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1639) to provide for the appointment of a court reporter by each judge of the United States district court, fixing their salaries and fees, defining their duties, and repealing all laws and parts of laws inconsistent herewith, was announced as next in order.

Mr. KING. Let that bill go over.

Mr. JOHNSON of Minnesota. I should like to ask that that bill go over. The Senator from Montana [Mr. WALSH] is interested in the bill. Probably we can recur to the bill later on.

CAPT. JOHN W. LOVELAND, JR., DECEASED

The bill (S. 1387) to provide for payment of the amount of a war-risk insurance policy to a beneficiary designated by Capt. John W. Loveland, jr., deceased, was announced as next in order.

Mr. KING. Reserving the right to object——

Mr. CURTIS. I ask that the bill go over.

Mr. EDGE. I trust objection will be withheld until I can make a brief statement.

Mr. SPENCER. The Senator has five minutes in which to explain the bill.

Mr. EDGE. This bill has been on the calendar for some time. The case has been investigated by two distinct committees of the Senate. Last year it was considered by a subcommittee, over which the Senator from Delaware [Mr. BAYARD] presided, and he reported it favorably to the Senate. This year another committee, over which the Senator from Missouri [Mr. SPENCER] presided, has taken like action. It is the case of a soldier who died while he was making every possible effort to have his war insurance readjusted. It is a very worthy case. The objections which have been made have been made, so far as I can ascertain, without an effort to study the real facts of the case. If the Senators will permit the Senator from Missouri, who has investigated the matter thoroughly this year, as the Senator from Delaware did last year, to make a statement, I am sure they will approve of the bill.

Mr. ROBINSON. I inquire of the Senator in charge of the bill whether the bill was not considered by the Senate on a former occasion at some length?

Mr. EDGE. I have just stated that it was.

Mr. ROBINSON. And objection was made to it after it was discussed at length.

Mr. EDGE. The objection then made, I may say, was for the purpose of affording further investigation, as will be disclosed by the RECORD.

Mr. ROBINSON. The report of the department on the bill is adverse. I will read a brief statement from that report:

In view of the general terms of the war risk insurance act, applying to all alike, and the fact that the bill is a special measure which amounts in effect to a pension, I am opposed to such special legislation as opening the way to the granting of free insurance. The proposed measure as a matter of policy seems to me inadvisable.

Mr. SPENCER. Mr. President, will the Senator from Arkansas yield to me?

Mr. KING. I have objected to the consideration of the bill.

Mr. SPENCER. The bill now before the Senate was referred to me by the committee.

Mr. KING. Regular order, Mr. President.

Mr. SPENCER. I desire to give the Senate the facts in the case. It is an interesting state of facts. Captain Loveland while in the service took out insurance. When he was dis-

charged from the service in January, 1919, he wrote to the department and stated, "I want to continue my insurance; give me the facts upon which I can continue it and the information that I need." From January 1, 1919, until August 29 of the same year he received no answer. Here we come to the crux of the case. On August 29 the department wrote back to him and gave him some information, but not the information for which he had asked. The same day he replied to the department and stated, "That is not the information I want. What is the rate and what must I do? And here is my check for the last premium." On August 29, after that letter was sent, so far as Captain Loveland or his people know there was no answer whatever from the department. Here is what the department says: "When that letter came to us we answered it in this way; we sent a circular containing the information that he wanted." When the department was asked, "How do you know that you answered the letter?" the officials stated, "Because when such letters come we have the custom of putting with a blue pencil a mark on the letter to which we send a circular reply."

When the committee investigated those facts, here were the two sides of the case: If the department did not give him the information, on every principle of law and of justice, his insurance being in dispute, he was entitled to his insurance. He died in the month of October.

If the department is right, and the officials gave him the information, there is no cause of action. But they say that the only evidence they have is the blue pencil mark upon his letter which indicates that a circular letter of information went out to him. He and his people say that no letter ever came to him and that he never got the answer which he wanted, and that he was waiting for it every day. Under those circumstances the committee gave him the benefit of the doubt and decided that he was entitled to his insurance.

Mr. KING. Objection was made.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 2885) for the relief of the Davis Construction Co. was announced as next in order.

Mr. OVERMAN. Let that bill go over.

Mr. EDGE. Do I understand that objection was made to the consideration of Senate bill 1387?

The PRESIDENT pro tempore. The bill to which the Senator refers has been passed over.

Mr. EDGE. On whose objection?

Mr. KING. I objected to the consideration of the bill.

The PRESIDENT pro tempore. The Senator from Utah objected to the consideration of the bill.

EUSTACIO B. DAVISON

The bill (S. 513) for the relief of Eustacio B. Davison was announced as next in order.

Mr. KING. Let that bill go over.

Mr. ASHURST. Mr. President, will the Senator from Utah permit me to make an explanation of the bill?

Mr. KING. As the Senator from Arizona has suggested that he desires to make an explanation of the bill I shall be very glad to hear the explanation.

Mr. ASHURST. Mr. President, Mr. Davison enlisted as a soldier; he was wounded in battle; was laid out for dead; and was about to be buried in a trench with dead soldiers, when it was ascertained by a physician that there was a spark of life in him. He was unconscious, but was taken to the hospital, and after many weeks recovered. He rejoined his comrades, but never gave any notice of that fact to the appropriate officers, and was, therefore, listed as a deserter. He was not a deserter in fact. He is dead. His widow is 82 years of age. He has surviving him children who have a pride in his service, which they think was, and which really was, an honorable service, and they only seek by this bill to remove the defect that has rested on his record.

It is not proposed any pension is ever to be granted under this bill; it is merely to correct an error in the soldier's record.

Mr. KING. The Senator is in error as to that.

M. FLETCHER. The bill provides that no pension shall accrue prior to its passage, but a pension may be paid subsequently.

Mr. ASHURST. The proviso reads:

*Provided*, That no pension shall accrue prior to the passage of this act.

I am willing to add the words "or subsequent to the passage of this act," and I will move an amendment so that it will read:

*Provided*, That no pension shall accrue prior to the passage of this act or subsequent thereto.

I ask that that amendment may be adopted in line 11, after the word "act."

Mr. ROBINSON. The same object could be accomplished by inserting the words "or subsequent" after the word "prior."

Mr. ASHURST. The children of this soldier do not seek a pension; they only wish to have his record cleared.

Mr. SMITH. Mr. President, if the facts are as stated by the Senator—and I have no doubt that they are—and if we remove the disability and allow his name to be placed on the roll, his widow should be entitled to a pension.

Mr. ASHURST. His children would not wish it.

The able and diligent Senator from Texas [Mr SHEPPARD]—and we all know how diligently he labors—wrote the report in this case, and really knows as much about it as I do. The report, in my judgment, is absolutely correct and can not be disputed.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Arizona will be stated.

The READING CLERK. In line 10, after the word "prior," it is proposed to insert the words "or subsequent," so as to make the bill read:

*Be it enacted, etc.*, That in the administration of the pension laws and the laws governing the National Home for Disabled Volunteer Soldiers, or any branch thereof, Eustacio B. Davison, formerly of Companies A and H, Eighty-seventh Regiment New York Volunteer Infantry, shall be held and considered to have been honorably discharged from the military service of the United States as a sergeant on the 13th day of June, 1862: *Provided*, That no pension shall accrue prior or subsequent to the passage of this act.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF THE JUDICIAL CODE

The bill (S. 2060) to amend the Judicial Code, further to define the jurisdiction of the circuit courts of appeals and of the Supreme Court, and for other purposes, was announced as next in order.

Mr. ROBINSON. Mr. President, that appears to be a very important bill; it proposes to amend the Judicial Code in many important particulars. I think it ought to receive more consideration than it can have under the present circumstances.

The PRESIDENT pro tempore. If the Senate will pardon the Presiding Officer, who reported the bill and introduced it, he will say that he has no disposition to bring it up for consideration at the present session.

Mr. ROBINSON. Very well. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

EXTENSION OF INSURANCE AND COLLECT-ON-DELIVERY SERVICE

The bill (H. R. 4442) to extend the insurance and collect-on-delivery service to third-class mail, and for other purposes, was considered as in Committee of the Whole, and was read, as follows:

*Be it enacted, etc.*, That the requirement of section 8 of the act of August 24, 1912, making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1913, and for other purposes (37 Stat. L. pp. 557, 558, 559), applicable to fourth-class (parcel post) mail: "That the Postmaster General shall make provision by regulation for the indemnification of shippers for shipment injured or lost, by insurance or otherwise, and when desired for the collection on delivery of the postage and price of the article shipped, fixing such charges as may be necessary to pay the cost of such additional service," is hereby extended to cover third-class domestic mail.

Mr. KING. I should like to have an explanation of that measure.

Mr. STERLING. Mr. President, the purpose of the bill is simply to extend the insurance and collect-on-delivery features of fourth-class mail to third-class mail. There seems to be quite a demand among the users of the mail that that should be done. Fourth-class mail, of course, may now be insured and there may be collection on delivery in the case of such mail.

Mr. ROBINSON. How would the bill affect the postal revenues? What would be the result with respect to a deficit or an increase in revenue?

Mr. SMOOT. I do not think it would affect that at all.

Mr. STERLING. I do not think it will affect the postal revenues at all, I will say to the Senator.

Mr. ROBINSON. Very well.

Mr. KING. Is there any dubiety in regard to the matter? Will it place an additional burden on the department?

Mr. STERLING. No; I do not see how it would. The bill merely provides for insurance on third-class mail and also for the collect on delivery privilege; that is all. I do not see how it will decrease the revenues.

Mr. KING. It will necessitate an increase in the personnel of the department.

Mr. STERLING. I do not think so.

Mr. SMOOT. None at all.

Mr. STERLING. I will say that this has been recommended by the Postmaster General. I quote from a letter from the Postmaster General to the chairman of the House committee in relation to his bill, in which he says:

> In reply I beg to inform you that the bill meets with the approval of the department, the language thereof being identical with a recommendation contained on page 74 of its annual report for the last fiscal year, and it is recommended that this provision be enacted into law.

Mr. BAYARD. May I ask the Senator from South Dakota a question?

Mr. STERLING. Certainly.

Mr. BAYARD. Will not this require extra work in the offices in sorting out this class of mail, and will it not delay the delivery of the mail if the postmen are required to secure delivery receipts?

Mr. STERLING. I can hardly answer the Senator in regard to that. But it does not occur to me that there will be any great delay.

Mr. BAYARD. I should think it would delay proceedings in the office in sorting the mail, and delivery would also be retarded by the postmen being required to wait in order to have a receipt signed.

Mr. STERLING. I do not think it will interfere with the delivery of the mail at all.

Mr. SMOOT. Mr. President, I will say to the Senator that it will not take a particle more time to give a receipt where the package is delivered at destination than to give a receipt where it is mailed. I think it is proper and right that the bill should be passed. If the Senator or I should desire to send third-class matter collect on delivery, as is proposed to be allowed by this bill, I think he and I should have such right and have the amount collected at the other end of the line.

Mr. BAYARD. I quite agree to that; but will the fee charged under its operation compensate for the extra work?

Mr. SMOOT. A fee would be charged the same as in the case of other mail.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ALLOWANCES OF OFFICERS OF ARMY, NAVY, AND RELATED SERVICES

Mr. WADSWORTH. Mr. President, a short time ago Order of Business 268, being the bill (S. 2299) to validate the payment of commutation of quarters, heat, and light under the act of April 16, 1918, and of rental and subsistence allowances under the act of June 10, 1922, went over upon objection of the Senator from Utah [Mr. SMOOT]. It may be remembered that this bill has been on the calendar for something like two and a half or three months, during which period the Senator from Nebraska [Mr. HOWELL], the Senator from Utah [Mr. KING], and I have been discussing the question of the commutation of quarters, heat, light, and rental allowances for those officers of the Army and Navy and related services who have dependent mothers.

I may say for the information of the Senate, although it may not be interesting, that the Senator from Nebraska and I have been consulting on the question for some time and have agreed to an amendment which we believe will protect the Treasury from undue pressure from the officers in the military service on the ground of dependent mothers.

This bill is printed on the calendar with the notation, "Motion entered to reconsider vote." It has passed the Senate once. If it can be brought up, I desire to offer an amendment which has been agreed to by the Senator from Nebraska and myself and which he and I are convinced will correct the situation and save the Government from abuse.

Mr. SMOOT. Mr. President, the bill can not pass the House at this session of Congress, anyway. I have not seen the amendment, and I do not know what it provides. But I do know that the calendar is full in season and out of season of measures designed to give some kind of advantage to men in the Regular Army.

Mr. WADSWORTH. And the regular Navy and the Coast Guard and the Public Health Service.

Mr. SMOOT. Yes.

Mr. WADSWORTH. As a matter of fact, the rulings of the comptroller have nullified the law.

Mr. SMOOT. I will say to the Senator that I do not want it to be taken up to-night.

Mr. WADSWORTH. Very well.

V. E. SCHERMERHORN AND OTHERS

The bill (H. R. 6049) for the relief of V. E. Schermerhorn, E. C. Caley, G. W. Campbell, and Philip Hudspeth was announced as next in order.

Mr. STANFIELD. Mr. President, a few moments ago Senate bill 2685, Order of Business 354, was announced, and I rose for the purpose of attracting the attention of the Chair. The Senator from New Jersey [Mr. EDGE] asked who was objecting. I think, under the rule, we have five minutes on bills. I do not believe that any Senator who objected to that bill understood its provisions or he would not have objected. I should like to move that we return to Order of Business 354.

The PRESIDENT pro tempore. The Chair is of the opinion that a bill already passed over can be returned to only by unanimous consent, under the agreement already made.

Mr. STANFIELD. I ask unanimous consent that we return to that bill.

The PRESIDENT pro tempore. The Senator from Oregon asks unanimous consent that the Senate return to Order of Business 354, Senate bill 2685.

Mr. WADSWORTH. Mr. President——

The PRESIDENT pro tempore. Does the Senator object?

Mr. WADSWORTH. Just a moment, Mr. President. I do not desire to interpose an unnecessary objection to the request of the Senator from Oregon; but if the Senator from Utah [Mr. SMOOT] is going to adopt the attitude that he has adopted about a bill which has already passed the Senate and against which there is nothing pending but a motion to reconsider, I shall insist that all bills once having been passed over shall not be returned to.

The PRESIDENT pro tempore. Objection is made.

Mr. STANFIELD. I hope the Senator will not make an objection. If he does, I want to serve notice that I am going to object as long as I can stand on the floor and object to bills being considered.

Mr. WADSWORTH. The Senator from Oregon and I find ourselves in the same position.

Mr. STANFIELD. Then, I think, Mr. President, we might just as well adjourn, because I shall object to the consideration of every bill that comes up.

Mr. CURTIS. Mr. President, I hope the Senator will not take that stand. I want, just for a moment, to explain Order of Business No. 400, House bill 6049.

This bill has passed the Senate in about three different Congresses. It is for the destruction of property belonging to some men at Fort Riley as the result of the carelessness of a Regular soldier. The amount reported here was found by a commission of Army officers who investigated the matter and found that it was due to these men whose property was destroyed. The bill has been recommended by the War Department, and I hope there will not be any objection to it.

Mr. STANFIELD. Mr. President, I object.

The PRESIDENT pro tempore. The Senator from Oregon objects, and the bill will be passed over.

AKTIESELSKABET MARIE DI GIORGIO

The bill (H. R. 8235) for the relief of Aktieselskabet Marie di Giorgio, a Norwegian corporation, of Christiania, Norway, was announced as next in order.

Mr. ROBINSON. Mr. President, the Senator from Oregon [Mr. STANFIELD] has announced his purpose of objecting to the consideration of any bill on the calendar unless consent is granted to return to a bill which was objected to some time ago. Such procedure, of course, can not be tolerated by the Senate. If he persists in that attitude, I think the Senate might just as well adjourn.

Mr. STANFIELD. Mr. President, I renew my request for unanimous consent to return to Senate bill 2685. I think I am entitled to it.

Mr. ROBINSON. Mr. President, under the procedure of the Senate no Senator has a right to insist upon returning to a bill that has been passed over upon the objection of any Senator. I know nothing about the merits of the bill in which the Senator from Oregon is interested, but it must be recognized that Senators have the right to object to the consideration of bills on the calendar.

Mr. STANFIELD. Will the Senator yield?

Mr. ROBINSON. If the Senator seeks to prevent the consideration of other measures on the calendar merely because a Senator has exercised his right to object to a bill in which

he is interested, he is pursuing a course that can not find justification in the procedure, precedents, or practices of the Senate.

Mr. STANFIELD. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield to the Senator for a question.

Mr. STANFIELD. Under the unanimous-consent agreement I was entitled to five minutes on this bill. I endeavored, unsuccessfully, to attract the attention of the Chair. All that I am asking is this: I am not going to object or take offense——

Mr. ROBINSON. Mr. President, that is an utterly irrelevant statement. The bill had been passed over upon objection of some Senator—I do not know who objected—and the Senate had proceeded to dispose of a number of other bills. The Senator from Oregon thereupon rose and insisted upon the right to recur to a measure that had already been passed over upon an objection being made, which any Senator had the right to make. The Senator from Oregon thereupon threatened the Senate with objecting to the consideration of any other measure upon the calendar.

I give notice now that with that statement made there will be no recurrence to the bill of the Senator from Oregon. It will not be considered with that statement outstanding under any conditions, and I shall move to adjourn unless the Senator from Oregon promptly withdraws his statement.

Mr. STANFIELD. Mr. President, I hope the Senator from Arkansas will not take that stand. I think I am entitled to return to Senate bill 2685.

Mr. ROBINSON. Mr. President, I have stated that there will be no recurrence with the statement of the Senator from Oregon outstanding. If the Senator from Oregon wishes to withdraw that statement and let the Senate proceed and subsequently submits a respectful request for unanimous consent, I myself will give it due consideration. If he chooses to pursue that course, there will be no further bills considered. There will be no recurrence at present.

Mr. STANFIELD. Mr. President——

Mr. ROBINSON. I yield to the Senator for a question.

The PRESIDENT pro tempore. The order of business is the calling of the calendar as determined by the unanimous-consent agreement. The Chair sees nothing to do but to go on with the calling of the calendar.

Mr. ROBINSON. The Chair is correct.

Mr. McKINLEY. Mr. President, I do not believe the Senator from Arkansas quite understood what the Senator from Oregon was going to say.

Mr. ROBINSON. Oh, yes; everyone understood the statement of the Senator from Oregon. It was perfectly clear. He objected to the next bill and announced from the floor that no other bill would be considered. Mr. President, I call for the regular order.

The PRESIDENT pro tempore. The regular order is the consideration of the calendar. Is there objection to the consideration of House bill 8235, the title of which has been stated by the Secretary?

Mr. WADSWORTH. Mr. President, reserving the right to object to this bill, I desire to state that I may be the cause of this situation. It was I who offered an objection to the consideration of the bill to which the Senator from Oregon desired to return. That objection may have been unreasonable. I admit it. It came from me as the result of an objection from the senior Senator from Utah [Mr. SMOOT], directed against a bill which has been on the calendar for three months, in support of which the Military Affairs Committee and I have been working all this time, endeavoring to frame language which would be satisfactory to those who objected to the bill. The language now has been agreed upon; and when I asked an opportunity to present an amendment to the bill, the bill not being on the calendar in the usual sense but having already passed the Senate and being merely printed here with a notation of a motion to reconsider made by the junior Senator from Utah [Mr. KING], I confess that I felt it was unfair that the Military Affairs Committee should not be given a chance to perfect its own measure. That was the reason for my objection to other Senators having the privilege of going back to their bills.

I do not want to stand in the way of the Senator from Oregon. I understand his interest, and I have no objection to his bill; and with this statement, giving my reasons for having made that objection, I withdraw the objection.

Mr. ROBINSON. Mr. President, I shall certainly object; and I have made it clear that there will be no consideration of the bill proposed by the Senator from Oregon with his statement outstanding that Senators must consent to the consideration of that bill or he will object to all bills on the calendar. We might just as well settle that matter now.

Mr. STANFIELD. Mr. President, will the Senator yield? I think he is misquoting what I said.

Mr. ROBINSON. Mr. President, I call for the regular order.

The PRESIDENT pro tempore. The Secretary will state the next bill on the calendar.

BRUUSGAARD KIOSTERUDS DAMPSKIBS AKTIESELSKAB

The bill (H. R. 8237) for the relief of Bruusgaard Kiosteruds Dampskibs Aktieselskab, a Norwegian corporation of Drammen, Norway, was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

THOMPSON-VACHE BOAT CO.

The bill (H. R. 2123) for the relief of the Thompson-Vache Boat Co., of Bonnots Mill, Mo., was announced as next in order.

The PRESIDENT pro tempore. This bill has been passed, and a motion to reconsider has been entered.

Mr. SPENCER. Mr. President, is there any objection to the consideration of this bill?

Mr. ROBINSON. I understand the record shows a motion to reconsider the bill, which has already passed, and the motion to reconsider is pending.

Mr. SPENCER. Not House bill 2123.

The PRESIDENT pro tempore. The question is upon the motion to reconsider.

Mr. KING. I withdraw the motion, Mr. President.

Mr. SPENCER. I misunderstood the situation.

Mr. REED of Missouri. Mr. President, if the motion is withdrawn, I think the RECORD ought to show that there was a reconsideration, and that the bill then passed. Would not that be the regular order?

The PRESIDENT pro tempore. It would.

Mr. REED of Missouri. It simply gives this concern a chance to go to court.

The Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

C. C. CARSON

The bill (H. R. 2126) for the relief of C. C. Carson was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1733) to authorize the Secretary of War to secure for the United States title to certain private lands contiguous to and within the Militia Target Range Reservation, State of Utah, was announced as next in order.

Mr. WADSWORTH. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

HARRY ROSS HUBBARD

The bill (S. 336) for the relief of Harry Ross Hubbard was considered as in Committee of the Whole, and was read, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States is authorized and directed to credit the accounts of Harry Ross Hubbard, lieutenant (junior grade) United States Navy, with the sum of $942.25, disallowed in item 5 of statement of differences, certificate No. N-1379-E, dated May 6, 1922.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PROTECTION OF FOREST LANDS, ETC.

The bill (S. 1182) to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor, was announced as next in order.

Mr. KING. Mr. President, may I have an explanation of that bill? It is a very important one. If it can be passed this evening, I shall not object.

Mr. McNARY. I concur with the remarks of the Senator from Utah. The bill is a very large one. It comprehends a national plan for reforestation. I want to give notice that to-morrow morning I shall move to take it up for consideration.

Mr. KING. The Senator understood that no objection was made?

Mr. McNARY. Yes.

Mr. KING. I did not object.

Mr. McNARY. I appreciate that very much indeed.

The PRESIDENT pro tempore. The Senator from Oregon asks that the bill be passed over?

Mr. McNARY. I do.

The PRESIDENT pro tempore. It will be passed over.

Mr. STANFIELD. Mr. President, in view of the withdrawal of the objection of the Senator from New York to Senate bill 2685, Order of Business 354, and inasmuch as we have passed some bills since I served notice that I should object to the passage of other bills, it is evident that I have withdrawn and retracted that statement. I now ask unanimous consent to recur to Order of Business 354.

Mr. ROBINSON. Mr. President, I suggest to the Senator that he let the calendar proceed for awhile, and I think there will be no objection, upon his statement, to recurring to the bill a little later.

Mr. STANFIELD. I hope the Senator from Arkansas is not now going to object.

Mr. ROBINSON. I suggest to the Senator that he let the calendar proceed for the present.

The PRESIDENT pro tempore. Objection is made.

BILL PASSED OVER

The bill (S. 56) for the allowance of certain claims for indemnity for spoliations by the French prior to July 31, 1801, as reported by the Court of Claims, was announced as next in order.

Mr. OVERMAN. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

REGULATION OF CHILD LABOR

The joint resolution (S. J. Res. 1) proposing an amendment to the Constitution of the United States giving Congress power to limit or prohibit child labor, was announced as next in order.

Mr. FLETCHER. That measure should be disposed of. It ought to be indefinitely postponed.

Mr. WARREN. It should go off the calendar.

Mr. ROBINSON. That is a joint resolution, identical with one from the House of Representatives which passed the Senate a few days ago, and this should be disposed of.

Mr. FLETCHER. I think it ought to be indefinitely postponed, and go off the calendar, and I so move.

The motion was agreed to.

The PRESIDENT pro tempore. The joint resolution will be indefinitely postponed.

BILL PASSED OVER

The bill (S. 246) for the relief of Margaret I. Varnum, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

J. H. TOULOUSE

The bill (S. 354) for the relief of J. H. Toulouse, was considered as in Committee of the Whole, and was read, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $631.20 to J. H. Toulouse, to reimburse him for expenses incurred by him in connection with the devising and preparation of certain forms that were adopted by the Sales Tax Unit of the Bureau of Internal Revenue in connection with the collection of the tax on admissions.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3091) declaring an emergency in respect to certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes, was announced as next in order.

Mr. WADSWORTH. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

HUBERT REYNOLDS

The bill (H. R. 5541) for the relief of Hubert Reynolds was considered as in Committee of the Whole and was read, as follows:

*Be it enacted, etc.*, That the act entitled "An act for the relief of Hubert Reynolds," approved September 21, 1922, be, and the same is hereby, amended by substituting $57,983.20 for the amount $69,300 in line 5, in order that the Postmaster General may be authorized to credit the former postmaster at Greeley, Colo., for the actual value of certain war savings stamps instead of their maturity value as provided by the act.

Mr. KING. May I have an explanation of this measure, Mr. President? It seeks to appropriate $57,000. Is the Senator from Colorado familiar with this bill?

Mr. PHIPPS. I have just read the report. I think the bill should pass, because it merely seeks to correct the amount that was credited to the postmaster, based on the maturity value of the war saving stamps, when he should have been credited with the value at the time the stamps were delivered to him. This is to straighten out the record, and if the bill is not passed the amount will stand there as a balance, because the Government is not going to refund that amount to Mr. Reynolds or to anyone else. I see no objection to the passage of the bill. The report seems to be definite and conclusive.

Mr. KING. I confess that I was unable to comprehend the statement of the Senator because of the noise and confusion in the Chamber. Was this a theft or an embezzlement of funds intrusted to the postmaster for which he now seeks compensation at the hands of the Government?

Mr. PHIPPS. It was a theft, or burglary, and was so found. The postmaster was credited with the gross sum of about $69,300, the maturity value of the war savings stamps, which was thought at that time to be the proper credit to be given, but, as a matter of fact, he should only have been credited with the current or present value of the stamps at the time they were delivered to him. By crediting him with the present value instead of the maturity value the records of the Treasury Department and the Post Office Department can be closed. If the bill is not passed, there will remain a balance there of some $11,000, to which neither Reynolds nor anyone else is entitled.

Mr. KING. Is there any evidence to show that he was free from blame for the theft?

Mr. PHIPPS. Oh, yes; it was on that theory that the Congress passed the former bill, but they gave him credit for the maturity value of the stamps instead of the present value of the stamps. This reduces the amount of the credit.

Mr. KING. This is a bill asking for $57,000 instead of $11,000.

Mr. CAPPER. I call the attention of the Senator from Utah to the statement of Postmaster General New on page 2, in his letter, in which he says:

> The evidence in the case showing that the loss of these stamps resulted from no fault or negligence on the part of the postmaster, he was relieved of responsibility by this act.

This bill, it will be seen, was prepared by the Post Office Department and sent up here with the request that Congress pass it as prepared.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ALBERT O. TUCKER

The bill (S. 2035) for the relief of Albert O. Tucker was considered as in Committee of the Whole, and was read, as follows:

*Be it enacted, etc.*, That in the administration of the pension laws and the laws conferring rights and privileges upon honorably discharged soldiers, Albert O. Tucker, late of Company K, Eleventh Regiment Connecticut Volunteer Infantry, shall be held and considered to have been honorably discharged from the military service of the United States as a member of said company and regiment from July 23, 1863: *Provided*, That no pension shall accrue prior to the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MEXICAN NATIONALS ADMITTED INTO THE UNITED STATES

The resolution (S. Res. 202) directing the Secretary of Labor to furnish information as to the number of Mexican nationals admitted into the United States during the past 12 months was read and agreed to, as follows:

*Resolved*, That the Secretary of Labor be hereby directed to transmit to the Senate a statement furnishing complete information as to the number of nationals of Mexico admitted into the United States during the past 12 months.

The PRESIDENT pro tempore. The Committee on Education and Labor recommend that the preamble be stricken out, and it will be stricken out.

INDUSTRIAL VOCATIONAL REHABILITATION

The bill (S. 2590) to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment" was announced as next in order.

Mr. FESS. I ask that that be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, it will be indefinitely postponed.

AGRICULTURAL INFORMATION

The bill (H. R. 7111) to promote American agriculture by making more extensively available and by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways, was announced as next in order.

Mr. SMOOT. That can not be passed to-night. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. LADD. Mr. President, I hope the Senator will withdraw his opposition for a moment. I would like to explain this bill for just a moment, if he will withdraw his objection.

The Department of Agriculture is very anxious to have this enacted into law in order that they can carry on their work without misunderstanding. I hope the bill may be passed.

Mr. KING. Objection is made.

Mr. SHIELDS. Mr. President, this is a bill in which the Department of Agriculture is very much interested. It is largely a reenactment of existing legislation for the purpose of clarifying it and codifying it, and its passage would greatly facilitate the disposition of agricultural products in the foreign market.

Mr. KING. I insist on my objection.

The PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED OVER

The bill (S. 1638) authorizing the Court of Claims to adjudicate the claim of Capt. David McD. Shearer for compensation for the adoption and use and acquisition by the United States Government of his patented inventions was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

RELIEF FOR VICTIMS OF AIRPLANE ACCIDENT AT LANGIN FIELD

The bill (S. 1740) to provide relief for the victims of the airplane accident at Langin Field was considered as in Committee of the Whole, and was read, as follows:

*Be it enacted, etc.*, That the Secretary of War is authorized and directed to pay, in lieu of any other payment now authorized by law, (a) the sum of $5,000 to the personal representative of every person not in the military or naval forces of the United States who was killed or whose death is a direct result of injuries sustained in the airplane accident at Langin Field, Moundsville, W. Va., on July 10, 1921; (b) a reasonable amount, not exceeding $2,000, to every such person who was injured in such accident, as reimbursement for medical, surgical, and hospital attendance, supplies, and expenses, and as compensation for loss of time as a direct result of such injury; (c) a reasonable amount to the owner of any property destroyed or damaged by such accident as compensation for such destruction or damage.

SEC. 2. That the amounts to be paid under subdivisions (b) and (c) of section 1 shall be determined after a public hearing by a board of officers appointed by the commanding officer of the nearest aviation post and approved by the Chief of the Air Service and the Secretary of War.

SEC. 3. That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ALLOWANCES TO RETIRED GOVERNMENT EMPLOYEES

The bill (S. 3011) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, was announced as next in order.

Mr. KING. Let that go over.

Mr. STANFIELD. Mr. President, this is the civil service retirement act, providing for an increase from the maximum of $720 a year to the civil-service retired employees on annuities to the maximum of $1,200 per annum. I hope that whoever has objected to the bill will withdraw the objection and that it may pass at this time. Otherwise I wish to give notice that at the first opportunity I shall move for the immediate consideration of the bill.

Mr. REED of Missouri. Mr. President, do I understand that the bill proposes to raise the retirement pay from $720 to $1,200?

Mr. STANFIELD. That is correct; it does.

Mr. REED of Missouri. I do not want to be understood as opposing the bill, but does not the Senator think that a bill of that importance merits more consideration than we can give it under the five-minute rule?

Mr. STANFIELD. I will say to the Senator from Missouri that I am perfectly willing that it should have more consideration.

Mr. REED of Missouri. I do not want to be understood as objecting.

Mr. STANFIELD. I only wanted the opportunity to give notice that I shall move for its consideration at the first opportunity.

Mr. SMITH. Before we leave this, I would like to ask the Senator what the status of this bill is in the House. Is a bill of similar character being considered in the House?

Mr. STANFIELD. A bill of a similar character has been reported to the House.

Mr. SMITH. Can the Senator tell me what progress it has made in the House?

Mr. STANFIELD. It has been reported from the committee, I think.

Mr. SMITH. The reason I am asking is this: That I am very much interested in this, and there are some features of it that I think are meritorious, and I think the bill ought to be considered and passed at this session.

Mr. STANFIELD. The most I know about it is from the newspaper accounts, which state, as I understand, that in the House there will not be a rule so that the bill can be considered at this session of Congress. However, I think we should consider it here.

The PRESIDENT pro tempore. Objection being made, the bill will be passed over.

BILL PASSED OVER

The bill (S. 626) to prevent the sale of cotton and grain in future markets was announced as next in order.

Mr. OVERMAN. Let that go over.

Mr. KING. The Senator from Louisiana, who is not here this evening, wanted to be heard in regard to that bill.

The PRESIDENT pro tempore. The bill will be passed over.

ALBERT WOOD

The bill (S. 147) for the relief of Albert Wood was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment, on line 6, to strike out "$1,475" and to insert in lieu thereof "$750," so as to make the bill read:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he hereby is, authorized and directed to pay to Albert Wood, of Vernonia, Columbia County, Oreg., out of any moneys in the Treasury not otherwise expended, the sum of $750, in full compensation for losses suffered by him through and in connection with the cancellation by the Post Office Department in October, 1915, of a contract held by him for carrying the mails on star route No. 73195, in the State of Oregon, from July 1, 1914, to June 30, 1918.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had concurred in the following concurrent resolution (S. Con. Res. 21) of the Senate:

*Resolved by the Senate (the House of Representatives concurring)*, That the President of the United States be requested to return to the House of Representatives the enrolled bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

A bill (H. R. 6645) to amend the national prohibition act, to provide for a bureau of prohibition in the Treasury Department, to define its powers and duties, and to place its personnel under the civil service act; and

A bill (H. R. 7558) to authorize the payment of an indemnity to the Government of Norway on account of losses sustained by the owners of the Norwegian steamship *Hassel* as the result of a collision between that steamship and the American steamship *Ausable*.

INVESTIGATION OF LOSSES BY WHEAT GROWERS

Mr. NORBECK submitted the following resolution (S. Res. 249), which was referred to the Committee on Agriculture and Forestry:

Whereas the Government of the United States during the World War generally maintained a policy of noninterference with the prices of staple commodities; and

Whereas this policy resulted in the prices of most commodities soaring to entirely new and unheard-of price levels; and

Whereas the Government did not follow its policy of noninterference in regard to wheat, but on the other hand by various means did depress the price of wheat until it was finally fixed at $2.20 per bushel; and

Whereas such price was much below the prevailing market price at the time it was fixed: Now, therefore, be it

*Resolved*, That the Committee on Agriculture and Forestry, or any subcommittee thereof, be, and it hereby is, authorized and directed to investigate the amount of losses that were sustained by the wheat growers of the United States during the period of governmental interference with, and regulation of, the price of wheat, and make report to Congress not later than January 1, 1925.

Said Committee on Agriculture and Forestry, or any subcommittee thereof, is authorized to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on this subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 6645) to amend the national prohibition act, to provide for a bureau of prohibition in the Treasury Department, to define its powers and duties, and to place its personnel under the civil service act, was read twice by its title and referred to the Committee on the Judiciary.

ADJUDICATION OF CLAIMS OF AMERICAN CITIZENS

The PRESIDING OFFICER (Mr. LENROOT in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1192) to confer jurisdiction upon the United States District Court, Northern District of California, to adjudicate the claims of American citizens, which was, on page 1, to strike out all after the word "therefor" in line 12 down to and including "Sea" in line 5, page 2.

Mr. SHORTRIDGE. I move that the Senate concur in the House amendment.

The motion was agreed to.

SCHOOL TEACHERS IN THE DISTRICT OF COLUMBIA

The bill (S. 1230) to amend section 11 of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved January 15, 1920, was announced as next in order.

Mr. KING. Let the bill go over.

Mr. McKINLEY. Mr. President, I hope the Senator who objected will permit me to make a statement. The bill is in the interest of 22 District of Columbia school-teachers who had taught for many long years and who had broken down and had to retire just before the general retirement law went into effect. The bill would permit them to receive a pension or retirement pay which the other teachers now receive. It would cost about $9,000. When the bill was first introduced last year there were 28 teachers involved. Since that time six have died and two that I know of are in the home for incurables, entirely dependent upon charity for their support. It seems only right that the bill should pass and I ask that the Senator who objected may withdraw his objection.

Mr. KING. I objected to the passage of the bill for this reason only. It is held by some of the departments that this would constitute a precedent under which all persons who have been in the employ of the Government and who may have retired before the pension bill was passed would have a right to apply to the Government to have a like pension.

As soon as information which I have sought is furnished, which would determine whether this is a precedent and if so what it would impose upon the Government, I shall not object to the consideration of the bill, but until that information is available I hope the Senator will do me the courtesy not to ask for its consideration. I hope to get the information tomorrow.

The PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED OVER

The bill (S. 1642) to provide for the purchase and sale of farm products was announced as next in order.

Mr. SMOOT. Mr. President, I hardly think the bill can be considered under the five-minute rule. I therefore ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

LENA GARAGNON OWENS

A bill (H. R. 2647) for the relief of Lena Garagnon Owens was considered as in Committee of the Whole and was read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized to pay to Lena Garagnon Owens, of San Antonio, Tex., out of any money not otherwise appropriated, the sum of $3,819.50, in full settlement of her claim against the Government of the United States for damages done to her property and personal injuries sustained through being run down in the streets of San Antonio, Tex., on April 25, 1913, by a section of Battery B, United States Artillery, from Fort Sam Houston, Tex.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WILLIAM H. FLAGG

The bill (H. R. 4012) to reimburse William H. Flagg and others for property destroyed by mail airplane *No. 73*, operated by the Post Office Department, was considered as in Committee of the Whole and was read, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized to pay to William H. Flagg and E. B. Flagg, of the city of Cleveland, Ohio, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $2,500, in full settlement of all damages sustained by them as a result of the destruction of their residence, furniture, and personal effects, caused my mail airplane *No. 73*, operated by the United States Post Office Department, striking the said Flaggs' residence and thereby wrecking and burning the same: *Provided*, That no insurance company shall be subrogated to the rights of the said William H. Flagg and E. B. Flagg.

SEC. 2. That the Secretary of the Treasury be, and he is hereby, authorized to pay to Mary Torok and Elmer Torok, of the city of Cleveland, Ohio, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $460, in full settlement of all damages sustained by them as a result of the destruction of their house, caused by mail airplane *No. 73*, operated by the United States Post Office Department, striking the said Mary and Elmer Torok's house and thereby wrecking and burning the same: *Provided*, That no insurance company shall be subrogated to the rights of the said Mary Torok and Elmer Torok.

SEC. 3. That the Secretary of the Treasury be, and he is hereby, authorized to pay to Perry J. Lotz, of the city of Cleveland, Ohio, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $432.24, in full settlement of all damages sustained by him as a result of the destruction of his furniture and personal effects, caused by mail airplane *No. 73*, operated by the United States Post Office Department, striking the said Lotz's residence and thereby wrecking and burning the same: *Provided*, That no insurance company shall be subrogated to the rights of the said Perry J. Lotz.

Mr. FLETCHER. Mr. President, it seems to me it might be advisable to amend the bill so as to provide punishment as for a summary offense of an operator of an airplane who knocks down a house and burns it in this way.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

FOREIGN-TRADE ZONES

The bill (S. 2570) to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States to expedite and encourage foreign commerce, and for other purposes, was announced as next in order.

Mr. SMOOT. Mr. President, the Senator from Washington [Mr. JONES] asked me to request that this bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

PRESIDENTIAL RESPONSIBILITIES

The joint resolution (S. J. Res. 47) establishing a congressional committee to consider ways and means through legislation to lighten the responsibilities of the President was announced as next in order.

Mr. KING. Let the joint resolution go over.

Mr. EDGE. Mr. President, apparently the Senate has not very much sympathy with our overburdened Executives. The joint resolution, in my judgment, has much merit and many possibilities if a commission would really investigate the situation. Everyone knows without question that no one can relieve the Executive of his political responsibilities, but it is to be considered that through the operation of time the Executive

to-day is compelled, perfunctorily in a way, to sign his name thousands of times, and is compelled to assume membership on many boards and commissions upon which he can not possibly serve; that is, with the knowledge that any public servant would like to have in order to give proper service. Going back just a few months in our recollection and realizing that one President tragically passed away, to a great extent unquestionably overburdened with the responsibilities of the office, and another one likewise only recently passed away, it does seem to me if there is any possible way by which we can relieve the burdens of the President, certainly we ought at least to make the effort to do so.

Mr. ROBINSON. Mr. President, may I ask the Senator a question?

Mr. EDGE. I yield to the Senator from Arkansas.

Mr. ROBINSON. Is the Senator advised whether the Chief Executive desires to be relieved of his responsibilities?

Mr. EDGE. I know nothing about the desire of the Chief Executive, but if the Senator from Arkansas will recall, as I am sure he will seriously, following the passing away of President Harding the newspapers throughout the land in editorial after editorial discussed the great burdens on the Chief Executive of the country and suggested that there might be, in a perfectly logical, businesslike manner, some relief afforded at least from the technical responsibilities and the more or less perfunctory responsibilities of the Chief Executive. My object——

Mr. ROBINSON. Mr. President——

Mr. EDGE. Just a moment. I only have five minutes, the Senator must remember. My object in introducing the joint resolution was to some extent to recognize the justification of just such a criticism and just such an expressed desire. Such a committee could not do any harm. It can at least investigate existing statutes stretching over a period of 140 years. The committee can report to the Senate whether it is feasible or possible to relieve the responsibilities or otherwise. The passage of the resolution can do no harm. It may do no good.

Mr. BAYARD. Mr. President——

Mr. EDGE. I yield to the Senator from Delaware.

Mr. BAYARD. May I suggest to the Senator from New Jersey that if a committee of the Senate were appointed and undertook to confer with the President, he would probably object to our trespassing upon the affairs of the Executive.

Mr. EDGE. It is not a personal proposition at all, and I am quite sure that any Chief Executive would gladly see a committee of the Senate considering the many possibilities to relieve him of the technical burdens of the office. I have presented the resolution. It is a possibility. I believe it has merit. If the Senate does not care to pass it, it is entirely a matter for the Senate to determine. If any Member wishes to object, that is his privilege.

Mr. KING. I suggest to the Senator that the measure calls for an investigation. We recently had a very scorching letter from the President of the United States charging the Senate with encroaching upon the prerogatives of the Chief Executive.

Mr. EDGE. I appreciated that the introduction of the resolution would afford an opportunity for many references that might not be directed to the desire of the sponsor of the resolution. If any Senator wishes to object, it is his privilege.

Mr. KING. I object.

Mr. ROBINSON. Mr. President, will the Senator yield? I wish to suggest——

Mr. WADSWORTH. Regular order.

The PRESIDENT pro tempore. The regular order is demanded. The Clerk will report the next bill on the calendar.

WAR RISK INSURANCE ACT

The bill (S. 2155) to amend and modify the war risk insurance act was announced as next in order.

SEVERAL SENATORS. Over!

The PRESIDENT pro tempore. The bill will be passed over.

JOHN H. RHEINLANDER

The bill (S. 893) for the relief of John H. Rheinlander was considered as in Committee of the Whole and read, as follows:

*Be it enacted, etc.*, That there be paid, out of any money in the Treasury not otherwise appropriated, the sum of $1,200 to John H. Rheinlander, of St. Louis, Mo., to compensate him in full for all claims he may have against the United States arising out of injuries received by him while in the Government employ in the Quartermaster's Department, United States Army, at St. Louis, Mo., in February, 1883.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

FLAGSTAFF AT FORT SUMTER

The joint resolution (S. J. Res. 87) authorizing the erection of a flagstaff at Fort Sumter, and for other purposes, was announced as next in order.

Mr. ASHURST. Let that go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

ALMEDA LUCAS

The bill (S. 149) for the relief of Almeda Lucas was considered as in Committee of the Whole and read, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay to Almeda Lucas, the widow of Preston B. C. Lucas, the sum of $5,000, out of any money in the Treasury not otherwise appropriated, as compensation for the loss of certain lands and buildings in Tillamook County, Oreg., as a result of a resurvey of the homestead of the said Preston B. C. Lucas after the issuance of a final patent.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC BUILDINGS IN THE DISTRICT OF COLUMBIA

The bill (S. 2284) to provide for the construction of certain public buildings in the District of Columbia was announced as next in order.

Mr. WADSWORTH. Let the bill go over.

Mr. ROBINSON. Mr. President, this is a very important bill.

Mr. WADSWORTH. Yes. It amounts to only $50,000,000.

Mr. ROBINSON. It authorizes an appropriation of $50,000,000 and the expenditure of $10,000,000 annually. I think the bill should be considered, but I do not think it ought to be passed under the present order. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

COAST GUARD VESSEL

The bill (H. R. 6817) to provide for the construction of a vessel for the Coast Guard was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. It will go over.

OGDEN CHAMBER OF COMMERCE

The bill (S. 660) for the relief of the Ogden Chamber of Commerce was announced as next in order.

Mr. WADSWORTH. Mr. President, will the Senator from Utah give an explanation of the bill?

Mr. SMOOT. At the time it was decided to locate the arsenal at Ogden, Utah, an appropriation was made for the erection of buildings and for the purchase of land. The War Department asked the Chamber of Commerce of Ogden to get the price of the land and take options on the land, which the Chamber of Commerce did, holding it for the Government. When they secured the option, the Government authorized them to close the deal. They went to the bank and borrowed $21,000 to close the deal. That is the amount of interest that the War Department claimed they could not pay, but they could pay and did pay the principal amount of $21,000. This is the interest at 8 per cent on $21,000 from July 1, 1922, to November 15, 1922, inclusive, on the $21,000 that the Ogden Chamber of Commerce paid in the shape of interest for the Government.

Mr. WADSWORTH. As a matter of fact may I ask the Senator if the interest was not in the nature of rental for the property?

Mr. SMOOT. No; there was no rental charged.

Mr. WADSWORTH. I read from the report:

The annual rental charge to the Government was equal to the annual interest paid upon such borrowed money at 8 per cent.

The good people of Ogden, of course, would like to have the property purchased by the Government and an Army station established there. The Government purchased the property, having first secured possession of it or access to it through an option secured first by the Ogden Chamber of Commerce. Now the Ogden Chamber of Commerce comes back to us and wants $653 to pay the rental on the property for a few months and include in their bill 68 cents for taxes. I think that is "small potatoes," and I object to the consideration of the bill.

The PRESIDENT pro tempore. The bill will be passed over.

ROBERT JUNE

The bill (S. 2586) for the relief of Robert June was announced as next in order.

SEVERAL SENATORS. Over!

The PRESIDENT pro tempore. The bill will go over.

D. H. M'ADAM

The bill (H. R. 1438) for the relief of D. H. MacAdam was announced as next in order.

Mr. FLETCHER. Let the bill go over.

Mr. ROBINSON. Will the Senator making the objection permit an explanation? I think the unanimous-consent agreement under which we are operating provides for that.

It is to afford relief to D. H. MacAdam, postmaster of Honolulu, Hawaii. He took over the office several years ago from one Peterson, who was then the postmaster. Post-office inspectors had examined the office and found the accounts correct. Some years later the succeeding postmaster, MacAdam, discovered a very large shortage in the accounts of his predecessor, Peterson, and a portion of that shortage was collected from the bondsman of the former postmaster. The remaining $5,514.39 is the claim outstanding against the present postmaster, who has been in no sense negligent, who is not even charged with any form of embezzlement or malfeasance or misfeasance in office. The shortage arose under his predecessors. The post-office inspectors gave them clearance. The present postmaster discovered the shortage; and this is to relieve him from further liability. The bill ought to pass.

Mr. SPENCER. Mr. President, I merely wish to add to what the Senator from Arkansas [Mr. ROBINSON] has said, that the man who was responsible for that shortage confessed his guilt, was tried and convicted, and is now in the penitentiary; so that this bill is eminently a fair bill. The beneficiary of the bill was not at all responsible for the shortage.

Mr. FLETCHER. If I am responsible for the objection to the consideration of the bill, I withdraw it.

Mr. SMOOT. I wish also to say to the Senator from Florida that the beneficiary of the bill has lost almost everything he had because of this transaction.

Mr. ROBINSON. Objection to the consideration of the bill has been withdrawn.

Mr. FLETCHER. In view of the statements which have been made, I withdraw my objection to the consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It directs the Secretary of the Treasury to pay to D. H. MacAdam, of Honolulu, Hawaii, $5,514.39, being the extent of liability of D. H. MacAdam, as postmaster at Honolulu, Hawaii, to the Government of the United States, owing to the embezzlement of Federal funds by the assistant postmaster at Honolulu, Hawaii, prior to and during the term of office of D. H. MacAdam as postmaster at Honolulu, Hawaii.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SERGT. ALVIN C. YORK

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 412) authorizing the President of the United States to appoint Sergt. Alvin C. York as a captain in the United States Army and then place him on the retired list. It authorizes the President of the United States, by and with the advice and consent of the Senate, to appoint Sergt. Alvin C. York, late of Company G, Three hundred and twenty-eighth Infantry, United States Army, an officer with the rank of captain in the United States Army and then to place him on the retired list in that grade.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. WADSWORTH subsequently said: Mr. President, was Order of Business 536, being Senate bill 412, passed?

The PRESIDENT pro tempore. That bill was passed.

Mr. WADSWORTH. I am not going to break the understanding here, but I wish I had been paying attention when that bill was reached on the calendar.

AMENDMENT OF TRADING WITH THE ENEMY ACT

The bill (S. 1548) to amend section 9 of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved March 4, 1923, as amended, was announced as next in order.

Mr. KING. Mr. President, I shall reserve the right to object to the consideration of that bill. I call the attention of the Senator from California [Mr. SHORTRIDGE] to the fact that I objected to the consideration of the bill the other evening when it was called on the calendar, and I have not seen any reason to change my mind. If, however, he desires to make an explanation of the bill, I shall withhold my objection until he shall have done so.

Mr. SHORTRIDGE. Mr. President, in view of the statement of my friend, it may be idle to attempt to change his present opinion, and yet I may say a word or two.

This bill will not cost the Government any money. It merely authorizes a certain number of citizens in California to commence and to maintain an action in the Federal court as against certain foreign insurance companies. It is claimed—and of course the claim will have to be established by competent evidence—that a fraud was committed by these insurance companies upon the prospective plaintiffs. They seek to commence this action and to maintain it. Therefore it is suggested that the prospective defendants, who are alleged to have committed fraud, shall not be permitted to interpose the statute of limitations.

The second proposition of the bill is that these various plaintiffs may combine and bring one action instead of many; that is the purpose of the bill.

Certain property was seized by the Alien Property Custodian; that property is in the possession of that officer. Claims have been filed with that officer. In order to maintain those claims the suit contemplated will have to be brought. I submit to my learned legal friend from Utah [Mr. KING] that it is but just to permit these citizens to commence the action and have it determined upon the merits. It is perfectly competent for Congress to authorize or to enact or provide in a case such as this that the statute of limitations may not be interposed and become a bar to action.

I have reason to think that, perhaps, the Senator from Utah has received a copy of a very impertinent and improper letter which was sent to some Senators in respect of this action. It is claimed by the representatives of the alien insurance companies, which are German insurance companies, that they did not have ample opportunity to appear before the Committee on the Judiciary in respect of this measure. It has been explained that they will have ample opportunity to appear in that action and there to litigate the whole matter. As the law now is, they will never receive one cent of that money which is in the possession of the Alien Property Custodian until these claims are settled; that is the law as it is to-day; so that it will be to the interest, in point of fact, of these prospective defendant companies to have this matter determined. Wherefore I suggest to my friend the Senator from Utah that this bill might well be enacted into law. I believe it just; I believe it entirely meritorious; and I think if it can get through the other House and shall become a law at this session that all parties in the end will be well satisfied.

Mr. WALSH of Montana. May I be pardoned for saying a word in reference to this matter, inasmuch as the bill was considered by the Committee on the Judiciary, of which I am a member? As I understand, these causes of action, if they were prosecuted as independent actions against the various insurance companies, would be barred by the statute of limitations.

Mr. KING. By the statute of limitations of California.

Mr. WALSH of Montana. Yes.

Mr. KING. And we propose to go into the State of California and set aside the statute of limitations of that State by a Federal statute.

Mr. WALSH of Montana. I want to correct that. That is not the situation at all, if the Senator will pardon me. We are proposing to give these parties a certain right of action against the Alien Property Custodian with respect to property which is in his hands.

We can deny these people any right of action at all. We now propose to provide that in the proceeding which we have authorized them to bring against the Alien Property Custodian, the claimants in California may assert a right against them in the proceedings, and in that proceeding the insurance companies will not be able to set up the bar of the statute of limitations. In other words, we give them a right of action, but we affix to it just such conditions as we see fit, and one of the conditions that we affix is that, in maintaining an action against the Alien Property Custodian with reference to any property in his hands which they claim, they shall not plead the statute of limitations against any claim which any American citizen may set up. We are now providing that these claimants may set up their claim notwithstanding it would otherwise be barred by the statute of limitations, but only in the matter of the assertion of their rights against this particular property. In other words, as I have stated to the Senate, we are giving them a right of action which they would not otherwise have, and we are making provision that they must not plead the statute of limitations against these claims of American citizens.

Mr. KING. Mr. President, I confess that I do not quite understand the Senator from Montana. The point in brief

as I understand it is this: Certain people in California are seeking to bring a suit which is barred by the statute of limitations of the State of California. They want Congress to set aside that statute of limitations so that they may bring suit against the Alien Property Custodian.

Mr. WALSH of Montana. If the Senator will pardon me, that is not the case. We are not authorizing them to bring a suit, but we provide that whenever these companies bring a suit against the Alien Property Custodian——

Mr. KING. To recover their own property.

Mr. WALSH of Montana. To recover their property.

Mr. KING. Which we are holding in trust.

Mr. WALSH of Montana. The Senator understands that situation. I am simply endeavoring to acquaint him with the conditions. We are merely providing that when the insurance companies bring suit these people may set up their claims against them, and the companies shall not be at liberty to plead the statute of limitations.

Mr. KING. I regret very much to feel constrained to adhere to my objection.

The PRESIDENT pro tempore. Objection is made.

DEFICIENCY APPROPRIATIONS

Mr. WARREN. Mr. President, according to the calendar, we are now less than 30 days from the end of the fiscal year. I ask unanimous consent that the Senate proceed to the consideration of House bill 9559, being the second deficiency appropriation bill.

The PRESIDING OFFICER (Mr. LENROOT in the chair). The Senator from Wyoming asks unanimous consent that the Senate proceed to the consideration of House bill 9559, being the second deficiency appropriation bill. Is there objection?

Mr. ASHURST. Mr. President, I appreciate the necessity for the passage of the deficiency bill. It carries items that should be passed and go to conference. My colleague [Mr. CAMERON] has proposed some amendments to this bill which are vital and which are recommended by the fact-finding commission. I join heartily with my colleague in his advocacy of those amendments. I submit for the consideration of Senators the question as to whether or not we ought to take up the deficiency appropriation bill, appropriating millions of dollars, and consider this bill under the five-minute rule.

Mr. ROBINSON. I suggest to the Senator that the five-minute rule would not apply to the appropriation bill.

The PRESIDING OFFICER. The five-minute rule would not apply.

Is there objection to the request of the Senator from Wyoming?

Mr. GLASS. Mr. President, reserving the right to object, I submit that to grant the unanimous consent asked by the Senator from Wyoming would mean to discharge the balance of the calendar for the evening. I wonder if the Senator from Wyoming will not withhold his request? I have a bill on the calendar which I have been waiting here to have reached.

Mr. WARREN. I think I am familiar with the bill which the Senator has in mind; it is an important bill. If the Senator will allow me to get up the appropriation bill, I will be glad to yield to him if the measure which he desires to have considered will not lead to any extended debate.

Mr. CAMERON. Mr. President, I object to the request for unanimous consent to take up the deficiency bill.

Mr. WARREN. Mr. President, I move that the Senate proceed to the consideration of House bill 9559, the second deficiency appropriation bill.

Mr. ASHURST. Mr. President, my colleague objected to the request of the Senator from Wyoming for unanimous consent to consider the deficiency bill. I ask that the agreement be read to see whether or not this is an eligible motion. I have no disposition to be captious or to willfully delay the appropriation bill, but my colleague and I believe that some amendments vital to the people of our State ought to go on this bill, and we want to be sure that we will not be hampered by a five-minute rule.

The PRESIDING OFFICER. The Secretary will read the unanimous-consent agreement.

The reading clerk read as follows:

*Ordered* (by unanimous consent) that when the Senate concludes its business on Thursday afternoon, June 5, 1924, it take a recess until 8 p. m., and at the evening session from 8 to 11 p. m. the Senate shall consider only conference reports, appropriation bills, and unobjected bills on the calendar under Rule VIII; and if there be any objection made, a Senator may be allowed five minutes to explain the bill.

Mr. WARREN. Mr. President——

Mr. ASHURST. Will the Senator yield to me?

Mr. WARREN. I wish to say a few words.

Mr. ASHURST. I beg pardon.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WARREN. This is a bill which it is no pleasure to me to take up against the wishes of my colleagues in the Senate, but it is a matter of necessity. There are certain clerks and members of the committee that have worked night and day over it and spent most of last night upon it in order to get it ready. I think we ought to get it along, if possible, to-night, so that we may meet the exigencies of the House differing with us as to our amendments, and the conferences that will have to follow.

Mr. ASHURST. If the Senator will yield to me, I desire to state that since reading the unanimous-consent agreement I am of opinion—and I think I should frankly say so—that the motion is an eligible motion under the peculiar wording of the agreement. It says:

Shall consider only conference reports, appropriation bills, and unobjected bills.

I really believe—and I have never had any hesitancy in expressing what I think—I really think the motion, therefore, is eligible; but the appropriation bill would not be subject to the five-minute rule.

Mr. WARREN. I understood that the motion was within the rule; but, on the other hand, I am perfectly willing to withdraw it and allow the Senate to go on with the calendar if I may take up the appropriation bill later, and if I may have the attendance of Senators to take up the bill later on.

Mr. BORAH. Does the Senator mean later on to-night?

Mr. WARREN. Yes.

Mr. BORAH. Oh, well, if we are going to take it up to-night let us take it up now.

Mr. BRANDEGEE. Yes; let us take it up now.

Mr. WARREN. I wish to do what the Senators wish to have me do.

Mr. HEFLIN. If it will take only a little while, I think we had better take it up now.

Mr. FLETCHER. Mr. President, under the unanimous-consent agreement I do not think the Senator has to make any motion. All he has to do is to call up the bill.

Mr. WARREN. I called it up, and an objection was made, and that is the reason why I made the motion; but I think the Senator is right. Really, the purpose of making the unanimous-consent agreement, in the first instance was to permit the consideration of appropriation bills and conference reports.

Mr. President, I do not hear any particular opposition to taking up the bill, and I therefore make the motion. The Senate can vote it down, if it desires, and I shall be perfectly satisfied either way.

The PRESIDING OFFICER. The Senator from Wyoming moves that the Senate proceed to the consideration of the House bill 9559.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years; to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. WARREN. Mr. President, I ask that the formal reading of the bill be dispensed with, and that it be read for amendment, the amendments of the committee to be first considered.

The PRESIDING OFFICER. The Senator from Wyoming asks unanimous consent that the formal reading of the bill be dispensed with, and that it be read for amendment, the committee amendments to be first considered. Is there objection?

Mr. KING. Mr. President, that means, as I understand, that the bill must be read textually. We have had no chance to see it, and I shall insist that it be read textually—not merely a few words, but the entire bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming? The Chair hears none.

SALE OF MILK, CREAM, ETC., IN THE DISTRICT

Mr. GLASS. Mr. President——

Mr. WARREN. I promised to yield to the Senator from Virginia.

Mr. GLASS. I understood that the Senator from Wyoming would yield to me to ask unanimous consent to consider a bill on the calendar.

Mr. WARREN. I assumed that to be the next bill or two on the calendar.

Mr. GLASS. Mr. President, I ask unanimous consent for the consideration of Senate bill 2803, to regulate within the District of Columbia the sale of milk, cream, and certain milk products, and for other purposes.

Mr. SMOOT. What is the calendar number?

Mr. GLASS. It is Order of Business No. 540.

The PRESIDING OFFICER. The Senator from Virginia asks unanimous consent for the present consideration of Senate bill 2803. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. GLASS. Mr. President, I will explain that this is the bill which was reached on the last day set apart for the consideration of bills on the calendar by unanimous consent. It was unanimously reported by a subcommittee of the Committee on the District of Columbia, unanimously approved by the Commissioners of the District, and unanimously approved and reported from the District of Columbia Committee; but there were objections on the last occasion, and those objections have been met.

I propose an amendment in the nature of a substitute for the bill, which I send to the desk and ask to have read.

The PRESIDING OFFICER (Mr. HARRISON in the chair). The Secretary will read the amendment in the nature of a substitute.

The READING CLERK. It is proposed to strike out all after the enacting clause, and to insert in lieu thereof the following:

That from and after the passage of this act none but pure, clean, and wholesome milk, cream, or ice cream conforming to the definitions hereinafter specified shall be produced in or shipped into the District of Columbia or held or offered for sale therein, and then only as hereinafter provided.

SEC. 2. That no person shall keep or maintain a dairy or dairy farm within the District of Columbia, or produce for sale any milk or cream therein, or bring or send into said District for sale any milk, cream, or ice cream without a permit so to do from the health officer of said District, and then only in accordance with the terms of said permit. Said permit shall be for the calendar year only in which it is issued and shall be renewable annually on the 1st day of January of each calendar year thereafter. Application for said permit shall be in writing upon a form prescribed by said health officer and shall be accompanied by such detailed description of the dairy or dairy farm or other place where said milk, cream, or ice cream are produced, handled, stored, manufactured, sold, or offered for sale as the said health officer may require, and shall be accompanied by a certificate signed by an official of the health department of the District of Columbia, the United States Department of Agriculture, or some veterinarian authorized by the United States Department of Agriculture or the health department of the District of Columbia, detailed for the purpose, certifying that the cattle producing such milk or cream are physically sound, and in the case of milk or cream held, offered for sale, or sold as such shall in addition be accompanied by a certificate signed by one of the officials aforesaid certifying the cattle producing such milk or cream have reacted negatively to the tuberculin test as prescribed by the Bureau of Animal Industry, United States Department of Agriculture, within one year previous to the filing of the application: *Provided*, That a permit may be issued to a corporation, partnership, or mutual association to ship milk and cream under the same conditions as the individual shipper: *Provided further*, That the health officer may accept the certification of a State or municipal health officer: *And provided further*, That final action on each application shall, if practicable, be taken within 30 days after the receipt of such application at the health department.

SEC. 3. That the health officer is hereby authorized and empowered to suspend any permit issued under authority of this act whenever in his opinion the public health is endangered by the impurity or unwholesomeness of the milk supply of any such farm, corporation, partnership, or mutual association, and such suspension shall remain in force until such time as the said health officer is satisfied the danger no longer continues: *Provided*, That whenever any permit is suspended the health officer shall furnish in writing to the holder of said permit his reasons for such suspension, and the dealer receiving such milk or cream shall also be promptly notified by the health officer of such suspension.

SEC. 4. That nothing in this act shall be construed to prohibit interstate shipments of milk or cream into the District of Columbia for manufacturing into ice cream: *Provided*, That such milk or cream is produced or handled in accordance with the specifications of an authorized medical milk commission or a State board of health.

SEC. 5. That failure or refusal on the part of any person holding a permit under authority of this act to permit the health officer of the District of Columbia, or his duly appointed representative, to inspect the dairy, dairy farm, cattle, and all appurtenances of such dairy, dairy farm, or other places where said milk, cream, or ice cream are produced, stored, manufactured, handled, offered for sale, or sold may be deemed sufficient to suspend or revoke such permit at the discretion of said health officer.

SEC. 6. That the health officer or his duly appointed representative be, and he is hereby, authorized to seize all milk, cream, or ice cream which may, in violation of the provisions of this act, be brought into the District of Columbia. The owner of any such milk, cream, or ice cream shall be at once notified of such seizure; and if he shall fail within 24 hours to direct the removal of the same from the District of Columbia, the health officer may destroy or otherwise dispose of the said milk, cream, or ice cream.

SEC. 7. That the health officer of the District of Columbia, under the direction of and with the approval of the Commissioners of said District, is hereby authorized and empowered to make and enforce all such reasonable regulations consistent with this act from time to time as he may deem proper to protect the milk, cream, and ice-cream supply of the said District of Columbia: *Provided, however*, That such regulations shall be published once at least 30 days in some daily newspaper in the District of Columbia of general circulation before any penalty be exacted for violation thereof.

SEC. 8. That all milk wagons within the District of Columbia shall have the name of the owner, the number of the permit, and the location of the dairy from which said wagons haul milk or cream painted thereon plainly and legibly: *Provided*, That all trucks or wagons engaged in bringing milk, cream, or ice cream into the said District shall have the name and address of the owner painted plainly and legibly thereon.

SEC. 9. That all persons within the District of Columbia, having or offering for sale, or having in their possession with intent to sell milk, cream, or ice cream, shall at all times keep the name or names of the person or persons from whom the said milk, cream, or ice cream have been obtained posted in a conspicuous place wherever such milk, cream, or ice cream are kept or offered for sale: *Provided, however*, That general distributors of milk, cream, or ice cream shall only be required to keep a record of the name of all persons from whom said distributor is receiving milk, cream, or ice cream, which record shall at all times be open to inspection by the health officer or his duly authorized representative.

SEC. 10. That no person shall sell, exchange, or deliver, or have in his possession with intent to sell, exchange, or deliver, any "skimmed milk," or "reconstructed milk," or "reconstructed cream" unless every can, vessel, package, or container is plainly labeled conveying to the purchaser the exact nature of its contents.

SEC. 11. That it shall be unlawful for any person or persons to sell, offer for sale, or have in their possession with intent to sell, within the District of Columbia, milk or cream taken from cows less than 15 days before or 7 days after parturition, nor shall any such milk or cream be used in the manufacture of ice cream.

SEC. 12. That any person or persons holding a permit issued under authority of this act being afflicted, or any member of his family, hired help, or other person on said dairy farm being afflicted with a communicable disease, or if he has reason to suspect any such communicable disease, shall report the same to the health officer of the District of Columbia within 24 hours after becoming aware thereof. Willful violation of this section shall be deemed sufficient cause for revocation of said permit.

SEC. 13. That for the purpose and within the meaning of this act "milk" shall be held to be the lacteal secretion obtained from the complete milking of cows.

"Cream" is that portion of the milk rich in fat which rises to the surface of the milk on standing or is separated from it by centrifugal force or otherwise, and shall contain not less than 20 per cent of butterfat and shall not be offered for sale or sold unless and until it has been pasteurized under regulations prescribed by the health officer, and shall be free from pathogenic organisms and from visible dirt.

The term "pasteurized" as used in the act shall be held to mean the heating of milk or cream to a temperature of not less than 142° F. and maintained at such temperature for a period of not less than 30 minutes, then immediately cooled to a temperature of not more than 45° F. and maintained at not more than that temperature.

"Raw milk" is milk produced from healthy cows as determined by physical examination and by a tuberculin test made within one year previous to the time of filing of the application; said physical examination and tuberculin test shall be made by an official of the health department of the District of Columbia, the United States Department of Agriculture, or some veterinarian authorized by the United States Department of Agriculture or the health department of the District of Columbia, to make such examination and tuberculin test; and said tuberculin test shall be repeated at least one time during each succeeding calendar year; and when reactors are found in any dairy herd licensed under this act, the tuberculin test shall be repeated semiannually thereafter until such time as tuberculosis is eradicated from the herd: *Provided*, That no cow or bull shall be added to any dairy herd licensed under this act until such cow or bull has first been physically examined and tuberculin tested as hereinbefore provided. The farm on which the milk is produced shall rate not less than 80

per cent, the dairy from which such milk is sold or distributed not less than 90 per cent, and the cows producing the milk not less than 95 per cent on the rating cards in use at the time by the health department of the District of Columbia, and said milk shall not at any time contain less than 3.5 per cent of butterfat nor less than 11.5 per cent of total solids; nor shall it contain when delivered to the consumer more than 20,000 bacteria per cubic centimeter total count, and no colon bacilli or other pathogenic organism shall be present in one-fiftieth cubic centimeter, and the milk shall be free from all visible dirt.

"Pasteurized milk" is milk produced from healthy cows, as determined by the physical examination and tuberculin test as hereinbefore provided for "raw" milk. Said milk shall be pasteurized under regulations prescribed by the health officer. The milk immediately after being pasteurized shall be cooled to a temperature of not more than 45° F. and maintained to at least such temperature. The farm on which the milk is produced must rate not less than 70 per cent, the dairy from which said milk is sold or distributed not less than 85 per cent, and the cows producing the milk not less than 90 per cent on the rating cards in use at the time by the health department of the District of Columbia. It shall not contain less than 3.5 per cent of butterfat or 11.5 per cent total solids; nor shall it contain when delivered to the consumer more than 50,000 bacteria total count per cubic centimeter, and be free from colon bacilli and other pathogenic organisms and all visible dirt. No such milk shall be pasteurized more than one time.

"Certified milk" is milk produced and handled in accordance with specifications of an authorized medical milk commission and must be labeled according to the specifications of the commission which certifies to the quality of the product. A copy of the necessary articles of certification must be filed in the health department of the District of Columbia and be approved by the health officer of said District.

"Reconstructed milk" or "cream" means milk or cream which has been concentrated or dried in any manner and subsequently restored to a liquid state.

"Skimmed milk" is that part of milk from which the fat has been partly or entirely removed and shall contain not less than 9 per cent of milk solids, inclusive of fat.

"Ice cream" means the frozen product or mixture made from pasteurized cream, milk, or product of milk sweetened with sugar, to which has been added pure, wholesome food gelatin, vegetable gum, or other thickener, with or without wholesome flavoring extract, fruits, nuts, cocoa, chocolate, eggs, cake, candy, or confections, and which contains not less than 8 per cent, by weight, of milk (butter) fat.

SEC. 14. That no person in the District of Columbia shall handle, sell, offer for sale, or have in his possession with intent to sell, any milk, cream, or ice cream which does not comply with the definitions hereinbefore specified, and all bottles, cans, vessels, or other containers in which said milk or cream is sold or offered for sale shall have plainly and legibly printed thereon the grade of the milk or cream which is contained therein.

SEC. 15. That the pasteurization of all milk or cream required under this act to be pasteurized shall be done under regulations to be prescribed by the health officer of the District of Columbia and open to the supervision of said health officer.

SEC. 16. That any person who shall molest, hinder, or in any manner prevent said health officer or his duly appointed agent from performing any duty imposed upon him or them by the provisions of this act shall be deemed guilty of violating the provisions of said act and be liable to the penalty prescribed therefor.

SEC. 17. That every person or persons receiving a permit to ship milk or cream into the District of Columbia from any creamery or receiving station aforesaid shall keep posted at all times in such creamery or receiving station the names of all persons licensed under this act who are delivering milk or cream at any such creamery or receiving station, and shall keep a record of all milk and cream received and furnish from time to time a sworn statement giving such information relative thereto as the said health officer may require. The health officer of the District of Columbia shall have power by regulation to include other places than creameries or receiving stations, under the provisions of this section, from time to time as may be necessary in his judgment.

SEC. 18. That no person in the District of Columbia licensed under this act shall receive any milk or cream from any source until he shall have first ascertained from the health department that the person from whom such milk is obtained holds a license from the health officer of said District to send milk or cream into the District of Columbia.

SEC. 19. That any person or persons violating any of the provisions of this act, or of any of the regulations promulgated hereunder, shall, on conviction, be punished for the first offense by a fine of not more than $10, for the second offense by a fine of not more than $50, and for any subsequent offenses within one year a fine of not more than $500, or by imprisonment in the workhouse for not more than 30 days, or by both such fine and imprisonment, in the discretion of the court, and in addition any license issued under authority of this act may be revoked. Prosecutions hereunder shall be in the police court by the District of Columbia.

SEC. 20. That all acts and parts of acts inconsistent with the foregoing be, and the same are hereby, repealed.

Mr. GLASS. Mr. President, I suggest that the Senator from New York [Mr. COPELAND], who has great familiarity with the subject matter of the bill, briefly state the nature of it.

Mr. LENROOT. Mr. President, I wish to say that I have a number of objections to this bill from constituents in my State who ship large quantities of cream and milk. I do not know what these changes are. For the present I shall have to object for that reason.

Mr. COPELAND. I hope the Senator will withhold his objection for a moment.

Mr. LENROOT. I will.

Mr. COPELAND. We have met all the objections of the milk and cream shippers from the State of Wisconsin, from Minnesota, and from Pennsylvania.

Mr. WILLIS. Mr. President——

Mr. COPELAND. And from Ohio.

Mr. WILLIS. The Senator will remember that I stated to him certain objections that were made by the milk producers in my State.

Mr. COPELAND. Yes.

Mr. WILLIS. Does the Senator think that those objections have been met?

Mr. COPELAND. I will say to the Senator from Ohio and to the Senator from Wisconsin, as well as to the Senators from Minnesota and Pennsylvania, that all those objections have been met, and the shippers are entirely satisfied, with just one exception, which I want to mention now.

I ask leave to present an amendment to page 9, line 9, inserting the word "now" between "cards" and "in," and to strike out the last three words, so that it will read:

On the rating cards now in use—

And so forth. With that amendment, Mr. President, this bill meets every objection. Furthermore, if it is enforced, it will give the city of Washington the highest grade of milk of any city in the world.

Mr. PEPPER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Pennsylvania?

Mr. COPELAND. I yield.

Mr. PEPPER. I wish to inquire specifically whether the amendments now proposed eliminate the disqualification of a shipper because he may happen to be engaged in furnishing uncertified milk to some of his customers, while furnishing certified milk to others?

Mr. COPELAND. Mr. President, section 17 originally contained language which made impossible the thing mentioned by the Senator from Pennsylvania; but with the elimination of the first half of that section the objection has been met, and that milk can be shipped.

Mr. LENROOT. Mr. President, upon the assurances that have been given, I withdraw the objection.

The PRESIDING OFFICER. The objection is withdrawn. The question is on the amendment, in the nature of a substitute, offered by the Senator from Virginia.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to regulate within the District of Columbia the sale of milk, cream, and ice cream, and for other purposes."

### JOHN F. MALLEY

Mr. WALSH of Massachusetts (for Mr. CARAWAY), from the Committee on Claims, to which was referred the bill (S. 2714) for the relief of John F. Malley, reported it with amendments and submitted a report (No. 773) thereon.

### AMENDMENT OF BANKRUPTCY LAWS

Mr. WALSH of Montana, from the Committee on the Judiciary, to which was referred the bill (S. 1649) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, reported it with amendments and submitted a report (No. 774) thereon.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House further insisted on its amendment to the amendment of the Senate numbered 1 to the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes; still further insisted on its disagreement to the amendments of the Senate numbered 2 to 167, inclusive, to the said bill; agreed to a further conference; and that Mr. DAVIS of Minnesota, Mr. FUNK, Mr. MADDEN, Mr. AYRES, and Mr. BYRNS of Tennessee were appointed managers on the part of the House at the further conference.

DEFICIENCY APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes.

The PRESIDING OFFICER (Mr. LENROOT in the chair). The Secretary will read the bill.

The principal clerk proceeded to read the bill.

Mr. HARRISON. Mr. President, a parliamentary inquiry. Was there an agreement that the committee amendments should be first considered?

The PRESIDING OFFICER. There was.

Mr. HARRISON. Reserving the right to object, may I ask the Senator from Wyoming if he has any objection to an amendment that was considered by the committee to increase the amount of the appropriation by $10,000 for the naval stores industry?

Mr. WARREN. I shall be glad if the Senator will repeat his statement. My attention was diverted.

Mr. HARRISON. I desire to have incorporated in the bill an amendment that carries $10,000 for general expenses under the Bureau of Chemistry for enabling the Secretary of Agriculture to carry into effect the provisions of the act of March 3, 1923.

Mr. WARREN. Let me say that I know what the item is, but we are working under a unanimous-consent agreement that we shall first consider the amendments of the committee.

Mr. HARRISON. I understand; but I just want to know, before we proceed with this unanimous-consent agreement, if the Senator is going to raise any objection to the amendment when I propose it.

Mr. WARREN. The Senator will have a perfect right to offer the amendment just as soon as we finish the consideration of the committee amendments.

The PRESIDING OFFICER. The Secretary will state the first amendment of the committee.

The first amendment of the Committee on Appropriations was, at the top of page 2, to insert:

SENATE

For additional amount to pay John G. Holland, jr., for services as assistant clerk to the Committee on Public Lands and Surveys during the investigation of leases upon naval oil reserves, $250.

The amendment was agreed to.

The next amendment was, on page 2, after line 5, to insert:

For additional amount to pay Ernest K. Hill for services as assistant clerk to the Committee on Public Lands and Surveys during the investigation of leases upon naval oil reserves, $250.

The amendment was agreed to.

The next amendment was, on page 2, after line 9, to insert:

For additional salary of the Postmaster of the Senate, fiscal year 1924, $860.

The amendment was agreed to.

The next amendment was, on page 2, after line 11, to insert:

For payment to Albert Reid for expert services rendered by him to the Senate Committee on Finance during the Sixty-eighth Congress, first session, in compiling, editing, and indexing hearings, special reports, and bills relating to the revenue act of 1924 and the World War adjusted compensation act, $125.

The amendment was agreed to.

The next amendment was, on page 2, after line 17, to insert:

To pay Alexander K. Meek for extra and expert services rendered to the Committee on Pensions during the first session of the Sixty-eighth Congress as an assistant clerk to said committee, by detail from the Bureau of Pensions, $1,200.

The amendment was agreed to.

The next amendment was, on page 2, after line 22, to insert:

For miscellaneous items exclusive of labor, $50,000.

The amendment was agreed to.

The next amendment was, on page 2, after line 23, to insert:

For additional amount to pay Louis Rose and U. G. Gordon, employees of the Senate, $40 each for services rendered the Committee on Privileges and Elections during investigation of the election in 1922 of a Senator from the State of Texas, $80.

The amendment was agreed to.

The next amendment was, under the heading "Architect of the Capitol," on page 4, after line 17, to insert:

Capitol Building and repairs: For amount required in connection with the completion of the frieze in the rotunda of the Capitol, fiscal years 1924 and 1925, $5,000.

The amendment was agreed to.

The next amendment was, under the heading "American Battle Monuments Commission," on page 5, line 14, before the word "motor-propelled," to strike out "one"; in line 15, after the word "carrying," strike out "vehicle" and to insert "vehicles"; and in line 16, after the word "War," to insert "or other departments of the Government," so as to make the paragraph read:

The appropriation of $95,750 made for the expenses of the American Battle Monuments Commission by the act of April 2, 1924, Public No. 66, Sixty-eighth Congress, is hereby made available for the maintenance, repair, and operation of motor-propelled passenger-carrying vehicles that may be furnished by the Secretary of War or other departments of the Government for the official use of the said commission in foreign countries.

The amendment was agreed to.

The next amendment was, under the heading "District of Columbia. Public schools," on page 8, after line 3, to insert:

For additional amount required for payment of salaries of administrative and supervisory officers, teachers, librarians, and attendance officers in the public schools during the fiscal year ending June 30, 1925, including two first assistant superintendents and one chief examiner, $1,148,570: *Provided*, That this sum and the amounts specifically appropriated in the District of Columbia appropriation act for the fiscal year 1925, for salaries of officers, teachers, librarians, attendance officers, longevity pay, and allowance to principals are authorized to be consolidated and treated as one amount for the payment of salaries of administrative and supervisory officers, teachers, librarians, and attendance officers in such numbers and at such rates of compensation as shall be authorized by law for said fiscal year: *Provided further*, That the appropriation for Americanization work for the fiscal year 1925 is hereby reduced by the sum of $1,800, which sum is hereby authorized to be transferred to and made a part of the foregoing consolidated amount.

The amendment was agreed to.

The next amendment was, on page 8, after line 21, to insert:

For additional amount for salaries of employees of the community center department of the public schools for the fiscal year 1925, $3,400, to be paid wholly out of the revenues of the District of Columbia: *Provided*, That in addition to this sum, the appropriation contained in the District of Columbia appropriation act for the fiscal year 1925 is made available for the payment of the salaries of one general director, two general secretaries, and seven full-time community secretaries, at such rates of compensation as shall be authorized by law for said fiscal year, and for the payment of compensation of other employees, other than janitors, including part-time community secretaries, at such rates of pay as shall be fixed by the Board of Education: *Provided further*, That not more than 85 per cent of the total amount appropriated for the community center department for the fiscal year ending June 30, 1925, shall be expended for salaries of employees.

The amendment was agreed to.

The next amendment was, on page 14, after line 9, to insert:

MEDICAL CHARITIES

For care and treatment of indigent patients under contracts to be made by the Board of Charities with the following institutions and for not to exceed the following amounts, respectively:

Central Dispensary and Emergency Hospital: Fiscal year 1922, $2,991.15; fiscal year 1923, $8,303.40.

Eastern Dispensary and Casualty Hospital: Fiscal year 1922, $878.35; fiscal year 1923, $6,236.15.

The amendment was agreed to.

The next amendment was, under the heading "Federal Board for Vocational Education," on page 19, after line 8, to insert:

To extend to the Territory of Hawaii the benefits of the act approved June 2, 1920 (41 Stat. p. 735), in accordance with the provisions of the act entitled "An act to extend the provisions of certain laws to the Territory of Hawaii," approved March 10, 1924, fiscal year 1925, $5,000.

The amendment was agreed to.

The next amendment was, under the heading "Department of Commerce, Bureau of Foreign and Domestic Commerce," on page 24, after line 17, to insert:

The Secretary of Commerce is authorized and directed to pay, out of any current appropriation for the Bureau of Foreign and Domestic Commerce, the amount of any official checks not exceeding the sum of $1,000 drawn in the fiscal year 1924 by James W. Boyer, jr., special disbursing agent at Constantinople, Turkey, which for any reason can not be paid from the officers' credit balance with the Treasurer of the United States: *Provided*, That the amount of any payments made hereunder shall not be held to relieve the disbursing officer issuing such checks, nor the sureties on his bond, from responsibility or liability to the United States.

The amendment was agreed to.

The next amendment was, under the heading "Interior Department," on page 26, after line 21, to insert:

GENERAL LAND OFFICE

Reimbursement to State of Utah: To reimburse the State of Utah, as provided in the act of Congress approved August 18, 1894, for moneys advanced by said State to the United States on April 12, 1922, August 12, 1922, and November 13, 1922, to secure the survey of lands granted to said State, $50,000.

The amendment was agreed to.

The next amendment was, under the heading "Interior Department, Bureau of Indian Affairs," on page 27, after line 9, to insert:

For rebuilding dairy and horse barns at Carson City Indian School, Carson City, Nev., fiscal years 1924 and 1925, $7,500.

The amendment was agreed to.

The next amendment was, under the subhead "Reclamation Service," on page 29, after line 8, to insert:

For all expenditures authorized by the act of June 17, 1902 (32 Stat. p. 388), and acts amendatory thereof or supplementary thereto, known as the reclamation law and all other acts under which expenditures from said fund are authorized, including salaries in the District of Columbia and elsewhere; examination of estimates for appropriations in the field; refunds for overcollections hereafter received on account of water-right charges, rentals, and deposits for other purposes; printing and binding, not exceeding $15,000; purchase, maintenance, and operation of horse-drawn or motor-propelled passenger-carrying vehicles; payment of damages caused to the owners of lands or private property of any kind by reason of the operations of the United States, its officers or employees, in the survey, construction, operation, or maintenance of irrigation works, and which may be compromised by agreement between the claimant and the Secretary of the Interior; and payment for official telephone service in the field hereafter incurred in case of official telephones installed in private houses when authorized under regulations established by the Secretary of the Interior.

The amendment was agreed to.

The next amendment was, at the top of page 31, to insert:

North Platte irrigation project, Nebraska and Wyoming: For continued investigations, commencement of construction of the Guernsey Reservoir, and incidental operations, $800,000.

The amendment was agreed to.

The next amendment was, on page 31, after line 4, to insert:

Spanish Springs irrigation project, Nevada: For continued investigations, commencement of construction, and incidental operations, $200,000.

The amendment was agreed to.

Mr. WARREN. Mr. President, the language, line 8 down to and including line 20, ought to be in italics, as the items included therein are all committee amendments.

The PRESIDENT pro tempore. The amendments will be stated.

The READING CLERK. On page 31, at the beginning of line 8, it is proposed to insert:

Salt Lake Basin irrigation project, Utah: For continued investigations, continuation of construction, and incidental operations, $1,500,000.

The amendment was agreed to.

Mr. PITTMAN. Mr. President, has the amendment beginning in line 5, on page 31, been agreed to?

The PRESIDENT pro tempore. That amendment has been agreed to.

Mr. WARREN. I desire to say to the Senator from Nevada that there is a complication in reference to that time; but I have endeavored to do what the Senator from Nevada would desire to be done and what I should desire to be done in a similar case. When the fact-finding commission reported in reference to this matter they reported in favor of an appropriation of $800,000 for the Spanish Springs irrigation project in Nevada, as they reported in favor of an appropriation of $2,500,000 for the preceding item, but they also reported that this year they could only use $200,000; and that was the estimate that came from the Budget Bureau.

I thought perhaps it would suit the Senators from Nevada better—and the Committee on Appropriations concurred in that opinion—to have a smaller amount, which would be unassailable, rather than to appropriate the larger sum. Of course, however, if that is not satisfactory, I shall not resist if the Senator from Nevada moves to increase the appropriation to $800,000.

Mr. PITTMAN. Mr. President, I remember that when the bill making appropriations for the Interior Department was under consideration there was under discussion before the committee, if I am not mistaken, the items for the North Platte, the Spanish Springs, the Salt Lake Basin irrigation, the Owyhee, and the Warm Springs (Vale) irrigation projects.

Mr. WARREN. I think there was a bill introduced in the House in reference to those items, but not in the Senate.

Mr. PITTMAN. I notice here that Salt Lake Basin irrigation project, in Utah, has an appropriation of $1,500,000; that the Owyhee project, in Oregon, has an appropriation of $1,250,000; that the Warm Spring (Vale) irrigation project, in Oregon, has an appropriation of $250,000; and that the Yakima irrigation project, in Washington, has an appropriation of $1,500,000.

Mr. WARREN. Does the Senator desire that the amount of the appropriation for the Spanish Springs irrigation project, in Nevada, shall be increased from $200,000 to $800,000?

Mr. PITTMAN. I desire that the appropriation for that purpose shall be increased to $800,000.

Mr. WARREN. An amendment to that effect would be an amendment to the committee amendment, and would be in order.

Mr. PITTMAN. I offer that amendment.

Mr. ODDIE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nevada yield to his colleague?

Mr. PITTMAN. I shall yield after the amendment which I have offered shall have been stated.

Mr. ODDIE. Mr. President, I have an amendment pending before the Senate increasing the amount of this appropriation to $800,000.

Mr. PITTMAN. The amendment which my colleague desires to offer is possibly the one which I have just offered.

The PRESIDENT pro tempore. To what amendment is the junior Senator from Nevada referring?

Mr. ODDIE. I am referring to the amendment which I presented on May 20 last, and which was printed.

Mr. PITTMAN. The amendment which I offer is exactly the same proposition which my colleague has pending. He has offered a bill in the nature of an amendment to be offered when this bill came up. It is immaterial, however, whether the junior Senator from Nevada offers the amendment or I offer it.

The PRESIDENT pro tempore. The Chair understands that the amendment must be offered at this time.

Mr. PITTMAN. I have just moved an amendment to increase the item on page 31, beginning in line 5, from $200,000 to $800,000.

Mr. WARREN. Being a committee amendment, it is, of course, open to amendment.

The PRESIDENT pro tempore. The vote by which the committee amendment was agreed to will have to be reconsidered.

Mr. WARREN. That may, of course, be done.

Mr. PITTMAN. I ask unanimous consent that the vote whereby the committee amendment was agreed to may be reconsidered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. The vote whereby the committee amendment on page 31, from line 5 to line 7, was agreed to is reconsidered.

Mr. ODDIE. Mr. President——

Mr. PITTMAN. I move to amend the committee amendment on page 31, line 7, by striking out "$200,000" and inserting in lieu thereof "$800,000."

The PRESIDENT pro tempore. The Secretary will state the amendment offered by the senior Senator from Nevada to the committee amendment.

The READING CLERK. On page 31, line 7, it is proposed to strike out "$200,000" and to insert "$800,000," so as to make the clause read:

Spanish Springs irrigation project, Nevada: For continued investigations, commencement of construction, and incidental operations, $800,000.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The question now is upon agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, on page 31, after line 10, to insert:

Owyhee irrigation project, Oregon: For continued investigations, commencement of construction, and incidental operations, $1,250,000.

The amendment was agreed to.

The next amendment was, on page 31, after line 13, to insert:

Warm Springs (Vale) irrigation project, Oregon: For continued investigations and for first payment toward purchase of an interest in the Warm Springs Reservoir, $250,000;

The amendment was agreed to.

The next amendment was, on page 31, after line 17, to insert:

Yakima irrigation project, Washington: For continued investigations, commencement of construction of the Kittitas unit, and incidental operations, $1,500,000.

The amendment was agreed to.

The next amendment was, on page 31, after line 20, to insert:

BUREAU OF MINES

For the development of oil shale, including construction of necessary plant, purchase, lease, or condemnation of necessary land for erection of plant; purchase or mining of shale, operation of plant, and for all necessary expenses incident thereto, including clerical and technical assistance in the District of Columbia and elsewhere, to remain available until June 30, 1925, $90,000.

The amendment was agreed to.

The next amendment was, under the heading "Judicial—Marshals, District Attorneys, Clerks, and Other Expenses of United States Courts," on page 36, line 13, after the figures "$1,000," to insert a comma and "to be available also for one set of Federal Reporter and Digests thereof," so as to read:

For 1924, $1,000, to be available also for one set of Federal Reporter and Digests thereof.

The amendment was agreed to.

The next amendment was, under the heading "Department of Labor—Bureau of Immigration," on page 38, at the end of line 10, to strike out "$75,000" and to insert "$100,000," so as to read:

The amount which may be expended for personal services in the District of Columbia from the appropriation "Expenses of regulating immigration, 1925," is hereby increased from $50,000 to $100,000.

The amendment was agreed to.

The next amendment was, under the heading "Navy Department," on page 41, after line 21, to insert:

Damage claims: To pay claims for damages to or losses of privately owned property adjusted and determined by the Navy Department, under the provisions of the act entitled "An act to provide a method for the settlement of claims arising against the Government of the United States in sums not exceeding $1,000 in any one case," approved December 28, 1922, as fully set forth in House Documents Nos. 258, 261, and 275, reported to Congress at its present session, $11,379.10.

The amendment was agreed to.

The next amendment was, on page 42, after line 18, to insert:

Fishery rights, Pearl Harbor, Hawaii: For necessary costs and expenses of condemnation proceedings authorized by the act approved June 28, 1921 (42 Stat. L. 67), entitled "An act to provide for the acquisition by the United States of private rights of fishery in and about Pearl Harbor, Territory of Hawaii," fiscal years 1924 and 1925, $5,000.

The amendment was agreed to.

The next amendment was, under the heading "State Department," on page 48, line 13, before the word "conference," to strike out "nineteenth" and to insert "twenty-third," and in line 16, before the word "conference," to strike out "nineteenth" and to insert "twenty-third," so as to make the paragraph read:

Twenty-third conference of the Interparliamentary Union: For the purpose of defraying the expenses in the city of Washington and elsewhere in the United States, incident to the twenty-third conference of the Interparliamentary Union, to be held in Washington in 1925, to be expended under such rules and regulations as the Secretary of State may prescribe, for salaries in the District of Columbia or elsewhere, rent, printing and binding, traveling and subsistence expenses (notwithstanding the provisions of any other act); and such other expenses as may be necessary, $50,000, as authorized by public resolution approved May 13, 1924, to remain available until December 31, 1925.

The amendment was agreed to.

The next amendment was, under the heading "Treasury Department," on page 50, after line 4, to insert:

OFFICE OF THE SECRETARY

For payment of the increase in the salary of the Government Actuary, as provided by section 1102 of the revenue act of 1924, for the fiscal years that follow:

For 1924, $281.95;

For 1925, $2,300.

The amendment was agreed to.

The next amendment was, under the subhead "Internal Revenue Service," on page 51, after line 22, to insert:

Refunding income taxes under title 12 of revenue act of 1924: For the refunding of taxes required by title 12 of the revenue act of 1924, approved June 2, 1924, providing for an allowance by credit or refund of 25 per cent of the taxes imposed by parts 1 and 2 of title 2 of the revenue act of 1921, to remain available until June 30, 1925, $16,140,000.

The amendment was agreed to.

The next amendment was, at the top of page 54, to insert:

SUPPRESSING COUNTERFEITING AND OTHER CRIMES

For expenses incurred in suppressing counterfeiting and other crimes, including the same objects specified under this head in the act making appropriations for the Treasury Department for the fiscal year ended June 30, 1923, $756.62.

The amendment was agreed to.

The next amendment was, under the heading "War Department," on page 57, after line 14, to insert:

The Secretary of War is authorized and directed to pay out of any current appropriation for the War Department the amount of any official checks, not exceeding the sum of $20,000, drawn in the fiscal year 1924 by the military attaché at Santiago, Chile, and cashed by foreign banks or foreign branches of American banks, which for any reason can not be paid from the officer's credit balance with the Treasurer of the United States: *Provided*, That the amount of any payments made hereunder shall be charged to the officer drawing such checks.

The amendment was agreed to.

The next amendment was, at the top of page 58, to insert:

Control of floods: For preliminary examinations and surveys with a view to the control of floods in accordance with the provisions of the act approved May 31, 1924, fiscal years 1924 and 1925, as follows: North Branch of the Susquehanna River, Pa. and N. Y., $8,000; Allegheny and Monongahela Rivers, $25,000; Puyallup River, Wash., $5,000; in all, $38,000.

The amendment was agreed to.

The next amendment was, under the heading "Judgments, United States courts," on page 58, at the end of line 18, to increase the appropriation for the payment of final judgments and decrees, etc., under the Department of Labor, from $328.75 to $10,340.66.

The amendment was agreed to.

The next amendment was, on page 58, after line 19, to insert:

Under the Treasury Department, $1,701.64.

The amendment was agreed to.

The next amendment was, on page 58, line 21, after the words "in all," to strike out "$6,224.12" and to insert "$17,937.67," so as to read:

Under the War Department, $412.25; in all, $17,937.67, together with such additional sum as may be necessary to pay interest on the respective judgments at the rate of 4 per cent from the date thereof until the time this appropriation is made.

The amendment was agreed to.

The next amendment was, under the heading "Judgments, Court of Claims," on page 60, after line 11, to insert:

For payment of the judgments rendered by the Court of Claims and reported to Congress during the present session in Senate Document No. 152, namely:

Under Independent Offices—

United States Food Administration, $6,564.52;

Under the Navy Department, $819,851.29;

Under the Treasury Department, $181,364.99;

Under the War Department, $489,522.79;

in all, $1,497,303.69, together with such additional sum as may be necessary to pay interest on certain of the judgments at the legal rate per annum as and where specified in said judgments. None of the judgments contained herein shall be paid until the right of appeal shall have expired.

The amendment was agreed to.

The next amendment was, on page 67, after line 16, to insert:

AUDITED CLAIMS

SEC. 3. That for the payment of the following claims, certified to be due by the General Accounting Office under appropriations the balances of which have been exhausted or carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874, and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1921 and prior years unless otherwise stated, and which have been certified to Congress under section 2 of the act of July 7, 1884, as fully set forth in Senate Document No. 136, reported to Congress at its present session, there is appropriated as follows:

INDEPENDENT OFFICES

For salaries and expenses, Railroad Labor Board, $27.78.

For Interstate Commerce Commission, 90 cents.

For medical and hospital services, Veterans' Bureau, $8,035.01.

For vocational rehabilitation, Veterans' Bureau, $107.77.

DEPARTMENT OF AGRICULTURE

For general expenses, Bureau of Plant Industry, $484.73.

For general expenses, Forest Service, $2.63.

For general expenses, Bureau of Animal Industry, $25.

For general expenses, States Relations Service, $5.

For purchase and distribution of valuable seeds, $421.04.

DEPARTMENT OF COMMERCE

For increase of compensation, Department of Commerce, 22 cents.

For general expenses, Lighthouse Service, $311.73.

For salaries, lighthouse vessels, $2.25.

DEPARTMENT OF THE INTERIOR

For operating mine-rescue cars, Bureau of Mines, $14.40.

For industry among Indians, $1.18.

For water supply for stock and increasing grazing range on unallotted Indian lands, $2,001.80.

For support of Sioux of different tribes, subsistence and civilization, South Dakota, $58.88.

For Indian school, Rapid City, S. Dak., school building and assembly hall, $1.20.

DEPARTMENT OF JUSTICE

For fees of jurors, United States courts, $101.40.

For fees of witnesses, United States courts, $84.50.

For supplies for United States courts, $10.16.

DEPARTMENT OF LABOR

For national security and defense, Department of Labor, 60 cents.

For War Emergency Employment Service, $26.01.

NAVY DEPARTMENT

For pay, miscellaneous, $246.04.

For maintenance, Quartermaster's Department, Marine Corps, $1.66.

For transportation, Bureau of Navigation, $416.62.

For pay of the Navy, $295.84.

For freight, Bureau of Supplies and Accounts, $287.52.

For Medical Department, Bureau of Medicine and Surgery, $8,169.95.

DEPARTMENT OF STATE

For salaries of secretaries, Diplomatic Service, $901.85.

TREASURY DEPARTMENT

For collecting the revenue from customs, $49.60.

For refunding internal-revenue collections, $20.92.

For collecting the war revenue, $1,147.50.

For Coast Guard, $1,135.32.

For pay of other employees, Public Health Service, $1.83.

For freight, transportation, etc., Public Health Service, $1.80.

For pay of personnel and maintenance of hospitals, Public Health Service, $3.01.

For furniture and repairs of same for public buildings, $6.50.

WAR DEPARTMENT

For increase of compensation, Military Establishment, $1,326.35.

For increase of aviation, Signal Corps, $6.33.

For Air Service, Army, $66,854.43.

For arming, equipping, and training the National Guard, $197.59.

For armament of fortifications, $706.15.

For armament of fortifications, Panama Canal, $145.75.

For seacoast batteries, Panama Canal, $669.85.

For fire control at fortifications, $4.98.

For Ordnance Service, $248.77.

For replacing ordnance and ordnance stores, $60.45.

For quartermaster supplies, equipment, etc., Reserve Officers' Training Corps, $9.61.

For chemical warfare service, Army, $32,710.51.

For commercial telephone service at coast artillery posts, $489.41.

For Watervliet Arsenal, West Troy, N. Y., $51.90.

For barracks and quarters, $123.84.

For general appropriations, Quartermaster Corps, $13,059.04.

For pay, etc., of the Army, $95,614.84.

For supplies, services, and transportation, Quartermaster Corps, $21,394.85.

For disposition of remains of officers, soldiers, and civil employees, $153.45.

POST OFFICE DEPARTMENT

For city delivery carriers, $925.91.

For clerks, first and second class post offices, $401.62.

For indemnities, domestic mail, $35.71.

For indemnities, international mail, $725.11.

For railroad transportation, $11,637.52.

For rent, light, and fuel, $66.67.

For vehicle service, $60.96.

Total, audited claims, section 3, $267,040.25, together with such additional sum, due to increase in rate of exchange, as may be necessary to pay claim in foreign currency as specified in certificate of settlement of the General Accounting Office, No. 029325.

The amendment was agreed to.

The next amendment was, on page 72, line 14, to change the section number from 3 to 4.

The amendment was agreed to.

The PRESIDENT pro tempore. This completes the committee amendments. The bill is still before the Senate as in Committee of the Whole and open to amendment.

Mr. WARREN. Mr. President, I have several committee amendments to offer yet.

I am instructed by the committee to offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The Secretary will state the amendment offered by the Senator from Wyoming.

The READING CLERK. On page 19, after line 14, it is proposed to insert:

For cooperative vocational rehabilitation of persons disabled in industry, fiscal year 1925, $834,000.

For the purpose of making studies, investigations, and reports regarding the vocational rehabilitation of disabled persons and their placements in suitable or gainful occupations and for the administrative expenses of said board incident to performing the duties imposed by the act of June 2, 1920 (41 Stat. p. 735), as amended, including salaries of such assistants, experts, clerks, and other employees, in the District of Columbia or elsewhere as the board may deem necessary, actual traveling and other necessary expenses incurred by the members of the board and by its employees, under its orders, including attendance at meetings of educational associations and other organizations, rent and equipment of offices in the District of Columbia and elsewhere, purchase of books of reference, law books, and periodicals, stationery, typewriters and exchange thereof, miscellaneous supplies, postage on foreign mail, printing and binding to be done at the Government Printing Office, and all other necessary expenses, fiscal year 1925, $75,000.

Mr. KING. Mr. President, I should like some explanation of that amendment, because the bill which was passed the other day, as I understand, carries an appropriation.

Mr. WARREN. That was simply an authorization. This is the appropriation.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wyoming.

The amendment was agreed to.

Mr. WARREN. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 31, after line 20, it is proposed to insert:

There is hereby established in the Department of the Interior a bureau of reclamation, and there shall be a director of the said bureau who shall be thoroughly equipped for the duties of said office by technical education and experience and who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive a salary of $10,000 per annum, and there shall

also be in the said bureau such experts and other employees, to be appointed subject to the civil service laws and regulations, as may be required to carry out the purposes of the reclamation act of June 17, 1902 (32 Stat. p. 388), and acts amendatory thereof or supplementary thereto, in accordance with the appropriations made from time to time by Congress for such purposes.

The amendment was agreed to.

Mr. WARREN. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 72, after line 13, it is proposed to insert the following:

SEC. 4. On and after July, 1924, when not otherwise provided by law, heads of executive departments and other Government establishments are authorized to prescribe per diem rates of allowance, not exceeding $5, in lieu of subsistence, to persons engaged in field work or traveling on official business away from their designated posts of duty, or there shall be paid to such persons their actual expenses of subsistence not exceeding $5 per day while so engaged or traveling; but neither a per diem allowance in lieu of subsistence nor actual expenses of subsistence shall be paid to any person in any branch of the public service of the United States unless absent from his designated post of duty and then only for the period of time actually engaged in the discharge of official duties.

The amendment was agreed to.

Mr. HARRISON. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 22, after line 21, it is proposed to insert:

BUREAU OF CHEMISTRY

To enable the Secretary of Agriculture to carry into effect the provisions of the act of March 3, 1923, entitled "An act establishing standard grades of naval stores, preventing deception in transactions in naval stores, regulating traffic therein, and for other purposes," $10,000, to remain available until June 30, 1925.

The amendment was agreed to.

Mr. WARREN. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 72, after line 13, it is proposed to insert:

SEC. 5. Subsection A. That when used in this section—

(a) The word "Secretary" means the Secretary of the Interior.

(b) The words "reclamation law" mean the act of June 17, 1902 (32 Stat. p. 388), and all acts amendatory thereof or supplementary thereto.

(c) The words "reclamation fund" mean the fund provided by the reclamation law.

(d) The word "project" means a Federal irrigation project authorized by the reclamation law.

(e) The words "division of a project" mean a substantial irrigable area of a project designated as a division by order of the Secretary.

Subsection B. That no new project or new division of the project shall be approved for construction or estimates submitted therefor by the Secretary until information in detail shall be secured by him concerning the water supply, the engineering features, the cost of construction, land prices, and the probable cost of development, and he shall have made a finding in writing that it is feasible, that it is adaptable for actual settlement and farm homes, and that it will probably return the cost thereof to the United States.

Subsection C. That the Secretary is hereby authorized, under regulations to be promulgated by him, to require of each applicant, including preference right ex-service men for entry to public lands on a project, such qualifications as to industry, experience, character, and capital as in his opinion are necessary to give reasonable assurance of success by the prospective settler. The Secretary is authorized to appoint boards in part composed of private citizens to assist in determining such qualifications.

Subsection D. That the irrigable lands of each new project and new division of a project hereafter approved shall be classified by the Secretary with respect to their power, under a proper agricultural program, to support a family and pay water charges, and the Secretary is authorized to fix different construction charges against different classes of land under the same project for the purpose of equitably apportioning the total construction cost so that all lands may as far as practicable bear the burden of such cost according to their productive value.

Subsection E. That hereafter the Secretary shall as to each irrigable acre of land in each new project, or a new division of a project, issue two public notices relating to construction charges. The first public notice shall be issued when the land is ready for settlement and will announce the construction charge per irrigable acre. The second public notice shall be issued when in the opinion of the Secretary the agricultural development of the project shall have advanced sufficiently to warrant the commencement of payment of installments of such construction charge. The second public notice shall fix the date when payments will begin on the construction charge announced by the first public notice, which date shall be not more than five years from the date of the first public notice.

Subsection F. That hereafter all project construction charges shall be made payable in annual installments based on the productive power of the land as provided in this subsection. The installment of the construction charge per irrigable acre payable each year shall be 5 per cent of the average gross annual acre income for the 10 calendar years first preceding, or for all years of record if fewer than 10 years are available, of the area in cultivation in the division or subdivision thereof of the project in which the land is located, as found by the Secretary annually. The decison of the Secretary as to the amount of any such installment shall be conclusive. These annual payments shall continue until the total construction charge against each unit is paid. The Secretary is authorized upon request to amend any existing contract for a project water right so that it will provide for payment of the construction charge thereunder in accordance with the provisions of this subsection or for the deferment of such construction charges for a period of three years from the approval of this section, or both.

Subsection G. That whenever two-thirds of the irrigable area of any project, or division of a project, shall be covered by water right contracts between the water users and the United States, said project shall be required, as a condition precedent to receiving the benefits of this section, to take over, through a legally organized water users' association or irrigation district, the care, operation, and maintenance of all or any part of the project works, subject to such rules and regulations as the Secretary may prescribe, and thereafter the United States, in its relations to said project, shall deal with a water users' association or irrigation district, and when the water users assume control of a project, the operation and maintenance charges for the year then current shall be covered into the construction account to be repaid as part of the construction repayments.

Subsection H. That the penalty of 1 per cent per month against delinquent accounts, provided in section 3 and section 6 of the act of August 13, 1914 (38 Stat. p. 686), is hereby reduced to one-half of 1 per cent per month, as to all installments which may hereafter become due.

Subsection I. That whenever the water users take over the care, operation, and maintenance of a project or a division of a project the total accumulated net profits, as determined by the Secretary, derived from the operation of project power plants, leasing of project grazing and farm lands, and the sale or use of town sites shall be credited to the construction charge of the project, or a division thereof, and thereafter the net profits from such sources may be used by the water users to be credited annually, first, on account of project construction charge; second, on account of project operation and maintenance charge; and, third, as the water users may direct. No distribution to individual water users shall be made out of any such profits before all obligations to the Government shall have been fully paid.

Subsection J. That all moneys or profits as determined by the Secretary heretofore or hereafter derived from the sale or rental of surplus water under the Warren Act of February 21, 1911 (36 Stat. p. 925), or from the connection of a new project with an existing project shall be credited to the project or division of the project to which the construction cost has been charged.

Subsection K. That on each existing project where, in the opinion of the Secretary, it appears that on account of lack of fertility in the soil, an inadequate water supply, or other physical causes, settlers are unable to pay construction costs, or whenever it appears that the cost of any reclamation project by reason of error or mistake or for any cause has been apportioned or charged upon a smaller area of land than the total area of land under said project, the Secretary is authorized to undertake a comprehensive and detailed survey to ascertain all pertinent facts, and report in each case the result of such survey to the Congress, with his recommendations: *Provided*, That the cost and expense of each such survey shall be charged to the appropriation for the project on account of which the same is made, but shall not be charged as a part of the construction or operation and maintenance cost payable by the water users under the project.

Subsection L. That in any adjustment of water charges as provided in this section all due and unpaid charges to the United States, both on account of construction and on account of operation and maintenance, including interest and penalties, shall be added in each case to the total obligation of the water user, and the new total thus established shall then be the construction charge against the land in question.

Subsection M. That every entryman or assignee on a project farm unit not yet patented, which unit shall be found by the Secretary to be insufficient to support a family and pay water charges, shall have the right upon application to exchange his entry for another farm unit of unentered public land on the same or another project located in the same State, in which event all installments of construction charges theretofore paid on account of the relinquished farm unit shall be credited on account of the new farm unit taken in exchange: *Provided*, That where two entrymen apply for the same farm unit under the exchange provision of this subsection, only one of whom is an ex-service man, as defined by the joint resolution of January 21, 1922 (42 Stat. p. 358), the ex-service man shall have a preference in making such exchange.

Subsection N. That all contracts providing for new projects and new divisions of projects shall require that all operation and maintenance charges shall be payable in advance. In each case where the care, operation, and maintenance of a project or division of a project are tranferred to the water users the contract shall require the payment of operation and maintenance charges in advance. That whenever an adjustment of water charges is made under this section the adjustment contract shall provide that thereafter all operation and maintenance charges shall be payable in advance.

Subsection O. That the cost and expense after June 30, 1925, of the main office at Washington, D. C., of the Bureau of Reclamation in the Department of the Interior, and the cost and expense of general investigation heretofore and hereafter authorized by the Secretary, shall be charged to the general reclamation fund and shall not be charged as a part of the construction or operation and maintenance cost payable by the water users under the projects.

Subsection P. That where, in the opinion of the Secretary, a right of way or easement of any kind over public land is required in connection with a project the Secretary may reserve the same to the United States by filing in the General Land Office and in the appropriate local land office copies of an instrument giving a description of the right of way or easement and notice that the same is reserved to the United States for Federal irrigation purposes under this section, in which event entry for such land and the patent issued therefor shall be subject to the right of way or easement so described in such instrument; and reference to each such instrument shall be made in the appropriate tract books and also in the patent.

Subsection Q. That where real property or any interest therein heretofore has been, or hereafter shall be, donated and conveyed to the United States for use in connection with a project, and the Secretary decides not to utilize the donation, he is authorized without charge to reconvey such property or any part thereof to the donating grantor, or to the heirs, successors, or assigns of such grantor.

Subsection R. That there is hereby authorized to be appropriated from the general Treasury the sum of $100,000 for investigations to be made by the Secretary through the Bureau of Reclamation to obtain necessary information to determine how arid and semi-arid, swamp, and cut-over timberlands may best be developed.

Mr. NORRIS. Mr. President, I desire to offer one or two amendments to the pending amendment.

Mr. LENROOT. Mr. President, I ask unanimous consent that this amendment may be passed by temporarily, in order that we may dispose of some other amendments.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. LENROOT. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The Senator from Wisconsin offers an amendment, which will be stated.

The READING CLERK. On page 34, after line 22, it is proposed to insert as a separate paragraph the following:

Appropriations for salaries, fees, and expenses of marshals for the fiscal year 1924, and thereafter, shall be available for advances to be made by United States marshals when authorized or approved by the Attorney General, the provisions of section 3648 of the Revised Statutes to the contrary notwithstanding.

Mr. KING. Mr. President, I should like to understand from the Senator the purpose of that.

Mr. LENROOT. This amendment was brought to the attention of the committee by the Attorney General; but, being legislative in its nature, the committee could not act upon it.

I will say to the Senator from Utah that the purpose of the amendment is this: The Comptroller General has recently held that the practice prevailing of marshals advancing funds to deputy marshals for long trips is not permitted under the law, and they are now compelled to advance their own funds. A deputy marshal getting $1,200 a year has not the money to to spend, and this is to take care of that situation and that is all.

Mr. McKELLAR. Mr. President, while this amendment is pending I have no objection to it, but I desire to call the attention of the Senate to two items in this bill—on page 55 an item of $3,600,000, appropriated for the administrative expenses of the World War adjusted compensation act, and on page 21 the sum of $1,188,500 for the administrative expenses of the Veterans' Bureau in carrying out the same act.

I call attention to the testimony of Gen. P. C. Harris, the former The Adjutant General of the Army, who said in his testimony that $1,250,000 was an adequate sum for the administration of this act. I have no doubt that the Budget has reported these two very large sums; and it seems, in view of that testimony, to be very, very much more than was at that time testified to as being necessary by The Adjutant General of the Army. In addition to that, General Lord, who is the head of the Budget Bureau, said at that time that it would not amount to more than $1 a head, and that included every expense of every kind or description.

I just want to call attention again to the extravagance of the Budget Bureau and the utter worthlessness of that bureau, as it seems to me. I do not believe that we ought to depend upon it.

In that connection, I desire at this time to offer a published interview with General Harris on the subject of the expense, and ask unanimous consent that it may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

Commenting upon the magnitude of the task of furnishing information from the records of the War Department for the payment of the bonus, Maj. Gen. P. C. Harris, formerly The Adjutant General of the Army, who has recently returned from a two-year trip abroad, says the World War veterans may be thankful that the Army discarded the old bimonthly muster roll when it did.

If the use of the muster roll, which contained the records of the soldiers as reported to the War Department, had continued throughout the war and the period of demobilization, the records of the War Department, General Harris says, would have been in a worse state of confusion than after the Civil War, for there were twice as many American soldiers in the World War as there were in the Federal service during the Civil War, and the number of separate organizations that would have submitted muster rolls in the World War was approximately as large as the aggregate number in service during all the wars in which the United States has participated.

On July 8, 1889, 24 years after the close of the Civil War, there remained on hand in The Adjutant General's Office 40,654 unanswered requests from the Pension Office and other governmental agencies, and nearly 30 years after that war over 800 clerks were employed upon the records of the Civil War veterans.

To furnish the information needed for the payment of a bonus to Union Army veterans, such as Congress has provided for veterans of the World War, would have been practically impossible until 30 years after the close of the Civil War.

By substituting daily reports of changes for the old bimonthly muster roll, and by introducing other radical reforms in the record-keeping system of the Army General Harris was able to begin, a few months after the troops were demobilized, preparation of statements of service of the World War veterans for the adjutants general of the several States, something that was never even attempted after any previous war.

This undertaking was far greater in magnitude than that now confronting The Adjutant General's Office, as the individual records of the soldiers are now assembled in jackets or envelopes and considerably more information was furnished on the statements of service than will be needed for the payment of the bonus.

Anticipating that Congress would eventually pass a bonus law General Harris, while preparing the statements of service for the adjutants general of the States, copied on the outside of the jackets or envelopes containing the records of the soldiers all the information that will be needed in the normal case for the payment of the bonus. This forethought will greatly facilitate the work now and will save the Government millions of dollars.

Contrasting the World War records with the almost chaotic condition of the records of the Civil War for several years after the close of that war, General Harris called attention to the fact that on March 31, 1922, when he turned over The Adjutant General's Office to his successor, there was on hand, in that branch of the office which handles all requests for information from the records of soldiers of the World War, actually less than one day's output, and among the cases on hand was only one that had been received prior to March 21, or was more than 10 days old.

Mr. KING. Mr. President, I should like some explanation of these items by the committee, because the statement which was made before the Committee on Finance when the bonus bill was

before that committee was to the effect that the expenses would not exceed $1,000,000 and that the number of employees would not in any event exceed 2,000. Now, as the Senator from Tennessee indicates, the appropriations carried here for this purpose amount to three or four million dollars, and the Senator did not call attention to the fact that $450,000 additional is appropriated to the Navy Department for clerical services in the District of Columbia in connection with furnishing records in the administration of this act.

Mr. McKELLAR. I think there are also other items in the bill for this purpose; and I am quoting from the testimony of General Harris, as given on page 113 of the hearings of 1922. I have the greatest confidence in General Harris as a careful, prudent business man who directed that office. I really think that these appropriations that have been made by direction of the Bureau of the Budget are extravagant, and no doubt will bring great waste, and I felt that it was my duty to call the matter to the attention of the Senate at this time.

Mr. KING. It looks as if there has been a general assault upon the Treasury by thousands of persons seeking jobs, and that those in official position now seem determined to give jobs to everybody who applies.

Mr. McKELLAR. I do not know whether it was the difference between 1922 not being a presidential year and 1924 being a presidential year or not.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KING. I would like to inquire of the chairman of the committee the aggregate amount appropriated for the clerical expenses of administering this act for the coming year. If somebody can not explain it, I propose to strike out some of these items and get an explanation. In order that we may get some explanation, on page 21, line 18, I move to amend by striking out the figures "$1,188,500" and inserting in lieu thereof "$750,000."

Mr. REED of Pennsylvania. Will the Senator agree to suspend action on that amendment for a moment?

Mr. KING. Certainly.

Mr. REED of Pennsylvania. I offer the amendment which I send to the desk.

Mr. KING. I withdraw my amendment temporarily, to accommodate the Senator from Pennsylvania.

The PRESIDENT pro tempore. The Senator from Pennsylvania offers the following amendment, which the clerk will read.

The READING CLERK. On page 21, after line 24, the Senator from Pennsylvania moves to insert the following:

For additional hospital and out-patient dispensary facilities for patients of the United States Veterans' Bureau and facilities for a permanent national training school, at a cost not exceeding $350,000, for the blind who are beneficiaries of the United States Veterans' Bureau, by purchase and remodeling or extension of existing plants, and by construction on sites now owned by the Government or on sites to be acquired by purchase, condemnation, gift, or otherwise, such hospitals and out-patient dispensary facilities, to include the necessary buildings and auxiliary structures, mechanical equipment, approach work, roads, and trackage facilities leading thereto; and also to provide accommodation for officers, nurses, and attending personnel; and also to provide proper and suitable recreational centers, $6,850,000, to be immediately available and to remain available until expended. That not to exceed 8 per cent of this sum shall be available for the employment in the District of Columbia and in the field of necessary technical and clerical assistants at the customary rates of compensation, exclusively to aid in the preparation of the plans and specifications for the projects authorized herein and for the supervision of the execution thereof, and for traveling expenses and field-office equipment and supplies in connection therewith.

The amendment was agreed to.

Mr. CURTIS. I offer the following amendment.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 37, at the end of line 2, the Senator from Kansas moves to add the following:

*Provided*, That said bridge shall be open to use by the public under such rules and regulations as prescribed by the Attorney General.

The amendment was agreed to.

Mr. REED of Pennsylvania. I offer the following amendment.

The PRESIDENT pro tempore. The Senator from Pennsylvania offers a further amendment, which the Secretary will state.

The READING CLERK. On page 38, after line 10, the Senator from Pennsylvania moves to insert the following:

The first proviso to section 24 of the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to, and the residence of aliens in, the United States," is amended by inserting therein the sum "$200,000" for the sum "$100,000."

Mr. REED of Pennsylvania. Just a word in explanation of the pending amendment. This amendment does not call for the expenditure of one additional dollar. It merely authorizes the Secretary of Labor to spend a larger amount out of the appropriation which has been made to him for the purpose of apprehending immigrants who enter the country unlawfully. It does not tend to increase the appropriation which has already been made, but with the new policy of restriction of immigration there is more smuggling of immigrants, and the Secretary finds this necessary, and urges that he be allowed to spend a little more of his appropriation for that purpose.

Mr. KING. I would like to ask the Senator from Pennsylvania what relation his amendment has to the item of $100,000 carried in line 10 on this page of the bill, which has been changed from $50,000 to $100,000?

Mr. REED of Pennsylvania. In all candor, I have to admit that it has no relation, although it is related to the Bureau of Immigration, which is the beneficiary of the item to which the Senator refers.

Mr. KING. Does the Senator know why that item was increased from $50,000 to $100,000 by the committee?

Mr. REED of Pennsylvania. As to that I have no knowledge, but the chairman undoubtedly can explain it.

Mr. KING. I should like to have an explanation, after the explanation on the amendment I have already offered.

Mr. WARREN. I will ask that Senators having amendments wait until we can finish with the committee amendment that was laid aside so that the Senator from Nebraska [Mr. NORRIS] could offer an amendment to it.

Mr. REED of Pennsylvania. Will not the Senator withhold that request until the amendment I have offered, and which is pending, has been acted upon?

Mr. WARREN. Certainly I will withhold my suggestion.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. LADD. Mr. President, I desire to offer an amendment, which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 3, after line 3, insert as a separate paragraph the following:

JOINT COMMITTEE TO INVESTIGATE NORTHERN PACIFIC LAND GRANTS

For expenses of the joint committee created by section 3 of public resolution of the Sixty-eighth Congress, entitled "Joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes," including personal services, printing and binding, traveling and subsistence expenses, fees of witnesses, and such other expenses in connection with the inquiry as the joint committee may deem necessary, $50,000, to remain available until June 30, 1925.

The amendment was agreed to.

Mr. WARREN. Now I desire to have the committee amendment which was laid aside acted upon.

Mr. NORRIS. Mr. President, to the committee amendment I want to offer two amendments that are agreeable to the chairman. On page 4, in line 16, of the committee amendment, after the word "project," I move to insert the words "hereafter approved."

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 4, line 15, the Senator from Nebraska moves to strike out the word "hereafter," and on line 16, after the word "project," where it appears the second time, he moves to insert the words "hereafter approved."

The amendment to the amendment was agreed to.

Mr. NORRIS. I offer another amendment to the same committee amendment. On page 13, line 7, after the word "arid," I move to insert the word "semiarid" and a comma.

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Wyoming as amended.

The amendment as amended was agreed to.

Mr. CAMERON. Mr. President, I offer the following amendment, which I send to the desk.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. The Senator moves, on page 31, after line 20, to insert the following:

YUMA IRRIGATION PROJECT, ARIZONA

The sum of $200,000, for operation and maintenance and completion of construction of the irrigation system required to furnish water to all of the irrigable lands in part 1 of the Mesa division, otherwise known as the First Mesa Unit of the Yuma Auxiliary Project, authorized by the act of January 25, 1917 (39 Stat. p. 868), as amended by the act of February 11, 1918 (40 Stat. p. 437): *Provided*, That all moneys received by the United States in payment of land and water rights in said part 1 of the Mesa division, beginning one year from the date this act becomes effective, shall be covered into the reclamation fund until the sum advanced from said fund hereunder is fully paid: *Provided further*, That the purchase price of land and water rights hereafter sold in said part 1 of the Mesa division shall be paid to the United States in 10 equal installments, the first of which shall be due and payable at the date of the purchase, and the remaining installments annually thereafter, with interest on deferred installments at the rate of 6 per cent per annum, payable annually; and the Secretary of the Interior is authorized, at any time within one year from the date this act becomes effective, to amend any existing uncompleted contract for the purchase of land and water rights so that the aggregate amount of principal and interest remaining unpaid under such contract may be paid in 10 equal installments in accordance with the conditions of this proviso, beginning with the date of amendatory contract: *And provided further*, That land and water rights in said part 1 of the Mesa division heretofore or hereafter offered at public sale under said act of January 25, 1917, and not disposed of at such public sale may be sold later at private sale at not less than $25 per acre for the land and at $200 per acre for the water right, and a corporation may purchase land and water rights at any such sale, either public or private, and receive patent therefor.

That there is hereby appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $597,088, or so much thereof as may be necessary, to reimburse landowners residing on the Yuma project, Arizona-California, for all moneys they have heretofore paid into the United States Reclamation Service for the operation and maintenance of the Colorado River front work and levee system of said project.

That there is also hereby appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $100,000, or so much thereof as may be necessary, to be placed to the credit of the United States Reclamation Service and expended under the direction of the Secretary of the Interior for the purpose of paying the operation and maintenance costs of said Colorado River front work and levee system on said Yuma project, Arizona-California, for the fiscal year ending June 30, 1925, and an additional sum of $100,000 per annum, or so much thereof as may be necessary, for the operation and maintenance of said Colorado River front work and levee system, it being hereby declared to be the policy of the United States to assume the obligation of caring for said river front work and levee system on said Yuma project, Arizona-California, and not to have the same charged to said project as any part of constructing or maintaining the reclamation work of said Yuma project, Arizona-California.

Mr. CAMERON. Mr. President, the Yuma Mesa is a "division" of the Yuma (Ariz.-Calif.) reclamation project, authorized by special act of Congress approved on January 25, 1917.

Under the terms of this act the Secretary of the Interior was authorized to designate certain lands on the Yuma Mesa as an auxiliary to the Yuma (Ariz.-Calif.) reclamation project. Under this authority Secretary Lane set aside 6,400 acres for this auxiliary project. This acreage was then subdivided into "farm units" of from 5 to 20 acres each, and in accord with the special act these "farm units" were offered for sale at public auction on December 10, 1917. The terms of this auction sale were 10 per cent cash on day of sale, 15 per cent additional within 60 days thereafter if the sale was approved by the Secretary of the Interior, and the remaining 75 per cent divided into three equal annual payments of 25 per cent each, with 6 per cent interest on deferred payments.

By an order issued by Secretary Lane all these lands were appraised at $25 per acre, with an additional $200 per acre estimated for the construction costs, making the minimum bid on these lands $225 per acre. The lands sold at the public auction averaged $230 per acre, and the auction was considered such a success that the construction of the auxiliary project was begun in October, 1920.

The special act required that the project should be constructed wholly with funds derived from the sale of these lands and water-right appurtenances. Not one cent of Government funds has ever been used in the construction of this project. Up to the present time about $700,000 has been spent. My amendment provides for an appropriation, out of the reclamation funds, of $200,000 for the completion of this meritorious project, all of which is to be repaid into the Treasury within 10 years, with interest at 6 per cent.

When the lands were sold at public auction the country was in its most prosperous condition. It did not seem possible that any one of the purchasers of these Yuma Mesa lands could fail to meet his payments as they became due and payable. But, like all the balance of the country, the readjustment period struck Yuma, and the people who had purchased these lands found themselves sorely oppressed. Many of them were compelled to default in their payments. Some few of them surrendered their holdings after having made one or more payments. But the great bulk of the purchasers held their lands and have made such payments as circumstances permitted. Many of them are in arrears. Unless this legislation is enacted the Yuma Mesa auxiliary project is bound to be written down as a failure. The limited acreage that has been planted to grapefruit and oranges can not possibly pay the operation and maintenance charges of the entire project, but with my amendment in effect there is no doubt but that the Yuma Mesa auxiliary project will become one of the garden spots of the world.

Under the terms of this amendment the Secretary of the Interior is authorized to readjust the payments now due and extend these payments over a period of 10 years, with 6 per cent on deferred payments. This will give all those who now are in arrears a chance to pay for their lands, put them in a high state of cultivation, and repay the Government every cent advanced under the amendment.

This is the only reclamation project in the United States that has been inaugurated by the Government, consisting wholly of Government lands, that has never had even 1 cent advanced by the Government. It seems only fair and reasonable to these purchasers that they should be given this aid. It will enable them to complete the payments now due. It will enable them to hold their homes, many of whom have invested their last dollar in these frostless lands. It will instill in them new life, new hope, new ambitions, and in the last analysis make them happy and prosperous; but without the aid sought by this amendment, the Yuma Mesa auxiliary project must of necessity, as testified by the fact finders' report, prove a dismal failure.

For your further information I will say that:

| | |
|---|---|
| Purchasers owning 1,385 acres, have paid 100 per cent | 121 |
| Purchasers owning 740 acres, have paid 75 per cent | 59 |
| Purchasers owning 875 acres, have paid 50 per cent | 74 |
| Purchasers owning 1,645 acres, have paid 25 per cent | 120 |

The Government owns 1,755 acres within this project that were not sold at the public auction, or that have been turned back to the Government since the sale and are now subject to resale. The provision in my amendment permitting the Secretary of the Interior to sell these lands at either public or private sale is an excellent provision, and should by all means be retained in the amendment, as is also the provision permitting the Secretary to advertise these lands for sale.

Mr. WARREN. Mr. President, permit me to state the condition to the Senator from Arizona. The amendment he offers does not have the backing of the fact finding commission, and unfortunately the money is not in the fund to cover it.

Mr. CAMERON. I beg to differ with the Senator from Wyoming.

Mr. WARREN. Will the Senator allow me to finish what I have to say? If the Senator wishes to put the matter in and let it go to conference, it will surely meet with the opposition I have already spoken of, namely, they will claim that they could go only as far as the money they have warrants, and in accordance with the recommendations that have been made, although others will follow later on, of course.

Mr. CAMERON. Mr. President, on page 100 of the report of the fact finding commission I find the following:

> This division was constructed under the provisions of an act of Congress approved January 25, 1917, known as "An act to provide for an auxiliary reclamation project in connection with the Yuma project in Arizona" (39 Stat. 868). The drastic provisions of this act are impossible of fulfillment, and only a few of the settlers have been able to meet their contracts. They, too, will soon fail, as the charge for water will bankrupt them.
>
> The committee recommends that an early study be made by the Bureau of Reclamation of this division, with a view to making recommendations to Congress for financial relief or the disposal of the division if adequate relief is not feasible.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment.

The amendment was agreed to.

Mr. TRAMMELL. Mr. President, I offer an amendment, which I send to the desk.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 23, after line 14, the Senator from Florida moves to add the following:

To enable the Secretary of Agriculture to provide means for the investigation, control, and eradication of the blight known as "nail head" rust, $10,000.

Mr. WARREN. Does the Senator from Florida offer that amendment?

Mr. TRAMMELL. That is an amendment I have proposed. I will very much appreciate it if the Senator will allow it to go to conference.

The amendment was agreed to.

Mr. PEPPER. Mr. President, I offer the following amendment.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. The Senator from Pennsylvania moves to insert on page 3, after line 3, the following:

For additional compensation to messenger at card door, $200.

The amendment was agreed to.

Mr. ODDIE. Mr. President, on page 31, lines 5, 6, and 7, the committee amendment as amended has been agreed to. My amendment was offered by me on May 20, providing for an appropriation of $800,000 for Spanish Springs, and was referred to the Committee on Irrigation and Reclamation and ordered to be printed, which was done. It was reported to the Senate by the Senator from Oregon [Mr. MCNARY], the chairman of that committee, on May 26. That amendment has already been agreed to as an amendment to the committee amendment. It was my intention to offer it when the committee amendments were disposed of. I present a statement regarding the project, which I hope will be considered by the conferees, and I ask that it may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it will be printed in the RECORD.

The statement is as follows:

A pressing emergency exists with respect to additional water storage on the Newlands project. Severe water shortage under the Truckee Canal has been suffered during the last 10 years, and is particularly acute this year, in consequence of which the settlers under this canal will lose, at the very lowest calculation, one-half of their entire crop of alfalfa, and where they have cantaloupes and potatoes will in many cases lose all. Where conditions so serious as this have obtained for many years, it is poor business and a waste of money to fail to go ahead with this development for the protection of the Government and the water users.

The Reclamation Service has been unable to secure storage in Lake Tahoe on account of the determined opposition of the State of California and landowners around the rim of Lake Tahoe. This opposition has made it utterly impossible to so adjust these property rights as to secure sufficient storage for lands under the Truckee Canal. When the Reclamation Service had exhausted its efforts to secure this storage and failed, it was then definitely decided to recommend the construction of the Spanish Springs Reservoir, and preliminary steps to that end were immediately begun.

From the foregoing it will be seen that there exists a definite obligation on the part of the United States Government to the water user. This obligation is strengthened by the further fact that before a definite decision had been reached with respect to locating a storage reservoir the Government had actually sold to the water users under the Truckee Canal 7,000 acres of water rights, for which insufficient water storage had been provided. Under these circumstances it is not reasonable for the Government to cause any further delay in providing this storage; neither is it practicable nor feasible to build a reservoir to take care of only 7,000 acres. Engineers are agreed that the only proper solution of this problem is to provide storage for irrigating the 7,000 acres of land already under cultivation, and to make provision for the irrigation of sufficient additional land to insure the reduction of the acre cost to the minimum.

Preliminary steps for the construction of the Spanish Springs Reservoir have already been taken. This action was the result of definite recommendations heretofore made by the Reclamation Service for the construction of this reservoir, and also the recommendation of engineers appointed by the Secretary of Agriculture. The above recommendations have also been greatly strengthened by the recent recommendation of the Fact Finding Commission, appointed by the Secretary of the Interior, which strongly recommended the building of a reservoir at Spanish Springs.

The argument has been recently advanced by some of the landowners receiving water from the Lahontan Reservoir that they would be deprived of water needed for that reservoir if a sufficient quantity were taken for the reservoir at Spanish Springs. When it is recalled that for years the Reclamation Service has been carefully studying and working up data on the flow of the Truckee River, it is obvious that the objections of the landowners above referred to are without weight, for the reason that the Reclamation Service would never have recommended the building of the Spanish Springs Reservoir if there has been the slightest doubt that the supply of water was ample to take care of the needs of both reservoirs.

The piecemeal method heretofore pursued should be discontinued. An appropriation of $800,000 can be used this year in this development and this amount should be made immediately available by legislation. This expenditure will be allocated as follows: $480,000 for rights of way for reservoir site and outlet canal, $60,000 for feeder canal, $15,000 for investigations remaining, and $225,000 to begin construction of feeder canal.

In all fairness to the water users, because of the money already invested, and in view of the recommendations of the Reclamation Service and the Department of Agriculture above referred to, there is no doubt that the construction of this reservoir should be commenced without further delay. If there were any uncertainty as to the feasibility of the proposed construction, the case would be altogether different; but all the facts go to prove that the Government should proceed to do its part forthwith.

Attention is especially called to the fact that these farmers went on these lands at the Government's invitation, with the expectation of receiving an adequate water supply for their farms from Lake Tahoe. They have spent their money and the best part of their lives in improving these farms and are now faced with an insufficient water supply, which, if not speedily furnished, will result in losing the work and savings of a lifetime.

Mr. EDGE. Mr. President, I desire to offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 42, after line 24, insert the following:

To reimburse the New York Shipbuilding Corporation for extra and unforeseen expenses incurred in the contract for the construction of the U. S. S. *Idaho* by reason of an increase of wages paid by said company pursuant to order of the Macy Board, $871,808.95.

Mr. EDGE. That item has already been recommended by the Navy Department, and in a report from Mr. BUTLER, chairman of the Naval Affairs Committee of the House, has been recommended and is included in a bill there which will probably not be reached. I would like very much to have the item go to conference.

Mr. WARREN. Mr. President, I make the point of order against the amendment. It is not estimated for. It is a claim that is presented by the party building the ship, who has fulfilled the contract, and now wants the amount of money in addition to the amount named in the contract. It may be right and may be proper at some time, but we have no proof before us. The gentleman who represents the concern had a talk with me twice within the last week, but he had nothing to offer except that they had lost the money and that we ought to pay this sum.

Mr. EDGE. The Senator will agree that the House Naval Committee, who have investigated the item, have recommended it?

The PRESIDENT pro tempore. The Chair does not desire to hear an argument upon the point of order, and the point of order is sustained.

Mr. MCKELLAR. Mr. President, a parliamentary inquiry. Under the unanimous-consent agreement does not the Senate automatically recess at 11 o'clock? It is now 11 o'clock.

The PRESIDENT pro tempore. The Chair is of the opinion that the Senate does not automatically recess at 11 o'clock under the unanimous-consent agreement.

Mr. WARREN. I wish to say to the Senator that we are almost through with the bill, and I hope there will be no objection to proceeding.

The PRESIDENT pro tempore. The Chair ought to observe as a reason for the ruling just made that in its opinion the unanimous-consent agreement was a limitation upon what should be done during the hours from 8 to 11 o'clock.

Mr. MCKELLAR. I am not satisfied that the Chair is wrong about it; I am rather inclined to think that he is right; but I hope that we may adjourn very soon.

Mr. HARRIS. Mr. President, on page 15, beginning with line 24, I move to amend by striking out lines 24 and 25, and on page 16 lines 1 to 11, inclusive.

The PRESIDENT pro tempore. The reading clerk will state the amendment offered by the Senator from Georgia.

The READING CLERK. On page 15, strike out lines 24 and 25, and on page 16, lines 1 to 11, inclusive, as follows:

For construction and development work in Potomac Park on the west shore of the tidal basin to provide public bathing facilities, and for the maintenance thereof, $50,000, to remain available until June 30, 1925: *Provided*, That the unexpended balance of the appropriation of $25,000 contained in the District of Columbia appropriation act for the fiscal year 1923 for the construction of a bathing beach and bathhouse for the colored population of the city, continued and made available during the fiscal year 1924 by the District of Columbia appropriation act for the fiscal year 1924, is further continued and made available during the fiscal year 1925 for the construction and maintenance of said bathing beach and bathhouse.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Georgia. [Putting the question.] The noes seem to have it. The amendment is rejected.

Mr. REED of Missouri. Mr. President, I call for the yeas and nays. I had the floor and was trying to get the attention of the Chair. I am not going to let this amendment go in that way. I ask for the yeas and nays.

The PRESIDENT pro tempore. The Senator from Missouri demands the yeas and nays.

The yeas and nays were ordered.

Mr. REED of Missouri. Mr. President, I think the Senate ought to know exactly what they are voting on. What I say is no warfare upon the colored people. I think if they need a bathing beach they ought to have it. I do not believe that there ought to be a beach of that kind in close proximity to the bathing beach that is now established, and I understand that to be the purpose of the appropriation. If it is not the purpose of the appropriation, then we do not need it at all, because there is already a bathing beach. I think the amendment of the Senator from Georgia ought to be adopted.

Mr. WARREN. I suppose the Senator understands that it is the House text that the Senator from Georgia is proposing to strike out? It is not an amendment presented by the Senate committee.

Mr. REED of Missouri. Yes; I understand it is not an amendment on the part of the Senate committee. I am willing to stand here and discuss it for some time.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. KING. As I interpret the unanimous-consent agreement under which we are operating to-night, automatically at 11 o'clock it is the duty of the Chair to announce a recess.

Mr. McKELLAR. The Chair has already ruled on that question.

Mr. KING. I know the Chair just indicated to the Senator from Tennessee a contrary view, but I submit, with all respect to the ruling of the distinguished occupant of the chair, that a different interpretation is the correct one. I ask in a parliamentary way for a parliamentary ruling.

Mr. CURTIS. Mr. President, I submitted the unanimous-consent request for the night session, as I did on the occasion two weeks ago. In the request previously submitted it was provided that at the hour of 11 o'clock the Senate should adjourn or recess. In the request for the present unanimous-consent agreement I left that out because it is so near the end of the session that I was afraid there might be some appropriation bills or conference reports which we could take up after 11 o'clock, and therefore I did not incorporate in the request the suggestion that we should recess or adjourn at 11 o'clock.

Mr. KING. If that is the way the unanimous-consent agreement reads, then I am in error. My understanding was that it was the same agreement that we entered into on the previous occasion.

The PRESIDENT pro tempore. The Chair is quite willing to explain his view with regard to the unanimous-consent agreement. It provides as follows:

That when the Senate concludes its business on Thursday afternoon, June 5, 1924, it take a recess until 8 o'clock p. m., and at the evening session from 8 to 11 p. m. the Senate shall consider only conference reports, appropriation bills, and unobjected bills on the calendar.

The Chair construes the agreement to mean that between the hours of 8 and 11 only such bills shall be considered, but it does not construe it as requiring either an adjournment or a recess at 11 o'clock, because neither an adjournment nor a recess is provided for at 11 o'clock.

The question is on the amendment offered by the Senator from Georgia. The Senator from Missouri [Mr. REED] has asked for the yeas and nays, and the yeas and nays have been ordered.

Mr. HEFLIN. Mr. President, I agree with what the Senator from Missouri [Mr. REED] has said. I am willing for the negroes to have a bathing place on the river, but I do not think that the Congress ought to have that place in the tidal basin, the same body of water where the white people go in swimming. If I understand the proposition, it is that the white people would bathe at a certain point in the tidal basin and the negroes across the little body of water, in sight of the other bathing beach. The Congress ought not to adopt such a provision as that. There ought not to be anything done to bring about friction between the races. If we permit the negroes to have a place somewhere else on the river to go in swimming, that would be better all around, but I am opposed to any such provision as this, and the Congress ought not to appropriate one cent to provide a place in sight of the other bathing place for such a purpose. I can not believe that a dozen Senators will vote for this proposition.

It is best for both races to have the two bathing places entirely separate and distinct—that is, out of sight of each other. Let the whites have their bathing beach at one place and let the negroes have theirs at another place some distance away. Such an arrangement will be to the best interest of both races.

Mr. NORRIS. Mr. President, as I understand it, these bathing beaches will not be close enough together to interfere. I have an idea that they will be from half a mile to a mile apart. I am told by Senators sitting near me that they are three-quarters of a mile apart. I know the basin down there very well, because the original plan for putting a bathing beach there came about to quite an extent through efforts that I made for two or three years in order to establish it.

I would not have the bathing beaches near each other where the people could perhaps intermingle. It is proposed, as I understand it, to put the bathing beach for the colored people on a different side even from the inlet to the tidal basin, where the present bathing beach is located, so that they will be on opposite sides of the coming in of the water. They will be in sight of each other because one can see across the tidal basin. I do not understand that that is necessarily an objection to having both located on the tidal basin.

Mr. HEFLIN. Mr. President, I would like to ask the Senator a question?

Mr. NORRIS. I yield to the Senator from Alabama.

Mr. HEFLIN. I ask the Senator if he does not know that the bathing beach for the white people at the tidal basin is located on the east side of the basin?

Mr. NORRIS. No; the beach for the white people is on the south side.

Mr. HEFLIN. It is the southeastern side, and it is proposed to put the colored bathing beach just across from it, in full view.

Mr. NORRIS. It will be three-quarters of a mile away, but you can look across the water and see the other bathing beach. It will be in sight, it is true, but at the distance they would be apart I doubt whether one could tell a colored man from a white man.

The PRESIDENT pro tempore. The yeas and nays have been ordered, and the Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called.) I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. GREENE] and vote "nay."

Mr. PHIPPS (when his name was called). I have a pair with the junior Senator from South Carolina [Mr. DIAL], which I transfer to the senior Senator from Illinois [Mr. McCORMICK] and vote "nay."

Mr. TRAMMELL (when his name was called). I transfer my pair with the senior Senator from Rhode Island [Mr. COLT] to the senior Senator from Louisiana [Mr. RANSDELL] and vote "yea."

The roll call was concluded.

Mr. KING. I have a pair with the senior Senator from Maryland [Mr. WELLER]. Has that Senator voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. KING. Not knowing how he would vote if present, I withhold my vote.

Mr. SMITH. I transfer my pair with the Senator from South Dakota [Mr. STERLING] to the Senator from Arkansas [Mr. CARAWAY] and vote "yea."

Mr. SIMMONS. I transfer my pair with the junior Senator from Oklahoma [Mr. HARRELD] to the junior Senator from West Virginia [Mr. NEELY] and vote "yea."

Mr. GLASS. I transfer my pair with the junior Senator from Connecticut [Mr. MCLEAN] to the junior Senator from New Jersey [Mr. EDWARDS] and vote "yea."

Mr. BAYARD. I transfer my pair with the junior Senator from Pennsylvania [Mr. REED] to the junior Senator from Maryland [Mr. BRUCE] and vote "yea."

Mr. CURTIS. I am requested to announce the following pairs:

The junior Senator from Kentucky [Mr. ERNST] with the senior Senator from Kentucky [Mr. STANLEY];

The senior Senator from West Virginia [Mr. ELKINS] with the senior Senator from Oklahoma [Mr. OWEN]; and

The junior Senator from Maine [Mr. FERNALD] with the senior Senator from New Mexico [Mr. JONES].

The result was announced—yeas 18, nays 35, as follows:

YEAS—18

| | | | |
|---|---|---|---|
| Ashurst | Glass | Overman | Smith |
| Bayard | Harris | Reed, Mo. | Swanson |
| Broussard | Heflin | Robinson | Trammell |
| Fletcher | McKellar | Sheppard | |
| George | Mayfield | Simmons | |

NAYS—35

| | | | |
|---|---|---|---|
| Adams | Edge | Moses | Spencer |
| Ball | Gooding | Norbeck | Stanfield |
| Brookhart | Hale | Norris | Wadsworth |
| Bursum | Howell | Oddie | Walsh, Mass. |
| Cameron | Johnson, Minn. | Pepper | Walsh, Mont. |
| Capper | Jones, Wash. | Phipps | Warren |
| Copeland | Lenroot | Shipstead | Watson |
| Cummins | Lodge | Shortridge | Willis |
| Curtis | McNary | Smoot | |

NOT VOTING—43

| | | | |
|---|---|---|---|
| Borah | Ernst | Kendrick | Ralston |
| Brandegee | Fernald | Keyes | Ransdell |
| Bruce | Ferris | King | Reed, Pa. |
| Caraway | Fess | Ladd | Shields |
| Colt | Frazier | La Follette | Stanley |
| Couzens | Gerry | McCormick | Stephens |
| Dale | Greene | McKinley | Sterling |
| Dial | Harreld | McLean | Underwood |
| Dill | Harrison | Neely | Weller |
| Edwards | Johnson, Calif. | Owen | Wheeler |
| Elkins | Jones, N. Mex. | Pittman | |

So the amendment of Mr. HARRIS was rejected.

Mr. ASHURST. Mr. President, I will make my remarks on the amendment which I intend to offer as compact as possible. I will briefly state the amendment.

The Colorado River at times is the second largest river in the United States, and at all times it is the third largest river in the United States. It drains an area of 252,000 square miles. It flows through or touches seven States. Under the law of 1902 the United States Reclamation Service built the Yuma project, Arizona-California. The landowners on that are paying their assessments and payments to the Government. It is a worthy, practicable, and going project; but on the lower California side the Government treats the Colorado River as a navigable stream, and built at Government expense a levee on the west side of the river costing $1,000,000. That levee, of course, threw great volumes of water, with a cutting edge like a giant with steel claws cuts, onto the farms of the landowners on the east side of the river, as the Arizona line extends farther south than does the California line, and for a distance it is Mexico on the one side of the river and Arizona on the other side.

The Government having treated the river at that point as a navigable stream and having spent $1,000,000 in revetting the west bank and thereby throwing the waters against the land of these farmers they were obliged to pay several hundred thousand dollars in order to safeguard their own farms.

My distinguished former colleague, the late Senator Marcus A. Smith, whose memory we revere, called this matter to the attention of the Senate 10 years ago. The then Senator from New York, Mr. Root, who sat about where the Senator from New Jersey [Mr. EDGE] now sits, when my then colleague at that time had no more than finished stating his case, Mr. Root rose and said, "You may be assured that this Government understands the situation and will do justice, and I suggest to you, Senator Smith, that you postpone the proposition at this time, as it will be properly cared for later." Ten years have gone, the farmers there are paying to the Government the amount of the construction cost of the Yuma project, and it is unjust—it is atrociously unjust and unfair—to require them to pay the huge sum of money that was necessary to be immediately spent in order to revet the banks of the river, and had those farmers not paid this sum, $10,000,000 or $12,000,000 would have been lost to the Government.

This matter has been in abeyance for 10 years, waiting for a body of scientific men, fair men, to investigate it. The present Secretary of the Interior appointed a fact-finding commission. This fact-finding commission investigated it. The fact-finding commission was composed of men who are eminent in finance, eminent in science and other walks of life. They sat for months, investigated this matter, and came unanimously to the conclusion that such an item ought not to be charged against those farmers. The Secretary of the Interior also holds the view that those farmers ought not to be required to pay that item.

It would be as if when the mighty Mississippi defies the puny law of man and rushes over upon the adjacent farms we would require the farmers on the banks of the Mississippi to pay for the levees.

Now I ask that my amendment be adopted and go to conference, and that the conferees call on General Lord, the Director of the Budget, call upon the Secretary of the Interior; and if they or either of them object to this item, I have at least done my duty. I therefore ask my friend, the Senator from Wyoming [Mr. WARREN] to let my amendment, which I will now have read at the desk, go to conference; and I ask him, as I know he will, not only as a matter of courtesy but as a matter of duty, to call upon the Secretary of the Interior, call upon the Budget Director, call upon the fact-finding commission for the facts.

Now I ask that the amendment may be read. It is simply in conformity with the report of the fact-finding commission. On that fact-finding commission I think Mr. Elwood Mead, who is now the Director of the Bureau of Reclamation, served, and he investigated the matter. He and all of the other Interior Department officials are in favor of it. I think the Government should be honest with its citizens; and when a great injustice like this has been done it ought to be corrected at the earliest possible time. I ask that the amendment may now be read.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. At the proper place in the bill it is proposed to insert the following:

That there is hereby appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $597,088, or so much thereof as may be necessary, to reimburse landowners residing on Yuma project, Arizona-California, for all moneys they have heretofore paid into the United States Reclamation Service for the operation and maintenance of the Colorado River front work and levee system of said project.

SEC. 2. That there is also hereby appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $100,000, or so much thereof as may be necessary, to be placed to the credit of the United States Reclamation Service and expended under the direction of the Secretary of the Interior for the purpose of paying the operation and maintenance costs of said Colorado River front work and levee system on said Yuma project, Arizona-California, for the fiscal year ending June 30, 1925, and an additional sum of $100,000 per annum, or so much thereof as may be necessary, for the operation and maintenance of said Colorado River front work and levee system, it being hereby declared to be the policy of the United States to assume the obligation of caring for said river front work and levee system on said Yuma project, Arizona-California, and not to have the same charged to said project as any part of constructing or maintaining the reclamation work of said Yuma project, Arizona-California.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona.

Mr. WARREN. Mr. President, I wish to address myself to the amendment for a moment. I am so good a friend of the Senator from Arizona and he is so good a friend of mine that I am afraid it would put me in a position where I might lose his friendship if I should allow the amendment to go in the bill, because I do not think we would have a ghost of a show of getting it through the House of Representatives. I am sorry that is the situation; but I think it should be in a separate bill and be, perhaps, in somewhat different form. I am in sympathy with the Senator, but the fact-finding commission has not brought it to our attention, nor has the Bureau of the Budget.

Mr. ASHURST. Mr. President, if the Senator will indulge me one remark, I wish to say that as to losing my friendship the Senator can not do that, because what he would do would be what he believed to be his duty, and no man will ever suffer in my esteem when he does what he thinks is his duty; but I do suggest and urge that in order that this amendment may have more consideration that it be agreed to and go to conference. I am convinced that ultimately justice will be done; but it ought to be done speedily, for justice delayed is justice denied. Will not the Senator therefore permit it to go to conference, call for the Director of the Budget and call for the Secretary of the Interior and get their opinion on the same?

The fact-finding commission suggested that a tripartite agreement be made, under which the Federal Government would pay a third, the State of Arizona would pay a third, and possibly the State of California would pay a third of the levee work up to $100,000. I think it would be a just thing to do.

The amendment is subject to a point of order, in my judgment, but the Senator has generously withheld that point of order, and I think his generosity will preclude his making it. I hope that he will allow the amendment to go to conference.

Mr. WARREN. The amendment is subject to a point of order. If, however, the Senator wishes to have a vote of the Senate on it, I will not make the point of order but will let it go to a vote.

Mr. ASHURST. I thank the Senator.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. FLETCHER. Mr. President, I offer the amendment which I send to the desk.

Mr. KING. Mr. President, I move that the Senate take a recess until to-morrow at 12 o'clock.

Mr. FLETCHER. Mr. President, I have the floor, and have offered an amendment.

Mr. KING. I beg the Senator's pardon.

Mr. LODGE. Mr. President, I rise to a point of order. I think there was a misunderstanding about the last vote.

The PRESIDENT pro tempore. What is the point of order?

Mr. LODGE. I think there was a misunderstanding about the last vote which ought to be corrected, or else I misunderstood what the Chair said. I do not understand that that amendment was put in the bill. I refer to the Ashurst amendment.

Mr. ASHURST. Mr. President, I hope I shall not feel a dagger thrust from my learned friend from New England. I beg that the Senator withhold any suggestion along that line.

Mr. LODGE. Well, Mr. President, if the amendment has been put in I will not disturb it.

The PRESIDENT pro tempore. The Senator from Florida offers an amendment, which will be stated.

The READING CLERK. After line 24, on page 54, it is proposed to insert:

That the following sums be, and the same are hereby, appropriated for the objects hereinafter expressed, namely:

(a) For increase in the limit of cost of construction of those certain public buildings, heretofore authorized by Congress to be constructed and for which appropriations were made, referred to in Senate Document No. 28, Sixty-eighth Congress, first session, $14,860,780, or so much thereof as may be necessary.

(b) For the construction of public buildings on those certain sites, heretofore acquired, for the construction of which buildings no appropriations were made, referred to in Senate Document No. 28, Sixty-eighth Congress, first session, $23,557,500, or so much thereof as may be necessary.

Mr. WARREN. Mr. President, I shall be compelled to make a point of order against that amendment. It is new legislation.

The PRESIDENT pro tempore. The point of order is sustained.

Mr. FLETCHER. I ask unanimous consent to have inserted in the RECORD a letter from the Secretary of the Treasury to the chairman of the committee, in which the bill containing this item is referred to.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

TREASURY DEPARTMENT,
*Washington, May 17, 1924.*

The CHAIRMAN, COMMITTEE ON APPROPRIATIONS,
*United States Senate.*

SIR: Reference is made to your recent request for a report on Senate bill 2882, for increase in the limit of cost of certain public buildings heretofore authorized, and for which appropriations were made, referred to in Senate Document No. 28, in total amount $15,130,780; and for construction of public buildings, on sites heretofore acquired, for which buildings no appropriations were made, referred to in said document, in amount $23,557,500.

Detailed information in regard to the projects in the two sections of the bill was transmitted to Congress in letter of January 24, 1924 (printed as S. Doc. No. 28), a copy of which is attached to this report and made a part thereof.

It has been found possible to award contracts for buildings at certain of the places of the type and construction described in the last paragraph of the said letter, and furnishing the minimum accommodations possible under the legislation. This reduces the total amount required under section (a) of the bill to $14,860,780.

The passage of this bill would permit the construction of those buildings authorized and limits of cost fixed under act of March 4, 1913, which, on account of the increased cost of labor and materials, can not now be erected within such limits. The completion of these projects and the erection of Federal buildings in many places where sites only have been authorized would be a substantial help in relieving the congestion in the Postal Service.

In connection with the foregoing you are advised that the department is informed that the appropriations contemplated by this bill are in conflict with the financial program of the President.

Respectfully,

A. W. MELLON,
*Secretary of the Treasury.*

Mr. JONES of Washington. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The Senator from Washington offers an amendment, which will be stated.

The READING CLERK. On page 52, after line 4, it is proposed to insert:

No money appropriated for the enforcement of the prohibition, narcotic, or customs laws shall be expended for the hire of automobiles, boats, or other similar conveyances in any locality whenever there are automobiles, boats, or similar conveyances in the custody of the law forfeited to the United States under the penal laws, which, in the judgment of the Secretary of the Treasury, are suitable for use in the enforcement of such laws, and the Secretary of the Treasury is hereby authorized to acquire upon payment of lien and costs as provided by law such forfeited automobiles, boats, or other conveyances as in his discretion may be suitable or requisite for such purposes, and to expend such sums from the appropriation made for the enforcement of such laws for the maintenance and operation for official use of such automobiles, boats, or other conveyances, and a report shall be submitted to Congress each year in the Budget of all sums thus expended.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Washington.

Mr. BROUSSARD. Mr. President, what is the amendment?

The PRESIDENT pro tempore. The Secretary has just read the amendment. Does the Senator desire it to be read again?

Mr. BROUSSARD. Yes; I do.

The PRESIDENT pro tempore. The Secretary will read the amendment again.

The reading clerk again read the amendment.

Mr. REED of Missouri. Mr. President, what is the object of the amendment?

Mr. JONES of Washington. The purpose is simply this, Mr. President: Under the law now automobiles found violating the narcotic laws, the drug laws, the prohibition laws, and so forth, are forfeited to the United States. This amendment simply makes those automobiles available for use, if the Secretary of the Treasury finds that they are necessary, instead of putting them up and selling them at public auction.

Mr. REED of Missouri. Does it not go further than that? Does it not only make them available but provides that they must be used to the exclusion of anything else?

Mr. JONES of Washington. No; only in the discretion of the Secretary of the Treasury whenever they are needed. In other words, he does not have to buy automobiles if there are any available.

Mr. REED of Missouri. That is all right, but I think the amendment goes further than that.

Mr. JONES of Washington. No; I think not. I have not the amendment before me.

Mr. BROUSSARD. Mr. President, I make the point of order that this is legislation on an appropriation bill.

Mr. JONES of Washington. It is a limitation on the appropriation. It provides that none of the moneys appropriated shall be used for certain purposes if these vehicles are available. It means saving money for the Government.

Mr. BROUSSARD. For what purpose?

Mr. JONES of Washington. For any purpose.

Mr. BROUSSARD. Do they not use that money to buy evidence?

Mr. JONES of Washington. Oh, no.

Mr. BROUSSARD. Did they not expend last year $255,000 to buy evidence?

Mr. JONES of Washington. I do not know. This amendment does not affect that.

Mr. BROUSSARD. For what purpose do you want to save the money?

Mr. JONES of Washington. None of the money will be used for buying automobiles if these others are available.

Mr. BROUSSARD. Well, let them buy automobiles.

The PRESIDENT pro tempore. What is the point of order made by the Senator from Louisiana?

Mr. BROUSSARD. That the amendment is legislation on an appropriation bill.

The PRESIDENT pro tempore. Plainly, the amendment is not germane to the present bill. In the opinion of the Chair it is also general legislation.

Mr. JONES of Washington. The question of germaneness, under the rules, should be submitted to the Senate. The rules so provide.

Mr. BROUSSARD. The Chair, I understood, ruled also that the amendment was out of order as being legislation.

The PRESIDENT pro tempore. The point of order was not made that the amendment was not germane. That was simply the observation of the Chair. The Chair sustains the point of order.

Mr. JONES of New Mexico. Mr. President, I did not know until this evening that any attempt would be made to make appropriations for reclamation projects upon this bill; and it is highly important, if anything of this sort is to be done at all, that something should be done for the Carlsbad project in New Mexico.

Mr. WARREN. Mr. President, if the Senator will permit me for a moment, those that have gone in are those that the fact-finding commission put before the Congress to have appropriated for, and some of them went before the Budget. Undoubtedly the project of which the Senator speaks was taken up for examination; but these were the most pressing ones and the ones most likely to respond quickly. Furthermore, they absorbed all of the funds that at that time or even up to the present time could be devoted to that purpose, because we have to take the funds that come into this reservoir, as it may be called, to provide all of these appropriations; but money is coming in now even faster than usual on account of the oil royalties, and this project no doubt will come in its time all right.

Mr. JONES of New Mexico. Mr. President, I desire, if I may, to have the attention of Senators for just a few moments.

The Fact Finding Commission has made a very exhaustive report regarding the Carlsbad project in New Mexico and makes the positive statement that additional storage must be provided or the project in a short time must be abandoned. The Fact Finding Commission recommends that an expert engineering survey shall be made in order to procure additional storage for that project. The recommendation is made, and I could give somewhat in detail the kind of an engineering survey that must be made in order to secure this storage.

I should like to ask for a very modest appropriation so that that engineering survey may proceed; and I hope there will be no objection to an appropriation of $100,000, or so much thereof as may be necessary, for doing that engineering work which the Fact Finding Commission recommends.

Mr. WARREN. Of course, $100,000 is a very large amount for a survey of that kind. There is already in the bill $25,000 or $50,000 in one case and $145,000 in another for the very surveys the Senator speaks of; and then the whole fund is open to that, anyway. I think the project will be provided for in that way.

Mr. JONES of New Mexico. Of course, that may be true. I think it is unfortunate that this matter should come up for consideration in the Senate at such a time as this.

Mr. WARREN. The Senator is an honored member of the Committee on Appropriations, and I am sorry that he was not able to be there.

Mr. JONES of New Mexico. This proposal, however, is entirely new to me.

Mr. WARREN. A great deal of this is new because it is the last clean-up, and many of these things came down under date of June 4 from the Budget Bureau. I hope the Senator will not undertake to put anything of that kind in the bill now.

Mr. JONES of New Mexico. May I ask the Senator to let this item go into the bill, and we can take it up in conference; and if it is not necessary, it can go out?

Mr. WARREN. Has the Senator an amendment prepared?

Mr. JONES of New Mexico. I have the amendment prepared. On page 31 of the bill I move to insert a new paragraph, as follows:

> Carlsbad project, New Mexico: For an expert engineering survey to secure additional feasible storage, $100,000, or so much thereof as may be necessary.

Mr. WARREN. If the Senator will reduce that to $50,000, I will not object to it.

Mr. JONES of New Mexico. I make the reduction to $50,000.

The PRESIDENT pro tempore. The Senator from New Mexico offers an amendment, which will be stated.

The READING CLERK. On page 31, after the amendment heretofore agreed to, it is proposed to insert the following words:

> Carlsbad project, New Mexico: For an expert engineering survey to secure additional feasible storage, $50,000, or so much thereof as may be necessary.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from New Mexico. [Putting the question.] By the sound the noes seem to have it.

Mr. JONES of New Mexico. I call for a division, Mr. President. I hope Senators will understand what has been going on. I realize that there has been a great deal of conversation in the Chamber. I ask for a division. The chairman of the committee has accepted the amendment.

On a division, the amendment was agreed to.

Mr. JONES of Washington. Mr. President, I appeal to the Senator from Louisiana to withdraw his point of order against the amendment which I offered, and to which he made a point of order a moment ago.

I know his views, but I also feel that he does not desire to put the Government to any unnecessary expense, and that he would be glad to have instruments that are taken in the violation of the law used to save the Government the expenditure of money.

The amendment which I propose simply does this. Under the law as it is now, automobiles taken in connection with violations of the law covering prohibition, trade in narcotics, and so forth, are forfeited to the Government. They can not be used by the Government, however, in law enforcement. We need many of these instruments of enforcement, but these automobiles must be put up and sold at public auction, and the result is that they are bought in by the violators of the law at a nominal sum.

Where the automobiles have been forfeited to the Government pursuant to law, the amendment would allow the Government to make use of them in the enforcement of the law.

Mr. KING. Mr. President, there is very much merit in the position of the Senator, but I suggest to him that he will encounter in this matter the same objection which has been encountered with respect to the distribution of war surplus supplies. The experience has been in many of the States that every little engineer and many of the employees in the road department have had cars and other material from the War Department where they did not need them.

If the provision could be surrounded by proper protection, so that the number used by the prohibition department would be limited to only those that were indispensably necessary, it would be one thing; but if all these cars are taken and turned over to the employees of the Government in the prohibition department, there will be hundreds of thousands of dollars of expense every year in repairs and in the purchase of gasoline and other accessories in connection with the operation of the cars.

Mr. JONES of Washington. Under the terms of the amendment, this would be entirely within the control and under the direction of the Secretary of the Treasury himself. He must make rules and regulations, and he must control. I do hope the Senator from Louisiana, in the interest of economy, in the interest of the Government, will withdraw his point of order.

Mr. BROUSSARD. May I ask the Senator from Washington what economy it would mean to the Government finally, at the end of the year?

Mr. JONES of Washington. A very great deal, because the Government now purchases automobiles to aid the officers in the enforcement of the law. They do not purchase nearly as many as they need, and we could save practically all that money by making use of these automobiles, which really belong to us, because they are confiscated under the law.

Mr. BROUSSARD. Will the Senator tell us how many automobiles the prohibition enforcement department of the United States owns now?

Mr. JONES of Washington. I do not know how many they own.

Mr. BROUSSARD. Do they not have enough?

Mr. JONES of Washington. No; they do not.

Mr. BROUSSARD. How does the Senator know that?

Mr. JONES of Washington. I know that in my own locality they have not. I do not know how many they own throughout the country, but I do know that in my locality they do not have anything like the number they should have.

Mr. BROUSSARD. Does the Senator from Washington know that last year the enforcement department spent $250,000 to buy evidence, and in many cases induced men to go into the liquor traffic in order to get evidence?

Mr. JONES of Washington. I do not know about that, but even granting it, for the sake of argument, that has nothing to do with the proposition.

Mr. BROUSSARD. If you saved all, it would be expended, would it not?

Mr. JONES of Washington. I think not.

Mr. BROUSSARD. I think so. I insist upon the point of order. When the Senator is through, I may say a word.

Mr. JONES of Washington. I am through. I made my appeal to the Senator in the interest of economy to the Government.

Mr. WARREN. Mr. President, just a moment. It is the custom in the House, in the case of election contests, to pay a certain sum to those engaged in the contests. It seems that one of the Members of the House who is entitled to $2,000 has not been provided for.

The PRESIDENT pro tempore. The Senator from Wyoming offers a further amendment, which will be read.

Mr. WARREN. I want to state what it is, because I have not authority from the chairman of the committee in the House, but one of the members of the committee who is acquainted with the matter has presented it, and I ask the indulgence of the Senate to accept it until we can see in the morning whether it is all right.

The PRESIDENT pro tempore. The Secretary will read the proposed amendment.

The READING CLERK. On page 3, after line 24, insert:

For payment to John Gorman for expenses incurred as contestant in contested-election case of Gorman against Buckley, $2,000.

The amendment was agreed to.

Mr. McNARY. I offer the following amendment.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 3, after line 3, insert:

For additional salary of J. Mark Trice, stenographer in charge of furniture accounts and records, $250.

The amendment was agreed to.

The PRESIDENT pro tempore. If there be no further amendment as in Committee of the Whole the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

### PROMOTION OF VOCATIONAL REHABILITATION

Mr. KING. Mr. President, I enter a motion to reconsider the vote by which the conference report on House bill 5478, to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," was agreed to, and I move that the President be requested to return the bill, which has been forwarded to him.

The PRESIDENT pro tempore. The motion to reconsider will be entered. The Senator from Utah moves that the President be requested to return the bill to the Senate.

The motion was agreed to.

### JAMES B. PORTER

Mr. REED of Missouri. Mr. President, I ask unanimous consent for the present consideration of House bill 3477, for the relief of James B. Porter. It involves $152. It has been passed on favorably by the Post Office Department, and is recommended for passage. It covers damage done through the operator of a Government truck.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $152.73, in full settlement against the Government, to James B. Porter, of Kansas City, Mo., for damage to his property by a United States mail truck.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

### V. E. SCHERMERHORN AND OTHERS

Mr. CURTIS. I ask unanimous consent for the present consideration of House bill 6049, for the relief of V. E. Schermerhorn, E. C. Caley, G. W. Campbell, and Philip Hudspeth.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to V. E. Schermerhorn, E. C. Caley, G. W. Campbell, and Philip Hudspeth, their heirs, executors, administrators, or assigns, the following sums: V. E. Schermerhorn, $2,767.45; E. C. Caley, $192; G. W. Campbell, $16; and Philip Hudspeth, $134, for the destruction on October 15, 1908, of their property by fire which occurred on the Fort Riley (Kans.) Military Reservation, while Battery A, Sixth Field Artillery, was engaged in target practice, near the northern boundary, and which spread to and caused serious damage to privately owned farms adjoining the reservation; and the sum of $3,109.45 is hereby appropriated for said purpose out of any money in the Treasury not otherwise appropriated.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

### ADJOURNMENT

Mr. CURTIS. I move that the Senate adjourn.

The motion was agreed to; and the Senate (at 11 o'clock and 55 minutes p. m.) adjourned until to-morrow, Friday, June 6, 1924, at 12 o'clock meridian.

## NOMINATIONS

*Executive nominations received by the Senate June 5 (legislative day of June 3), 1924*

### COLLECTOR OF CUSTOMS

Thomas P. Gable, of Santa Fe, N. Mex., to be collector of customs for customs collection district No. 24, with headquarters at El Paso, Tex., to fill an existing vacancy.

### POSTMASTERS

#### ALASKA

Martin Conway to be postmaster at Skagway, Alaska, in place of Martin Conway. Incumbent's commission expired June 4, 1924.

Charles W. Carter to be postmaster at Juneau, Alaska, in place of Z. M. Bradford. Incumbent's commission expired June 4, 1924.

#### ARIZONA

Raymond W. Still to be postmaster at Tempe, Ariz., in place of H. E. Laird. Incumbent's commission expired June 5, 1924.

#### CONNECTICUT

George E. Dickinson to be postmaster at Rockville, Conn., in place of George Forster. Incumbent's commission expired June 5, 1924.

George L. Rockwell to be postmaster at Ridgefield, Conn., in place of W. S. Gilbert. Incumbent's commission expired June 5, 1924.

Robert D. Bristol to be postmaster at Guilford, Conn., in place of E. B. Sullivan. Incumbent's commission expired June 5, 1924.

#### IDAHO

Robert R. Coon to be postmaster at Emmett, Idaho, in place of S. D. Riggs. Incumbent's commission expired June 5, 1914.

#### ILLINOIS

Vera M. Carlson to be postmaster at Woodhull, Ill., in place of C. E. Carlson. Incumbent's commission expired June 5, 1924.

Fred Frazier to be postmaster at Viola, Ill., in place of Grove Harrison. Incumbent's commission expired June 5, 1924.

John Gukeisen to be postmaster at Kenilworth, Ill., in place of W. T. Robinson, deceased.

Charles Jackson to be postmaster at Joy, Ill., in place of R. L. Downing. Incumbent's commission expired June 4, 1924.

Rufus Denton to be postmaster at Carthage, Ill., in place of E. R. Boswell, deceased.

INDIANA

George P. Crabtree to be postmaster at Clay City, Ind., in place of G. C. Luther. Incumbent's commission expired June 5, 1924.

IOWA

Esther Y. Walster to be postmaster at Marble Rock, Iowa, in place of E. Y. Walster. Incumbent's commission expired August 5, 1923.

Gilbert Jones to be postmaster at Hawkeye, Iowa, in place of A. B. Peters. Incumbent's commission expired June 5, 1924.

Elizabeth Summers to be postmaster at Fort Atkinson, Iowa, in place of A. J. Schreiber. Incumbent's commission expired June 5, 1924.

Charles A. Norris to be postmaster at Eldora, Iowa, in place of E. S. Thompson. Incumbent's commission expired June 5, 1924.

Zene C. Thornburg to be postmaster at Des Moines, Iowa, in place of G. A. Huffman. Incumbent's commission expired April 28, 1924.

KANSAS

Clara G. McNulty to be postmaster at Stockton, Kans., in place of J. Q. Adams. Incumbent's commission expired June 4, 1924.

George H. Leisenring to be postmaster at Ellis, Kans., in place of Alexander Nierunberger. Incumbent's commission expired June 4, 1924.

KENTUCKY

William J. Deboe to be postmaster at Marion, Ky., in place of Jesse Olive, removed.

MAINE

Lawrence A. Brown to be postmaster at Brunswick, Me., in place of I. G. Elder. Incumbent's commission expired June 5, 1924.

MARYLAND

William B. Cutshall to be postmaster at Woodsboro, Md., in place of O. S. Barrick. Incumbent's commission expired June 4, 1924.

Grace Rowe to be postmaster at Emmitsburg, Md., in place of R. C. Foreman. Incumbent's commission expired June 4, 1924.

MINNESOTA

Zenas V. Johnston to be postmaster at Atwater, Minn., in place of Oliver Erickson. Incumbent's commission expired June 5, 1924.

MISSOURI

George R. Hendricks to be postmaster at Rutledge, Mo., in place of D. J. Buford. Incumbent's commission expired June 5, 1924.

Albert L. Brady to be postmaster at Oran, Mo., in place of L. P. Driskill. Incumbent's commission expired June 5, 1924.

NEBRASKA

George H. Holdeman to be postmaster at York, Nebr., in place of C. F. Gilbert. Incumbent's commission expired June 4, 1924.

Henry D. Grady to be postmaster at O'Neil, Nebr., in place of M. H. McCarthy. Incumbent's commission expired June 4, 1924.

Clarence J. Davis to be postmaster at Maxwell, Nebr., in place of C. H. Kuhns. Incumbent's commission expired April 9, 1924.

J. Lyndon Thornton to be postmaster at Fairbury, Nebr., in place of Daniel Kavanaugh. Incumbent's commission expired June 4, 1924.

William C. Coupland to be postmaster at Elgin, Nebr., in place of W. A. Nyrop. Incumbent's commission expired June 4, 1924.

NEW JERSEY

David Tumen to be postmaster at Atlantic Highlands, N. J., in place of C. R. Grover, resigned.

OREGON

Leila A. Phelps to be postmaster at Hermiston, Oreg., in place of C. H. Skinner. Incumbent's commission expired May 6, 1924.

PENNSYLVANIA

Boies M. Boyer to be postmaster at Weissport, Pa., in place of G. D. Arner. Incumbent's commission expires June 5, 1924.

Thomas M. Brown to be postmaster at Glen Rock, Pa., in place of H. A. Koller. Incumbent's commission expires June 5, 1924.

SOUTH CAROLINA

Annie H. Goblet to be postmaster at Mount Pleasant, S. C., in place of H. E. Dawson, resigned.

SOUTH DAKOTA

Leland K. Stoddard to be postmaster at Parker, S. Dak., in place of Frelen Riley. Incumbent's commission expired June 4, 1924.

TENNESSEE

Bessie P. Downing to be postmaster at South Pittsburg, Tenn., in place of B. P. Downing. Incumbent's commission expired May 28, 1924.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate June 5 (legislative day of June 3), 1924*

SPECIAL COUNSEL

William C. Morrow to be special counsel, employed to prosecute proceedings to assert and establish the title of the United States to sections 16 and 36, township 30 south, range 23 east, Mount Diablo meridian, within the exterior limits of naval reserve No. 1 in the State of California, and to prosecute any suit or suits ancillary thereto or necessary or desirable, under the provisions of Public Resolution No. 6, approved February 21, 1924, compensation to be paid from the appropriation provided by Public Resolution No. 8, approved February 27, 1924.

DIPLOMATIC SERVICE

SECRETARY OF EMBASSY OR LEGATION, CLASS 1

John Van A. MacMurray.

CONSULAR SERVICE

*To be consul general of class 2*

Julius G. Lay.

*To be consul generals of class 3*

Homer M. Byington.
Tracy Lay.
Clarence E. Gauss.
William Dawson.
Nelson T. Johnson.
Roger Culver Tredwell.

*To be consul generals of class 4*

W. Stanley Hollis.
George S. Messersmith.
Addison E. Southard.
Louis G. Dreyfus, jr.
Clarence Carrigan.
Theodore Jaeckel.
Edwin L. Neville.
Mahlon Fay Perkins.
John A. Gamon.
Philip Holland.
Thomas D. Bowman.
Henry P. Starrett.
Wesley Frost.
George E. Chamberlin.
Ezra M. Lawton.
Lewis W. Haskell.
Arminius T. Haeberle.
Ely E. Palmer.
Charles S. Winans.
Arthur C. Frost.
Charles M. Hathaway, jr.

*To be consuls of class 4*

Carol H. Foster.
Thomas M. Wilson.
Coert du Bois.
Lowell C. Pinkerton.
S. Pinkney Tuck.
Charles R. Cameron.
George C. Hanson.
David B. Macgowan.
Frank Anderson Henry.
Elliott Verne Richardson.

*To be consul of class 7*

Robert F. Kelley.

EXAMINER IN CHIEF OF PATENT OFFICE

Webster S. Ruckman.

POSTMASTERS

ALABAMA

James P. Aaron, Camp Hill.
Ira C. Chapman, Deatsville.
Oscar Sheffield, Pine Hill.

CALIFORNIA

John H. B. Speer, Delano.
Flora H. Vaughn, Earlimart.
Charles H. Coffey, jr., Gonzales.
Felix B. La Crosse, Half Moon Bay.
Marion W. Bessom, Lawndale.
William C. Werry, Palo Alto.
George W. Nygren, Parlier.
Louis P. Miller, Rio Vista.
Ernest R. Rhymes, Sanitarium.
Chauncey P. Wright, San Pedro.
Earle R. Hawley, Stockton.
Alfred Gourdier, Torrance.
Clyde W. Holbrook, Venice.
William Braucht, Whittier.

COLORADO

Edna A. Gates, Sedgwick.

CONNECTICUT

Anna C. Tucker, Sandy Hook.

HAWAII

Joseph Herrscher, Hana.
Antone Silva, Hawi.
William D. McKillop, Kealakekua.
Alice J. Brown, Paia.
Joseph F. Xavier, Puunene.
William K. Kelii, Wahiawa.

IDAHO

Oral Avery, Clarkia.
James K. Hood, Fernwood.

INDIANA

Charles A. Baker, Knox.
Ernest C. Hefner, Roanoke.
Charles Nicholson, Wheatland.

IOWA

Albert A. Emigh, Atlantic.
Harry Aitken, Clearfield.
Charles H. Thomas, Creston.
Joseph M. Jacobs, Delta.
Mary E. Coy, Farragut.
Harvey S. Powers, Iowa Falls.
Oscar W. Bryant, Lorimor.
Edward C. Reindl, Manly.
Cora B. Alberty, Thornton.
Marion H. Barnes, Wapello.

LOUISIANA

Robert A. Giddens, Coushatta.
Aimie B. Garrett, New Roads.
James N. Coan, Sicily Island.
Esther E. Harlan, Swartz.

MAINE

Vernon H. Lowell, Bowdoinham.
Francis L. Talbot, East Machias.
John W. Knapp, Stratton.

MASSACHUSETTS

James J. Murtaugh, Hopkinton.
Everett W. Carpenter, Palmer.

MICHIGAN

J. Gail Show, Elsie.
James B. Haskins, Howard City.
Howard L. Barber, Merrill.
Howard L. Vaughan, Ovid.

MINNESOTA

Ernest A. Schilling, Cottonwood.
Harold R. Portmann, Currie.
Raymond P. Erickson, Franklin.
George E. Van Buren, Le Roy.
John O. Backman, Mabel.
Norman L. Swanson, Moose Lake.

MISSOURI

Alma Brennecke, Irondale.
Harry H. Forman, Shelbyville.
Lester C. Boyles, Urich.

MONTANA

Ray R. Porter, Neihart.

NEW HAMPSHIRE

John H. Falvey, Henniker.

NEW YORK

Samuel E. G. Harris, Brushton.
Clinton H. Card, Fredonia.

NORTH CAROLINA

Martin J. McFadyen, Aberdeen.
Frank Dudgeon, Pinehurst.
John N. Powell, Southern Pines.

OHIO

Harry S. McKean, Arlington.
Charles E. Spiers, Atwater.
Bertram Allen Bell, Genoa.
George H. Maxwell, Lexington.
William A. Ray, Mount Sterling.
Richard Gilson, Steubenville.
Ernest H. Ruffner, Williamsburg.

OREGON

Fitzhugh G. Lee, Junction City.
William C. Foster, Tillamook.

PENNSYLVANIA

Nelson O. Smith, Blawnox.
William M. Overholt, Mount Pleasant.
Spencer M. Lloyd, Republic.
Ella Lawrence, Roulette.
Clive S. Burtch, Tioga.
Walter D. Lewis, Ulysses.

SOUTH DAKOTA

John W. Coverdale, Elk Point.
Francis Smidt, Freeman.
Leroy F. Lemert, Spencer.
Howard R. Mortenson, Viborg.

VERMONT

Lester K. Oakes, Stowe.

VIRGINIA

Virginia T. Quick, Falls Church.

WASHINGTON

James R. Patterson, Malden.
Trygve Lien, Stanwood.

## HOUSE OF REPRESENTATIVES

THURSDAY, *June 5, 1924*

The House met at 12 o'clock noon.

Rev. William B. Waller, D. D., of Washington, D. C., offered the following prayer:

Almighty God, our Heavenly Father, look with favor upon us at this time, we humbly beseech Thee. We come in the name of the Man of Nazareth who spake as never man spake, revealing unto us God the all-wise, all-righteous, all-loving Father, and who says to us and to all men: "One is your Master and all ye are brethren." May Thy blessing rest richly upon our President and all with him in authority. We beseech Thee especially for Thy blessing upon Congress now assembled. May they be guided by the spirit of wisdom in all their deliberations. May they be workers together with God in building up His kingdom of justice and righteousness and brotherly kindness on the earth. So hasten the time when the kingdoms of this world may become the kingdom of our Lord and of His Christ and He shall reign forever and ever. In His name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

PURCHASE OF SILVER UNDER THE PITTMAN ACT—REREFERENCE

Mr. McFADDEN. Mr. Speaker, by direction of the Committee on Banking and Currency, I move that the Committee on Coinage, Weights, and Measures be discharged from further consideration of the bill (S. 2917) directing the Secretary of the Treasury to complete purchases of silver under the act of April 23, 1918, commonly known as the Pittman Act.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania, which the Clerk will report.

The Clerk will report the motion of Mr. McFADDEN.

Mr. VESTAL. Mr. Speaker, I rise to oppose the motion.

The SPEAKER. The Chair thinks the motion is not debatable.

Mr. VESTAL. Mr. Speaker, I ask unanimous consent that I may proceed for five minutes on this matter.

The SPEAKER. Would it not be fair to have five minutes on a side?

Mr. VESTAL. That is correct, and I make that request.

The SPEAKER. The gentleman from Indiana asks unanimous consent that there be five minutes of debate on a side. Is there objection?

There was no objection.

The SPEAKER. The Chair thinks the gentleman from Pennsylvania [Mr. McFADDEN], who makes the motion, is entitled to speak first.

Mr. McFADDEN. Mr. Speaker and gentlemen of the House, this is a bill directing the Secretary of the Treasury to carry out the terms of the so-called Pittman Act. The Pittman Act is an act that was passed during the war and was made to appear as necessary by a situation which developed in India, whereby silver was necessary to be sent by England, or by the United States to India, and in accordance with the act which was passed, the Treasury was authorized to sell to England the silver contained in some 350,000,000 silver dollars, at $1 per ounce, that were in the Public Treasury. Under the terms of the act, the Treasury was

also authorized to reimburse itself from time to time by the repurchase of a like amount of silver that was sold to England at $1 an ounce, which was the same price at which the silver dollars were sold, the purpose being to replenish what silver was taken from the Public Treasury. The Treasury proceeded under that law, but it is now claimed by the silver producers of the country that the Treasury under the repurchase clause of that law has not purchased some 14,000,000 ounces of silver which they should have purchased. The whole subject involved in this legislation is whether or not that purchase should be made, whether or not the Treasury has complied with the terms of the law. The particular matter before the House this morning is simply a rereference of that bill from the Committee on Coinage, Weights, and Measures to the Committee on Banking and Currency. I might say, for the benefit of the Members of the House, that the original Pittman Act was handled by the Committee on Banking and Currency.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. MADDEN. I do not care to which committee this bill goes, but if the bill passes, it will be paying a subsidy of $5,000,000 to the silver miners of the country, and that is all there is to it.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. McFADDEN. In a moment. I might say to the gentleman that the whole question involved is whether or not the Treasury has complied with the law which was passed. If the Congress saw fit to pass a bill which is a subsidy to the silver miners, it is no reason why now the Congress should repudiate its action, and it will be the duty of the committee to look into the matter and determine whether or not that is the case.

Mr. STEVENSON. Mr. Speaker, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. STEVENSON. As to the committee to which it should go, I call the attention of the gentleman to the fact that the bill deals with the currency directly, because as each dollar of silver is coined we retire a dollar of Federal reserve bank notes, which were issued in lieu of that, and there is this number of millions of dollars of Federal reserve bank notes left outstanding because of this depletion of the currency by the sale of this silver.

Mr. McFADDEN. The gentleman is correct.

Mr. STEVENSON. It deals directly with the question of the Federal reserve bank notes.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. SNELL. Does the gentleman expect that he will be able to get this out of the committee before the close of this session?

Mr. McFADDEN. That is a matter that is up to the leaders of the House.

Mr. SNELL. As far as the committee is concerned, they are going to act on this right away?

Mr. McFADDEN. Nothing has been decided about that.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. VESTAL. Mr. Speaker and gentlemen of the House, I do not know whether a mistake was made when the Pittman bill was enacted into law, and I do not know whether the reference of that bill to the Committee on Banking and Currency was a proper reference at that time or not, but this bill, S. 2917, which has been passed by the Senate, has been referred to the Committee on Coinage, Weights, and Measures and has to do entirely with the coinage of silver. If there is any committee that has jurisdiction of this bill, it is the Committee on Coinage, Weights, and Measures, and, in my judgment, it was rightfully referred to this committee, and the Committee on Coinage, Weights, and Measures objects to having this bill taken from it at this time and referred to the Committee on Banking and Currency.

The Committee on Banking and Currency is a large committee. The Committee on Coinage, Weights, and Measures is a small committee. It has jurisdiction of this matter and ought to have a right to consider this bill. I do not care to go into the merits of this bill at this time, but we have more than $501,919,769 worth of silver stored up in the Treasury and outstanding silver certificates of only $406,898,067. If this bill were passed at this time it would pay, as the gentleman from Illinois has well said, a bonus of something like $5,000,000 out of the Treasury of the United States to the mine owners of this country. That is what it means.

Mr. STENGLE. Will the gentleman yield?

Mr. VESTAL. I will be glad to do so.

Mr. STENGLE. I want to ask for information. Can the gentleman tell us what the market price of silver is to-day?

Mr. MADDEN. Fifty-three cents.

Mr. STENGLE. That is what I thought; and the difference between 53 cents and $1 would go to somebody?

Mr. VESTAL. Five million dollars over and above what it would cost to buy this silver to-day on the market. That is what it would mean by this bill, and I hope the Members of the House will vote down the motion and leave this bill in the committee, where it rightfully belongs, and we will go into the merits of this bill and report our action to the House. [Applause.]

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania.

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. HASTINGS. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 54, noes 79.

Mr. WINGO. Mr. Speaker, I object to the vote on the ground that no quorum voted, and I make the point of order that there is no quorum present.

The SPEAKER. The Chair thinks there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 237, nays 129, not voting 67, as follows:

YEAS—237

| | | | |
|---|---|---|---|
| Ackerman | Doyle | Lindsay | Sabath |
| Aldrich | Drewry | Linthicum | Salmon |
| Allen | Driver | Lozier | Sanders, Tex. |
| Allgood | Eagan | Luce | Sandlin |
| Almon | Evans, Mont. | McClintic | Scott |
| Arnold | Favrot | McDuffie | Sears, Fla. |
| Aswell | Fenn | McFadden | Shallenberger |
| Ayers | Fisher | McKenzie | Shreve |
| Bacharach | Fitzgerald | McKeown | Simmons |
| Bankhead | French | McLaughlin, Mich. | Sinclair |
| Barkley | Fulbright | McLaughlin, Nebr. | Sinnott |
| Beedy | Fulmer | McNulty | Sites |
| Bell | Gallivan | McReynolds | Smith |
| Bixler | Gardner, Ind. | McSwain | Smithwick |
| Black, N. Y. | Garner, Tex. | McSweeney | Stalker |
| Black, Tex. | Garrett, Tenn. | MacGregor | Steagall |
| Bland | Garrett, Tex. | Magee, N. Y. | Stedman |
| Bloom | Gasque | Major, Ill. | Stevenson |
| Bowling | Gilbert | Mansfield | Strong, Kans. |
| Box | Goldsborough | Martin | Strong, Pa. |
| Boylan | Griest | Mead | Summers, Wash. |
| Brand, Ga. | Hardy | Miller, Ill. | Sumners, Tex. |
| Browne, N. J. | Harrison | Milligan | Swank |
| Browne, Wis. | Hastings | Minahan | Sweet |
| Browning | Hawes | Montague | Swing |
| Buchanan | Hawley | Mooney | Tague |
| Buckley | Hayden | Moore, Va. | Taylor, Colo. |
| Bulwinkle | Hill, Ala. | Morris | Taylor, W. Va. |
| Burdick | Hill, Wash. | Morrow | Thomas, Ky. |
| Busby | Hooker | Nelson, Me. | Thomas, Okla. |
| Byrns, Tenn. | Howard, Nebr. | O'Connell, N. Y. | Thompson |
| Campbell | Huddleston | O'Connell, R. I. | Tillman |
| Canfield | Hudspeth | O'Connor, N. Y. | Tilson |
| Cannon | Hull, Morton D. | O'Sullivan | Timberlake |
| Carew | Humphreys | Oldfield | Tucker |
| Carter | Jacobstein | Oliver, Ala. | Tydings |
| Christopherson | James | Oliver, N. Y. | Underwood |
| Clancy | Jeffers | Paige | Upshaw |
| Clarke, N. Y. | Johnson, Ky. | Park, Ga. | Valle |
| Cleary | Johnson, S. Dak. | Parks, Ark. | Vinson, Ga. |
| Collier | Johnson, Tex. | Peery | Vinson, Ky. |
| Colton | Johnson, Wash. | Pou | Wason |
| Connally, Tex. | Johnson, W. Va. | Prall | Watkins |
| Connery | Jones | Quin | Watres |
| Cook | Kearns | Ragon | Weaver |
| Cooper, Ohio | Kendall | Rainey | Weller |
| Corning | Kent | Raker | Williams, Mich. |
| Crisp | Kerr | Rankin | Williams, Tex. |
| Croll | Kiess | Rathbone | Williamson |
| Crosser | Kincheloe | Rayburn | Wilson, Ind. |
| Crowther | Kindred | Reece | Wilson, La. |
| Cullen | King | Reed, Ark. | Wingo |
| Cummings | Lanham | Reid, Ill. | Winter |
| Davey | Lankford | Richards | Wolff |
| Davis, Tenn. | Larsen, Ga. | Roach | Woodrum |
| Deal | Lazaro | Robinson, Iowa | Wright |
| Dempsey | Lea, Calif. | Robsion, Ky. | Wyant |
| Dickinson, Mo. | Leatherwood | Romjue | |
| Dickstein | Leavitt | Rouse | |
| Doughton | Lee, Ga. | Rubey | |

NAYS—129

| | | | |
|---|---|---|---|
| Andrew | Clague | Faust | Griffin |
| Anthony | Cole, Iowa | Fleetwood | Hadley |
| Bacon | Connolly, Pa. | Foster | Haugen |
| Barbour | Cooper, Wis. | Frear | Hersey |
| Beers | Crampton | Freeman | Hickey |
| Begg | Dallinger | Frothingham | Hill, Md. |
| Blanton | Davis, Minn. | Fuller | Hoch |
| Boyce | Denison | Funk | Holaday |
| Briggs | Dickinson, Iowa | Garber | Hudson |
| Brumm | Dowell | Gibson | Hull, Iowa |
| Burtness | Dyer | Gifford | Hull, William E. |
| Burton | Elliott | Graham, Ill. | Keller |
| Butler | Evans, Iowa | Graham, Pa. | Kelly |
| Cable | Fairchild | Green, Iowa | Ketcham |
| Chindblom | Fairfield | Greene, Mass. | Kopp |

| | | | |
|---|---|---|---|
| Kurtz | Morehead | Schneider | Vestal |
| Kvale | Morgan | Seger | Vincent, Mich. |
| LaGuardia | Murphy | Sherwood | Voigt |
| Lampert | Nelson, Wis. | Snell | Wainwright |
| Lineberger | Newton, Minn. | Snyder | Ward, N. C. |
| Longworth | Newton, Mo. | Speaks | Welsh |
| Lowrey | Nolan | Spearing | Wertz |
| Madden | Parker | Sproul, Ill. | White, Kans. |
| Magee, Pa. | Perkins | Sproul, Kans. | Williams, Ill. |
| Manlove | Perlman | Stengle | Winslow |
| Mapes | Phillips | Stephens | Wood |
| Merritt | Porter | Swoope | Woodruff |
| Michener | Ramseyer | Taber | Wurzbach |
| Miller, Wash. | Ransley | Temple | Yates |
| Mills | Reed, N. Y. | Tinkham | Young |
| Moore, Ga. | Rogers, Mass. | Treadway | |
| Moore, Ohio | Sanders, Ind. | Underhill | |
| Moores, Ind. | Sanders, N. Y. | Vare | |

NOT VOTING—67

| | | | |
|---|---|---|---|
| Abernethy | Edmonds | Lilly | Reed, W. Va. |
| Anderson | Fish | Little | Rogers, N. H. |
| Beck | Fredericks | Logan | Rosenbloom |
| Berger | Free | Lyon | Schafer |
| Boies | Geran | McLeod | Schall |
| Brand, Ohio | Glatfelter | MacLafferty | Sears, Nebr. |
| Britten | Greenwood | Major, Mo. | Sullivan |
| Byrnes, S. C. | Hammer | Michaelson | Taylor, Tenn. |
| Casey | Howard, Okla. | Moore, Ill. | Thatcher |
| Celler | Hull, Tenn. | Morin | Tincher |
| Clark, Fla. | Jost | Mudd | Ward, N. Y. |
| Cole, Ohio | Kahn | O'Brien | Watson |
| Collins | Knutson | O'Connor, La. | Wefald |
| Curry | Kunz | Patterson | White, Me. |
| Darrow | Langley | Peavey | Wilson, Miss. |
| Dominick | Larson, Minn. | Purnell | Zihlman |
| Drane | Lehlbach | Quayle | |

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Kahn with Mr. Clark of Florida.
Mr. Boies with Mr. Abernethy.
Mr. Curry with Mr. Wilson of Mississippi.
Mr. Patterson with Mr. Drane.
Mr. White of Maine with Mr. Byrnes of South Carolina.
Mr. Fish with Mr. Howard of Oklahoma.
Mr. Ward of New York with Mr. Jost.
Mr. Moore of Illinois with Mr. O'Brien.
Mr. Anderson with Mr. Kunz.
Mr. Little with Mr. Lilly.
Mr. Mudd with Mr. Rogers of New Hampshire.
Mr. Cole of Ohio with Mr. Sullivan.
Mr. Michaelson with Mr. Quayle.
Mr. Morin with Mr. Logan.
Mr. Brand of Ohio with Mr. Lyon.
Mr. Fredericks with Mr. Glatfelter.
Mr. Watson with Mr. Collins.
Mr. Purnell with Mr. O'Connor of Louisiana.
Mr. Thatcher with Mr. Major of Missouri.
Mr. Darrow with Mr. Hull of Tennessee.
Mr. Free with Mr. Greenwood.
Mr. McLeod with Mr. Hammer.
Mr. Zihlman with Mr. Casey.
Mr. MacLafferty with Mr. Dominick.
Mr. Lehlbach with Mr. Geran.
Mr. Britten with Mr. Celler.
Mr. Knutson with Mr. Wefald.
Mr. Taylor of Tennessee with Mr. Berger.

The result of the vote was announced as above recorded.

THE WOMEN OF MISSISSIPPI

Mr. HILL of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by placing therein the address of the gentleman from Mississippi [Mr. RANKIN] on the women of Mississippi, delivered before the Mississippi Society of Washington, D. C., on Friday evening, May 9, 1924.

The SPEAKER. The gentleman from Alabama asks unanimous consent to extend his remarks by printing a speech delivered by Mr. RANKIN of Mississippi. Is there objection? [After a pause.] The Chair hears none.

Mr. HILL of Alabama. Mr. Speaker, under leave granted me I extend my remarks by placing in the RECORD the beautiful address of the eloquent and distinguished gentleman from Mississippi, Hon. JOHN E. RANKIN, on The Women of Mississippi, delivered to the Mississippi Society of Washington, D. C., on Friday evening, May 9, 1924:

THE WOMEN OF MISSISSIPPI

SPEECH OF HON. JOHN E. RANKIN, MEMBER OF CONGRESS FROM MISSISSIPPI, DELIVERED BEFORE THE MISSISSIPPI SOCIETY IN WASHINGTON, D. C., ON FRIDAY NIGHT, MAY 9, 1924

Mr. RANKIN. Ladies and gentlemen, the chairman admonishes me that my time is limited to five minutes, which I am sure will be as gratifying to you as it is to me. I am especially pleased to be placed under the "five-minute rule" just at this time, for the reason that I have no speech "cut and dried" for this occasion. However, I am sure that by the time I have finished you will all agree that it has been dry enough.

And as for the time, I fear some of you, at least, if not all of you, will think this the longest five minutes you have ever suffered. You may be like a certain Member of the House was on one occasion when an old hen-pecked Representative from the Middle West was making a speech in favor of taxing bachelors. He contended that we ought to tax them, if for no other reason, in order to make them marry, so they would live longer. He said married men lived longer than single ones. An old bachelor Member arose and said, "No; they don't live any longer; it just seems longer." So I fear my speech will seem to you much longer than it really is.

I have been asked, or rather directed, to talk on the "Women of Mississippi," the most fascinating subject that could be assigned to a man from that great State. I regret my inability to do justice to the subject, even if I had time for ample preparation, but if I had the ability to handle it properly and were thus suddenly called upon I would need the presence of mind once displayed by a certain ex-Congressman when he was confronted with an usual emergency. He said that back during the old days before national prohibition he attended a meeting of his friends "downtown," which lasted until 3 or 4 o'clock in the morning. After the meeting broke up he managed to get home the best he could, slipped off his shoes at the door, and thought he would get in bed without waking his wife up. She had a little dog, of which she was very fond, but which was always jumping up on the bed, the chairs, and the sofa, much to her annoyance. The ex-statesman said he got in bed and was just settling down and congratulating himself on his success when his wife roused up. She got about half awake, when she put her hand on his head and thought he was the little dog. She shook him and said, "Get out of here, Fido." In telling of the incident later, he said, "You know, I just did have presence of mind enough to lick her hand, and she dozed off to sleep."

It is always interesting to me to hear people talk about the great men from Mississippi. They tell of the eloquent Prentiss, of whom it was once said that he could speak the thought of poetry with the inspiration of oratory and in the tones of music. They refer with pride to the immortal Jefferson Davis, who, as Bishop Galloway once said, needs no monument save the indestructible substance of his own greatness to commend him to the consideration of all coming ages. They mention with reverence the names of L. Q. C. Lamar and James Z. George, who, with the assistance of other great leaders of the South, wrested that section from negro rule, and placed forever the standard of white supremacy above the capitol of every Southern State. They glory in the achievements of E. C. Walthall, whose fame will live as long as Lookout Mountain lifts its historic crest above the passing clouds. And other names, too numerous to be mentioned, occupy high places in the hearts and minds of the people of our State. But they have contributed no more to the greatness and glory of that proud Commonwealth than have the women of Mississippi.

When the early pioneer in that territory went forth to battle with the savages, and all the attending adversities of the new country, his wife shared in his dangers and his hardships, inspired him in the struggle, and kept alive the fires of religious fervor and patriotic devotion; and when the dark clouds of civil war hovered over our country, she responded to every patriotic call, and endured with uncomplaining loyalty all the hardships of the strife. Of all the valor manifested in all of the wars of all time, none surpasses that exhibited by the women of the South, who suffered all the sorrows, the anguish, and the outrages of modern warfare. And when the war was over, and the ragged Confederate veterans went back to their devastated homes, they found in the rich reward of Southern womanhood, unsullied by the blasts, a treasure greater than all the hordes of hostages or all the captured spoils of ruthless war.

Like the women of old, those of Mississippi were last at the foot of the Cross and first at the Resurrection. In 1867, when the country was yet rife with bitterness and hatred, the women of Columbus, in the district which I have the honor to represent, while decorating the graves of the Confederate dead, decorated also with impartial hands the graves of the Federal dead. This deed of unprecedented magnanimity, under the circumstances, challenged the admiration of the world, and brought from the pen of the Hon. Francis Miles Finch, a distinguished northern jurist and poet, a little poem called "The Blue and the Gray," that will live as long as the Stars and Stripes continue to float over a free people; as long as the sweet strains of old "Dixie" shall stir the Southern heart with its "sweet but melancholy pathos."

So great, indeed, has been the influence of the women of Mississippi upon her destiny and her progress that we have come to think of her as embodying their very characteristics. I love to imagine, that I can behold the genius of that proud State in the form of a beautiful woman as she moves on down the centuries, leaning, like a lovely maiden, upon the stalwart arm of the great Father of Waters; clothed in the richest raiment which the gifts of nature or the skill of man afford; crowned with a diadem of imperial victories, wherein glitter the glorious achievements of the historic past, or sparkle the names of her heroic men; smiling with a superabundance of agricultural productions; singing with a melody of thriving industries; gazing with steadfast contentment into the ever-promising future; and holding in her royal hand the olive branch of peace.

PROHIBITION

Mr. BUCKLEY. Mr. Speaker, I ask unanimous consent to extend my remarks on prohibition.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. BUCKLEY. Mr. Speaker and gentlemen, in the present state of public intelligence no Member of Congress is justified in arrogating to himself a greater wisdom than that which is contained in the people whom he was chosen to represent. As long as I continue to act for my people I shall always recognize prevailing public opinion in my district and aim to give it force whenever possible.

I need not resort to conjecture to ascertain how my people stand on this issue. On the 7th day of November, 1922, the voters of the State of Illinois passed officially upon the modification question. More than a million and one-half sovereign citizens of Illinois considered the question and subsequently recorded their preference through the ballot. The majority favoring a modification of the law was upward of 600,000. In my district—the sixth congressional of Illinois—the vote was 88,658 for modification as against 23,605 opposed. In the face of such definite instructions from the citizenry that I represent I would be derelict in my obligation if I neglected this opportunity to urge favorable action toward some form of modification of the Volstead law which will legalize the use of beer and light wines.

In urging modification of the Volstead law I am fully aware of the services Congress should render the cause of temperance, but a law which can produce such results as the Volstead law is producing is not a law to consider with reference to its even more strict enforcement, but a law calling for reconsideration, not for the destruction of practical temperance sentiment, but for the promotion of it.

Volsteadism is an utter mistake. It has resulted in the rather free and uncontrollable distribution of ardent spirits which always have been the common, if not the exclusive, source of intemperance. I am certain that if legislation were employed which would induce the people to abandon the use of ardent spirits, the use of light wines and other fermented beverages might be safely left to the private judgment and personal responsibility of every individual and that through such a policy the tide of drunkenness and lawlessness which is now threatening to engulf the nation would soon recede.

There can be none of us who have reached middle age who can not recall the memory of friends and acquaintances who have fallen victims to the dreadful appetite for strong drink. The national enforcement act was to correct all this, and yet as a result of its operation, whisky and high-proof alcoholic substitutes are more securely entrenched to-day than last year and will be more generally consumed next year than this year.

We know that enforcement of the Volstead law in large sections of the country is a farce and a failure. We know that Volsteadism has fostered widespread corruption and has bred general contempt for law. We know that it has put a premium on hypocrisy.

We know that while Volsteadism has outlawed beer, which was formerly the nourishing, harmless food and drink of millions, that it has had no efficacy at all in the suppression of vicious strong liquors. Shall we meet the situation intelligently by correcting the error that has been made, or shall we continue on, playing the part of a Nation of hypocrites, paying the price that sham and falsehood always exact from those who practice them.

Practically the only argument made by the opponents of the bills to modify the Volstead Act to legalize the sale of beverages containing as much as 2.75 per cent of alcohol by weight was that such modification would reestablish the brewing industry in the United States.

The brewing industry—or what formerly was the brewing industry—took no part in these hearings, either for or against the bills. A great number of citizens, who never have had, and never expect to have, any connection, direct or indirect, with the brewing industry appeared before the Judiciary Committee to urge the modification of the Volstead Act for the following reasons:

(1) To promote temperance—something the Volstead Act has failed to accomplish.

(2) To give to the people of the country a pure, mild stimulant, but nonintoxicating beverage, to alleviate discontent.

(3) To aid in the enforcement of legislation to carry out the spirit of the eighteenth amendment by satisfying the people and thereby encouraging them to uphold law enforcement.

(4) To check the great increase in alcoholic insanity and crimes of violence, resulting from the consumption of alcoholic beverages of impure and poisonous character.

(5) To restore respect for law and authority in the United States, almost completely broken down by the present Volstead Act.

(6) That the re-creation of a market for mild, nonintoxicating beer would demoralize the market for bootleg whisky and ardent spirits and thus contribute substantially to the eradication of the corruption of governmental agencies all too prevalent under existing conditions.

No one made an argument for or in defense of the brewery, because that was not, and should not have been, made an issue in the movement to modify the prohibition law. However, the opponents of these bills apparently endeavored to attribute all sorts of evils to the industry and credit it with no good whatsoever.

The first brewing plants in America were established for two principal purposes:

(1) To promote temperance by encouraging the use of very light alcoholic beverages generally considered by both manufacturers and the public as nonintoxicating.

(2) To create a market for the surplus grains produced on the farms.

Even the Puritans of Massachusetts encouraged the brewing industry by free grants of land, exemption from taxes, and cost bonuses for quantity production—see Brewing in America, American Encyclopedia. Many early American statesmen also encouraged the manufacture of light malt beverages to wean the country away from whisky, always plentiful and always easily made.

Since such an outcry was made against the brewing industry and so much evil attributed to it, it would seem to be an act of simple justice to state for this record that the world's most beneficent discovery to mankind, a discovery that has saved tens of millions of lives and untold suffering, and will go on down the ages saving lives and eventually eradicate disease, was brought about through experiments on beer authorized and paid for by brewers.

The discovery also made the surgeon's knife an instrument of mercy—a great life-saving agency—instead of a deadly instrument that sent 80 per cent of its victims to their graves.

The discovery brought forth by the brewers' efforts to find out what would make beer wholesome and beneficial has given the world these blessings of inestimable value:

(1) Good health; (2) pure food; (3) modern surgery and modern medical science; (4) knowledge of methods of sanitation that have eliminated many dangerous diseases and rendered immunity possible from practically all infectious disease.

During the Great War, when there was such an outcry against alcohol, Sir James Crichton Browne, M. D., LL. D., and F. R. S. (Fellow of the Royal Surgeons), wrote an elaborate treatise on "What we owe to alcohol."

With reference to the beneficent part that beer has played in developing the greatest of all blessings to the human race, Sir James Crichton Browne said in his treatise:

> In connection with evolution, as I have said, mankind owes much to alcohol, and in many subsidiary but still momentous matters it is under a deep debt of gratitude to it. Of the assistance it has given to the industrial arts I need say nothing, but it is well we should bear in mind that it is alcohol we have to thank for the triumphant application of life-saving knowledge in preventive medicine and aseptic and antiseptic surgery. These have been the direct outcome of Pasteur's studies on fermentation, undertaken at the instigation of brewers and distillers in France, who have thus proved to be, inadvertently, benefactors of the human race. It was his studies on beer that were the turning point in Pasteur's career and led him straight to that study of infectious diseases which has branched out so broadly and so beneficently. The conviction in Pasteur's mind had always been that there was more than analogy between the phenomena of fermentation and those of contagious and infectious diseases of men and animals, and proceeding with the utmost caution he succeeded in demonstrating the rôle of microorganisms in all of these.

It was Pasteur who proved the infectious character of the silkworm disease, which was wrecking the silk trade in France, and who was thus able to restore that trade to prosperity. It was Pasteur who, by his study of anthrax, revealed the infective nature of that disease and discovered the protective treatment which has safeguarded millions of sheep and cattle against it. It was Pasteur who, by his further studies on chicken pox and swine fever, by his great discoveries with regard to immunity from infectious disease, through the attenuation of virus, and finally, by his study of hydrophobia and its treatment, laid the foundation of all the amazing developments in preventive medicine and hygiene which we have witnessed during the last 40 years.

Aseptic and antiseptic surgery were the direct outcome of Pasteur's brewery work. In 1864 Lister, of immortal memory, became acquainted with Pasteur's early researches on the alcoholic lactic and butyric fermentations in which the phenomena of fermentation and putrefaction were definitely connected with the presence of microorganisms, and linking these with his own observations he was led to associate the inflammation and suppuration of open wounds with the action of microorganisms introduced from without. Thus inspired he entered upon these experiments and methods of treatment that have resulted in the triumphs of antiseptic surgery. It is impossible to exaggerate the boon and the blessings that this has conferred on mankind, that it is at this hour conferring on the wounded in the war, and this boon and blessing must be traced to the work done in M. Biol's brewery at Lille. Countless millions will have to thank that work for their lives and limbs and for exemption from suffering of an agonizing kind.

But to this work at Lille, undertaken with the object of introducing improved methods in brewing, distilling, vinegar, and wine making, we owe much more than the huge obligation that antiseptic surgery lays on us, for out of it have arisen directly or indirectly all the most important advances in modern medical science. To it must be ascribed the abolition of that dread scourge puerperal fever, the detection of the germs of tubercle, cholera, typhoid fever, lockjaw, and Malta fever, the discovery of diphtheria antitoxin and of the protective treatment against cholera, typhoid fever, and plague, the elucidation of the true nature and mosquito origin of malaria and yellow fever, and finally the production of a remedy for the hidden plague. Was there ever such a record? Have all the philanthrouists together done as much for poor human nature as this alcohol which is inveighed against as a diabolical invention? But for beer we might have been in a sorry pathological plight to-day, and yet the teetotalers would have us believe that in the invention of fermentation the Creator of the universe made a colossal mistake.

The temerarious may, of course, suggest that had Pasteur never lived the tremendous discoveries I have mentioned would have come in some other way, or that had Pasteur applied his chemical genius to the investigation of some other subject than brewing he would still ultimately have arrived at them. There was not a vestige of approach to those discoveries in any quarter until he studied fermentation. Most scientific discoverers have had their progenitors or forerunners, but Pasteur is a Melchizedek amongst them and had no pioneer. He made an absolutely new departure, and has himself traced back all his brilliant discoveries, step by step, to their starting point in his experimental inquiry into the maladies of beer in his laboratory at Lille. He smote the vat, and there flowed forth abundantly an ever broadening stream, not of beer but of knowledge, for the healing of the nations.

On Pasteur's tomb in the Pasteur Institute in Paris are inscribed in due chronological order all the links in the unbroken chain of his achievements, including the Etudes sur le vin (Studies on Wine) and the Etudes sur le Biere (Studies on Beer), which immediately precede the record of his work on infectious diseases, vaccines, and hydrophobia. "If this country," says Dr. Horace Brown, "had been fortunate enough to claim this illustrious man, can not we imagine the fanatical outcry which would have been raised had the words 'wine' and 'beer' appeared on this monument? Our allies on the other side of the channel take a more sane and philosophical view of such things."

The enormous and still-growing expansion of our knowledge of the causes of disease which Pasteur's discoveries have brought us has led to a revolution in treatment, but that has not displaced alcohol from its commanding position in the pharmacopoeia. It is still the most universally employed and the most trusted of remedies, and as regards its therapeutic uses there is, I believe, more unanimity of opinion in the medical profession than many persons suppose or than might be inferred from the perusal of the newspaper discussions on the subject. There are in the medical, as in all professions, free lances whose maneuvers attract more attention than the steady advance of the main body, and some of these have every now and then thrown discredit on alcohol as a drug. Fashion in this, as in other matters, has been responsible for ups and downs, and the temporary popularity of certain medical practitioners who were for or against alcohol has led to its greater or less prominence in the consulting room and sick room for a period. But most sober-minded medical men to-day, however much they may differ as to the use of alcohol in health and in certain states of ill health, will, I believe, admit they would feel lost, lamed, and impotent if deprived of its aid.

I have introduced the facts showing that the brewing industry, and beer inadvertently, gave the world its most beneficent scientific discovery merely in the interest of fairness. If the fact that some violations of the prohibition law are to be brought in here to prejudice you against the bills to legalize the manufacture, sale, and transportation of beverages containing as much as 2.75 per cent of alcohol by weight, then it is perfectly proper for you to consider the benefits to humanity that have accrued from the experiments initiated and paid for by the brewers, and also their contribution to temperance by substituting mild, healthful, and practically nonintoxicating beverages, even with the 4½ per cent of alcohol of former days, for the ardent spirits.

I have not attempted to answer all the extraneous arguments made against these bills but merely to answer some of the more important points brought up here to prejudice you and to influence public opinion. These bills should be considered strictly on their merits. You know that beverages containing as much as 2.75 per cent of alcohol by weight are not intoxicating, and are therefore legal under the Constitution. By enacting a law depriving the people of as much of their rights as possible under the eighteenth amendment instead of giving the people the benefit of all the doubt the Volstead law has brought upon the country a condition that has produced most serious results. Others have covered these points, and it is not necessary for me to repeat them.

## MEMORIAL DAY ADDRESS

Mr. BARKLEY. Mr. Speaker, I ask unanimous consent to insert in the RECORD a speech delivered on May 30 by my colleague from Kentucky [Mr. VINSON], a Memorial Day speech.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks by printing a Memorial Day address by his colleague [Mr. VINSON.] Is there objection? [After a pause.] The Chair hears none.

Mr. BARKLEY. Mr. Speaker, pursuant to leave granted me I extend my remarks by inserting an address by Mr. VINSON of Kentucky, delivered at Ashland, Ky., May 30, 1924, in memorial for veterans of all wars.

The address is as follows:

### MEMORIAL DAY SPEECH OF MR. VINSON OF KENTUCKY

My friends and countrymen, to-day is a day dedicated to memory. It is a day set apart upon which we should pull aside the thin veil of the past and permit memory, that most cherished and hallowed possession of man, to hold full sway. It is a day set apart upon which a busy world shall pause and pay tribute to her honored dead.

Originally established by Gen. John A. Logan in 1868, for decorating the graves of the fallen heroes of the Civil War, it has for many years served this worthy purpose.

The war between the brothers lies in the dim historic past. There are few to gather at the graves of their comrades in that struggle and pay homage to their sacrifices and respect to their memory. The battle lines of both the blue and the gray grow thinner as time relentlessly presses on, but it is good for us of a younger generation to see the wearers of the blue and the wearers of the gray joining in this ceremonial. It is not for this occasion to question the purpose of that conflict. Suffice it to say, each, serving an ideal, was right then; and each is right now.

Recently I was privileged to view the room in which Robert E. Lee, then a wearer of the blue as a commissioned officer of high rank, wrestled with the problem which only he could solve, namely, whether he should bear arms for or against his mother State. Casting off the uniform of blue he clothed himself in the historic gray; and despite such action lived to find himself honored and respected by the Nation, which survived that conflict, as one of the first citizens of the land.

At this point, permit me to pay homage to all who participated in that struggle, both the living and the dead. May those who have gone on before realize with what honor and reverence we cherish their memory. May those who yet remain with us, be permitted many, many times to be the honor guests at similar ceremonials; and when the God of Destiny—the Commander in Chief of the universal forces—issuing final orders, bids you enlist in His army in the skies, may you advise your comrades, whom you rejoin, that a world power, made possible by your sacrifices, yet honors and reveres your memory. And, may that army of immortals never fail to hear in the heart beats of true Americans that truth spoken through the lips of Webster:

"Liberty and Union, now and forever, one and inseparable."

For 30 years this day was observed as a memorial for the heroes of the Civil War, and then an added meaning was given to it.

It is with the memory of a mere boy that I recall, in 1898, with what spirit "the boys" of our country responded to the call of the then President, Mr. McKinley. In that moment, the fast fading lines of color between blue and gray were forever erased and obliterated. "The boys" of the North, and "the boys" of the South were thrown together, and became "the boys" of America. They mixed, mingled, and fought the enemy side by side. The friendships, the kindnesses, the camaraderie of the camp, the loyalty for each other in battle, welded, as nothing else could, the various sections of our country into one harmonious whole.

For the first time in our history as a Nation, our Army waged battle off the continent; for the first time in the history of the world, so far as I can learn, did a mighty nation—without ulterior purpose—rescue a people from misery and oppression. Outnumbered 10 to 1, our soldiers quickly reduced to subjection the mighty army of the

Spanish King; in short meter, the Navy met the test, and placed our flag in glory in destroying and capturing the navy of that proud power. In point of time, it was of short duration; in the consequence of results it can not be estimated.

Many of America's best did not return; many of these heroes since have passed to the great beyond. So—for 25 years—a quarter of a century, our Nation has set apart this day as a memorial for those who served it well in those eventful days.

Honor to these veterans, be they living or dead. Ofttimes it occurs to me that the speed with which they performed, the calm manner in which they braved the dangers of disease and battle, the patience with which they have suffered and endured, the modesty which they exhibit in our every-day contact with them, has, in the minds of some, tended to minimize the accomplishments which crowned their military efforts.

While it is unnecessary I bespeak this concourse of friends and true Americans to keep ever fresh in your minds the patriotic impulses which actuated young America in our war with Spain, be it ever mindful that "the boys" to-day are not as youthful and as spry in body as they were when they marched away to uphold Old Glory upon foreign soil. Be ever mindful that the ranks of these defenders of the flag are thinning, and that taps, in their midst, is being heard more often. Forget not that they performed true service, and did the job well.

Remember, my countrymen, that from their sacrifices to the danger of battle and the ravage of disease our country was permitted to emerge from that conflict the victorious champion of the weak and the oppressed, triumphant over a world power; but, greater than all that, permitted to emerge from that struggle a Nation united, America, forevermore.

The sands of time run on; the pages of history are turned. And we find a peace-loving Nation looking aghast at the flood of war turned loose upon Europe by a war-mad King. In the advance of civilization it was thought that such a conflagration could never occur; that the enlightenment, education, and culture of this age would be sufficient safeguard against such a catastrophe. But the world did not reckon with the human nature of and the inordinate greed possessed by that militaristic Empire who for decades had nursed its children at the breast of war.

In 1914 the dogs of war were loosed. For three years the Kaiser respected our rights as a neutral, and we viewed from afar the horrors inflicted upon God-fearing people. The time came, however, in the warped brains directing the destiny of the German Empire to cast discretion to the winds and to draw us into the struggle at a time too late to permit of our powers upon the battle field being exerted against their victorious armies. They planned to have beaten the Allies into submission before our actual entry into battle, and then compelling us to bend the suppliant knee they would achieve their dream of years, and, in fact, be the conquerors of the world with all that such power would bring to them.

Thus America was forced to wage war upon foreign soil, more than 3,000 miles across deadly seas. Again America entered the lists upon the side of humanity in a war that rocked the world to its very foundation.

Immediately upon its entrance into the conflict our Government proceeded in a businesslike manner. The youth of the land, in accordance with law, was selected to form the armies that were to decide the future destiny of the world. How well the work was done, the world acclaims from the mountain tops. The unthought-of ability to marshal, train, equip, transport, present, and maintain soldiers upon the tired battle front in Europe in the short time required will ever remain the marvel of military preparation. American energy, spirit, and ingenuity surpassed the expectation of the Hun.

The effect of America's entry to the worn soldiery of the allied forces was as manna to the starving. Hope, ever present in the bosom of man, sprang up anew. The fire of patriotism, burned low because of physical exhaustion, flared into brighter flame. America, the land of the free and the home of the brave, was coming in their time of need.

As long as civilization lasts history will record the effect, both physical and psychical, that the appearance of the American soldiers played upon the German Army. As long as time endures history will record the achievements of the American boys at Chateau-Thierry, Belleau Woods, St. Mihiel, Meuse, and the Argonne. These are only a few of the bloody spots where American heroism turned defeat into glorious victory. Flesh and blood could not stand against the onslaught of the spirited soldiers of America.

But there was a price to pay. Sixty thousand of America's finest paid the supreme sacrifice in battle. Sixty thousand, equally heroic, gave up life for country in combat with disease. Every nook and corner of our vast country felt the touch of the reaper in its harvest of heroes. Every portion of America to-day grieves the loss of a hero son.

At this time it seems that the war was fought to no purpose, but, having implicit faith in the God of our Nation, I can not believe that the sacrifices of America's sons will have been in vain. Mere man, with all his sophistry, can not withstand the purpose of God. In His own time He will cause America to take her proper place in the councils of nations to the end that other such wars may be prevented.

My countrymen, this is a day of memory. Memory of the days that brought to death tens of thousands of our youths, that we might enjoy the blessings of freedom. Freedom was involved in the World War conflict just as much as it was involved in the War of 1776. The American soldier, whether he sleeps in Flanders Field or lies in honor under his native soil or daily passes you on the streets, provided you with liberty. The ex-service man of this country, offering himself, his all, to the service of his country, is your creditor. You are in his debt. It is such a debt that can never be liquidated. And I state, irrespective of the words of any person, though he may occupy position in high places, that America is not ungrateful to the men who served the flag in this struggle. Gratitude is part of my religion. Reverently do I say, "God forbid that this country for long should forget its obligations, its never-dying debt of gratitude to the boys who served the flag in the recent world conflict." To forget would be to the living a blow against patriotism and love of country; to forget would be unpardonable to those who laid down their lives that "government of the people, by the people, and for the people might not perish from the earth"; to forget would be a sacrilege to the most wonderful emotion emanating from God—mother love. This country must not forget that for each wound inflicted and death resulting to the soldiers in this war there was in each instance another casualty in the home here. These gold-star mothers are living exhibits of the awful reach of the toll of war. They have suffered; they have sacrificed; they must always mourn the absence of their boy. Only God Himself could measure the anguish in their hearts should this country for a moment forget.

Life is a strange process; death is a complete mystery. I only hope that in the silent realm of death they may know with what humble reverence we pay homage and tribute to them.

To-day is Decoration Day. It is fit that we adorn and bedeck the mounds that incased the mortal shape of our loved ones and keep forever green their memory; but likewise we owe the same duty to the living. To-day and every day we should decorate the lives of our soldiers, our parents, our family, our loved ones, in such manner as only love can show the way. We should never fail to express our love, our gratitude, and pay them tribute for the sacrifices they have made for us. We should never fail to do them honor, even as the word of God commands. We should do this to-day; to-morrow it may be a memory; and—

When the moving finger writes,
And having writ, moves on.
Nor all your piety and wit
Can lure it back to cancel half a line,
Nor all your tears wash out a word of it.

## ABANDONMENT OF PORTION OF PRESENT CHANNEL OF SOUTH BRANCH OF CHICAGO RIVER

Mr. DENISON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 3188 and consider it, a similar House bill having been reported.

The SPEAKER. The gentleman from Illinois calls up a Senate bill, a similar House bill being on the calendar. The Clerk will report the Senate bill.

The Clerk read as follows:

An act (S. 3188) for the abandonment of a portion of the present channel of the south branch of the Chicago River

Whereas the city of Chicago has requested a permit of the Secretary of War to straighten the south branch of the Chicago River between West Polk Street and West Nineteenth Street in the city of Chicago as a part of a project which comprises the construction of a new channel and the abandonment of the old channel between said West Polk Street and said West Nineteenth Street, as shown on drawings transmitted by the city of Chicago to the Secretary of War in connection with the aforesaid request for a permit and which are on file in the office of the Secretary of War; and

Whereas it is proposed to fill up and abandon a portion of the present channel of the south branch of the Chicago River between said streets as soon as said new channel shall have been constructed: Therefore

*Be it enacted, etc.*, That as soon as the city of Chicago, or any other governmental agency or any corporation thereunto duly authorized by the Secretary of War, shall have constructed a new channel for the south branch of the Chicago River between West Polk Street and West Nineteenth Street in said city of Chicago, then, and in that event, so much of the present channel of the south branch of the Chicago River as shall be superseded and replaced by said new channel in accordance with the permit of the Secretary of War shall be discontinued and abandoned.

Mr. LONGWORTH. Mr. Speaker, a parliamentary inquiry. Did I understand the Speaker to say that a similar bill was on the House calendar?

The SPEAKER. Yes.

The bill was ordered to be read the third time, was read the third time, and passed.

Mr. DENISON. I ask that a similar House bill lie upon the table.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

CELEBRATION OF THE CENTENNIAL OF THE FIRST MEETING OF THE LEGISLATIVE COUNCIL OF THE TERRITORY OF FLORIDA

Mr. SEARS of Florida. Mr. Speaker, I call from the Speaker's desk S. J. Res. 142, a similar resolution having been introduced by myself and reported out by the committee.

The SPEAKER. The gentleman from Florida calls up a Senate joint resolution, a similar resolution having been reported. The Clerk will report the resolution.

The Clerk read as follows:

Joint resolution (S. J. Res. 142) providing for the United States Government to have representation at the celebration of the centennial of the first meeting of the Legislative Council of the Territory of Florida

Whereas the citizens of Tallahassee, Fla., the State capital, joined by the citizens of the entire State of Florida, are planning an appropriate celebration in November, 1924, of the centennial of the first meeting of the Legislative Council of the Territory of Florida, said celebration to be held at Tallahassee; and

Whereas it is desirable and fitting that the United States Government should be represented on the occasion of the said celebration: Therefore be it

*Resolved, etc.*, That the President be, and he is hereby, authorized and directed to name and appoint a representative of the United States Government to attend and participate in the celebration of the centennial of the first meeting of the Legislative Council of the Territory of Florida, said celebration to be held at Tallahassee, Fla., the State capital, during the month of November, 1924.

The Senate joint resolution was ordered to be read the third time, was read the third time, and passed.

On motion of Mr. SEARS of Florida, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

The SPEAKER. Without objection, a similar House bill will lie on the table.

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker, I call up a House bill with Senate amendments.

The SPEAKER. The gentleman from Colorado calls up the House bill with Senate amendments. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 3104) granting 160 acres of land to the Western State College of Colorado at Gunnison, Colo., for the use of the Rocky Mountain biological station of said college.

The Senate amendments were read.

Mr. TAYLOR of Colorado. I move that the House concur in the Senate amendments.

The motion was agreed to.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 2694. An act to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes;

S. 3420. An act granting the consent of Congress to the construction, maintenance, and operation by the Denver & Rio Grande Western Railroad Co., its successors and assigns, of a line of railroad across the southwesterly portion of the Fort Logan Military Reservation in the State of Colorado; and

S. 3434. An act for the protection of the northern Pacific halibut fishery.

The message also announced that the Senate had passed without amendment joint resolution of the following title:

H. J. Res. 194. Joint resolution to print as a House document the proceedings of the national encampments of the Grand Army of the Republic, the United Spanish War Veterans, and the American Legion, for the use of the House and Senate.

The message also announced that the Senate had passed with amendments the bill (H. R. 6941) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, in which the concurrence of the House of Representatives was requested.

PRINTING REVISED ANNOTATED CONSTITUTION

Mr. KIESS. Mr. Speaker, I move to take from the Speaker's table Senate Concurrent Resolution No. 16 and agree to the same.

The SPEAKER. The gentleman from Pennsylvania calls up Senate Concurrent Resolution No 16, which the Clerk will report.

The Clerk read as follows:

Senate Concurrent Resolution 16

*Resolved by the Senate (the House of Representatives concurring)*, That 5,000 additional copies of the revised annotated Constitution be printed for the use of the Congress, 1,500 copies for the Senate and 3,500 copies for the House of Representatives, and that the Senate Committee on the Judiciary be, and it is hereby, authorized to employ a competent person to assist in bringing the same up to date, his compensation to be paid out of the contingent fund of the Senate: *Provided*, That the Public Printer shall print not more than 10,000 additional copies of said revised annotated Constitution and offer the same for sale at the cost of printing and binding plus 10 per cent to persons who agree not to resell or distribute the same for profit.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

STATUE OF SEQUOYAH

Mr. KIESS. Mr. Speaker, I present a privileged resolution from the Committee on Printing.

The SPEAKER. The gentleman from Pennsylvania presents a privileged resolution from the Committee on Printing, which the Clerk will report.

The Clerk read as follows:

House Concurrent Resolution 28

*Resolved by the House of Representatives (the Senate concurring)*, That there be printed and bound the proceedings in Congress, together with the proceedings at the unveiling in Statuary Hall, upon the acceptance of the statue of Sequoyah, presented by the State of Oklahoma, 5,000 copies, of which 1,000 shall be for the use of the Senate and 2,500 for the use of the House of Representatives, and the remaining 1,500 copies shall be for the use and distribution of the Senators and Representatives in Congress from the State of Oklahoma.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer, who shall provide suitable illustrations to be bound with the proceedings.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

TRAFFIC IN HABIT-FORMING DRUGS

Mr. KIESS. Mr. Speaker, I present another privileged resolution.

The SPEAKER. The gentleman from Pennsylvania presents another privileged resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 333

*Resolved*, That certain reports and data submitted to the Committee on Foreign Affairs of the House of Representatives relating to the traffic in habit-forming narcotic drugs be printed in the English and French languages on parallel pages as a House document; and that 2,300 additional copies be printed for the use of the Committee on Foreign Affairs of the House of Representatives.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

LEAVE TO EXTEND REMARKS

Mr. MADDEN. Mr. Speaker, I ask unanimous consent for one minute in which to make a statement.

The SPEAKER. The gentleman from Illinois asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. MADDEN. It has been usual, Mr. Speaker, for the chairman of the Committee on Appropriations and the ranking minority member of the committee to make statements at the end of each session of Congress, reviewing the financial work of the Congress, and it is my purpose to do that at the close of this session. I ask unanimous consent that the gentleman from Tennessee [Mr. BYRNS] and myself have leave to file such statements as we may make after the close of the session.

Mr. BANKHEAD. Reserving the right to object, Mr. Speaker, does the gentleman yield?

Mr. LONGWORTH. Does not the gentleman think that unanimous consent might be asked now for general leave? For instance, in my own case——

Mr. MADDEN. Yes; we want general consent for 10 days; 10 days for the Members of the House, for the RECORD, and I ask that the gentleman from Tennessee [Mr. BYRNS] and myself may have unlimited time as long as the RECORD is being printed.

Mr. GARRETT of Tennessee. I would like the same privilege.

Mr. HASTINGS. When will be the last issue of the RECORD?

Mr. JOHNSON of Washington. In about 10 days.

Mr. MADDEN. The gentleman from Ohio [Mr. LONGWORTH] and the gentleman from Tennessee [Mr. GARRETT] also want opportunity to present their views on the work of the House under their leadership, and I ask that they be given that same privilege.

The SPEAKER. The gentleman from Illinois asks unanimous consent that all Members of the House may have 10 days after adjournment in which to extend their remarks in the RECORD, and that the gentleman from Illinois and the gentleman from Tennessee [Mr. BYRNS] and the gentleman from Ohio [Mr. LONGWORTH] and the gentleman from Tennessee [Mr. GARRETT] may have unlimited time. Is there objection?

There was no objection.

Mr. BANKHEAD. Mr. Speaker, does that permission include only the gentlemen's own remarks?

The SPEAKER. The gentlemen's own remarks.

Mr. BANKHEAD. And not outside propaganda and statements by other people?

The SPEAKER. Only the gentlemen's own remarks.

Mr. DICKINSON of Missouri. Does that give them the right to extend on any subject?

The SPEAKER. Yes; on any subject.

Mr. DYER. How many extensions can a Member put in?

The SPEAKER. The Chair would say one.

Mr. WARD of North Carolina. Mr. Speaker, I had intended extending remarks on the child labor amendment. Is that included?

The SPEAKER. Yes.

Mr. CHINDBLOM. Mr. Speaker, this is without reference to leave to print already granted?

The SPEAKER. Yes.

Mr. DEAL. Mr. Speaker, I would like to know if that would include appropriate tables in connection with remarks. I do not mean outside remarks, or anything of that kind.

The SPEAKER. The Chair can not judge as to that. Each gentleman will be the judge of his own remarks. Is there objection to the request of the gentleman from Illinois [Mr. MADDEN]?

There was no objection.

Mr. GARRETT of Tennessee. Mr. Speaker, I do not know whether anybody would care to do otherwise; but it has been stated that each Member would probably be limited to one speech. There might be gentlemen who would want to discuss different subjects in different ways. I should not think that that would be a matter that would be abused, and I did not understand that the gentleman from Illinois [Mr. MADDEN] limited his statement in that way.

The SPEAKER. It seems to the Chair that each Member ought to be allowed to insert a speech, and if on different subjects they might go in at once.

Mr. CHINDBLOM. Leave has already been granted for extensions, and if other Members want further extensions they can obtain permission?

The SPEAKER. Yes.

### BUREAU OF PROHIBITION IN THE TREASURY DEPARTMENT

Mr. CRAMTON. Mr. Speaker, I move to suspend the rules and pass the amended bill H. R. 6645, No. 276 on the Union Calendar, to amend the national prohibition act, to provide for a bureau of prohibition in the Treasury Department, and to define its powers and duties, and to place its personnel under the civil service act.

The SPEAKER. The gentleman from Michigan moves to suspend the rules and pass the bill, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 6645) to amend the natitonal prohibition act to provide for a bureau of prohibition in the Treasury Department, and to define its powers and duties, and to place its personnel under the civil service act.

*Be it enacted, etc.*, That subdivision (3) of section 1 of Title II of the national prohibition act, approved October 28, 1919, is hereby amended to read as follows:

"(3) The word 'commissioner' shall mean Commissioner of Prohibition. There is hereby established in the Department of the Treasury a bureau to be designated the bureau of prohibition. In charge of this bureau, under the supervision of the Secretary of the Treasury, shall be a commissioner of prohibition, who shall be appointed by the President and who shall receive a salary of not more than $10,000 per annum. In said bureau there shall be a solicitor of prohibition, who shall be appointed by the President, and who shall be the chief legal advisory officer of the bureau, and who shall receive a salary of not more than $7,500 per annum. To better effectuate the provisions of section 13, Title III, of this act, there shall also be in said bureau a division of industrial alcohol and chemistry, the chief of which shall be a graduate chemist and a person of knowledge and experience in the manufacture, distribution, and industrial uses of ethyl and denatured alcohol, who shall be appointed by the commissioner, with the approval of the Secretary of the Treasury, and receive a salary of not more than $7,500 per annum. Such division of industrial alcohol and chemistry shall administer the manufacture, distribution, sale, and use of ethyl and denatured alcohol for all nonbeverage purposes in such manner as to insure an ample supply and promote the use thereof in scientific research and the development of lawful industry."

SEC. 2. Section 2 of the said national prohibition act is hereby amended to read as follows:

"SEC. 2. The Commissioner of Prohibition, his assistants, agents, and inspectors, shall investigate and report violations of this act to the United States attorney for the district in which committed, who is hereby charged with the duty of prosecuting such offenders, subject to the direction of the Attorney General, as in the case of other offenses against the laws of the United States; and such Commissioner of Prohibition, his assistants, agents, and inspectors, may swear out warrants before United States commissioners or other officers or courts authorized to issue the same for the apprehension of such offenders, and may, subject to the control of the said United States attorney, conduct the prosecution at the committing trial for the purpose of having the offenders held for the action of a grand jury. Section 1014 of the Revised Statutes of the United States is hereby made applicable in the enforcement of this act. Officers mentioned in said section 1014 are authorized to issue search warrants under the limitations provided in Title XI of the act approved June 15, 1917."

SEC. 3. Section 38 of the said national prohibition act is hereby amended to read as follows:

"SEC. 38. The Commissioner of Prohibition and the Attorney General of the United States are hereby respectively authorized to appoint and employ such assistants, experts, clerks, and other employees in the District of Columbia or elsewhere, and to purchase such supplies and equipment as they may deem necessary for the enforcement of the provisions of this act, but such assistants, experts, clerks, and other employees in the Bureau of Prohibition shall be appointed under the rules and regulations prescribed by the civil service act: *Provided*, That after six months from the passage of this act the incumbents of positions hereby made subject to the competitive requirements of the civil service act may only be retained in their respective positions as the result of their names being reached for certification under the competitive requirements of the civil-service rules unless they have been already appointed in the manner prescribed by the civil-service rules."

SEC. 4. Title II of the national prohibition act is further amended by adding thereto new sections to stand as sections 40, 41, and 42, and to read as follows:

"SEC. 40. This bureau shall have charge of the enforcement of the national prohibition act approved October 28, 1919, the act supplemental to the national prohibition act, approved November 23, 1921, sections 238, 239, and 240 of the Criminal Code, the Reed amendment of March 3, 1917, chapter 162, section 5 (39 Stat. L., p. 1069); the act of January 17, 1914 (38 Stat. L., p. 277); the act of December 17, 1914 (38 Stat. L., p. 785), as amended by the revenue act of 1918, approved February 24, 1919, sections 1006, 1007, and 1008 of the act of February 24, 1919 (40 Stat. L., p. 1057), and any other statutes of the United States similarly relating to the internal traffic in narcotics; chapters 2, 3, 4, 5, and 11 of Title XXXV of the Revised Statutes and amendments thereto; and any other statutes or parts of statutes to the extent to which they similarly prohibit, tax, control, or regulate liquor and narcotics.

"The Commissioner of Prohibition shall exercise the same control over the establishment and conduct of industrial alcohol plants and bonded warehouses, distilleries, wineries, breweries, dealcoholizing plants, denaturing plants, cereal beverage factories, distillery warehouses, general bonded warehouses, special bonded warehouses, bonded wine storerooms, and any other place where intoxicating liquor or cereal beverages are manufactured, produced, or kept, and the appointment and control of gaugers, storekeepers, storekeeper-gaugers, and other officers charged with duties connected with such establishments as is conferred by law upon the Commissioner of Internal Revenue.

"The Bureau of Prohibition shall be charged with the duty of determining all administrative penalties, proposed assessments, compromises, and adjustments relating to intoxicating liquors and narcotics, and all statutes of the United States which shall hereafter be enacted relating thereto. All moneys arising from such penalties, assessment, compromises, and adjustments, and all taxes relating to the

liquor traffic or narcotics which are definitely fixed and regularly imposed, whether occupational taxes or taxes on narcotics, distilled spirits, wines, fermented liquors, malt liquors, cereal beverages, and other articles covered by the narcotic and prohibition laws, or assessments determined by the Commissioner of Prohibition and certified to the collectors of internal revenue by the Commissioner of Internal Revenue, shall be collected by such collectors of internal revenue, and the returns of such taxable articles or occupations shall be made to the collectors of internal revenue of the districts wherein they arise.

"SEC. 41. For the purpose of administration of such statutes the Commissioner of Prohibition shall have all the administrative authority, including the authority to submit proposed assessments through the Commissioner of Internal Revenue, to recommend abatements, refunds, and compromises, and to sue for penalties now conferred by existing law, including Chapter I of Title XXXV of the Revised Statutes, upon the Commissioner of Internal Revenue, for the purpose of administering such statutes, said authority to be exercised by the Commissioner of Prohibition with the approval of the Secretary of the Treasury. The Commissioner of Prohibition may issue such regulations as may be deemed necessary for the enforcement of the laws relating to intoxicating liquor, narcotics, and cereal beverages, subject to the approval of the Secretary of the Treasury. The officers appointed by the Commissioner of Prohibition shall exercise such functions as may now be exercised by collectors of internal revenue, internal-revenue agents, or field officers acting under the direction of the Commissioner of Internal Revenue for the administration of the statutes relating to the enforcement of the national prohibition act and all legislation passed for that purpose: *Provided, however,* That nothing herein shall be regarded as affecting the right of review in a court of equity, as provided in the national prohibition act, or as limiting the jurisdiction of the Attorney General of the United States or his subordinates under existing law: *Provided,* That the acceptance of all offers in compromise shall be subject to the approval of the Secretary of the Treasury.

"All collections resulting from offers in compromise, penalties, and assessments determined under the direction of the Commissioner of Prohibition shall be deposited to the credit of the Treasury of the United States through the Commissioner of Internal Revenue and accounted for under such rules as may be prescribed by the Secretary of the Treasury.

"SEC. 42. That there may be transferred to the control of the Commissioner of Prohibition, such employees, equipment, and quarters now under the control of the Treasury Department as may within 30 days after the passage of this act be designated by the Secretary of the Treasury.

"The appropriation for the enforcement of the narcotic and national prohibition acts, as provided in the act making appropriations for the Treasury Department for the fiscal years ending June 30, 1924 and 1925, and any unexpended balance from previous appropriations remaining available for such purposes are hereby made available for expenditures under the direction of the Commissioner of Prohibition.

"There shall be transferred from the appropriation for salaries and expenses of collectors of internal revenue, as provided in said Treasury Department appropriation act of 1924, such amount as in the judgment of the Secretary of the Treasury is deemed necessary for the payment of salaries and traveling expenses of storekeeper-gaugers and gaugers, and for the employment of clerks to fill positions similar to the places now held by employees in collectors' offices who are engaged upon distilled spirits and narcotic work, and from the appropriation for salaries, office of Commissioner of Internal Revenue, as provided in said Treasury Department appropriation act, 1924, such amount as in the judgment of the Secretary of the Treasury is deemed necessary for the employment of clerks paid from that appropriation who are now assigned to duties relating to the enforcement of laws with reference to intoxicating liquors, narcotics, and cereal beverages."

Mr. O'SULLIVAN. Mr. Speaker, I demand a second.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. The gentleman from Michigan asks unanimous consent that a second be considered as ordered. Is there objection? [After a pause.] The Chair hears none. The gentleman from Michigan [Mr. CRAMTON] is recognized for 20 minutes and the gentleman from Connecticut [Mr. O'SULLIVAN] will be recognized for 20 minutes.

COMMITTEE ASSIGNMENT

Mr. GARNER of Texas. I ask the gentleman from Michigan to accommodate me by permitting me to introduce a resolution for a committee assignment.

Mr. CRAMTON. I shall be glad to do so if I do not lose any of my rights.

The SPEAKER. The gentleman from Texas may ask unanimous consent.

Mr. GARNER of Texas. Mr. Speaker, I ask unanimous consent to present a resolution and have the same considered.

The SPEAKER. The gentleman from Texas asks unanimous consent to present a resolution and have the same considered. Is there objection? [After a pause.] The Chair hears none.

The Clerk read the resolution, as follows:

*Resolved*, That CHARLES BROWNE of New Jersey be, and he is hereby, elected a member of the standing Committee of the House on Naval Affairs.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

BUREAU OF PROHIBITION IN THE TREASURY DEPARTMENT

Mr. CRAMTON. Mr. Speaker, I yield myself seven minutes.

The SPEAKER. The gentleman from Michigan is recognized for seven minutes.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, how is the time on this bill divided?

The SPEAKER. The Chair stated that the gentleman from Michigan [Mr. CRAMTON] would be recognized for 20 minutes and the gentleman from Connecticut [Mr. O'SULLIVAN], who made the demand for a second, would also be recognized for 20 minutes.

Mr. CRAMTON. Mr. Speaker, I will ask that I be permitted to proceed for about five minutes without interruption, so that I may give the Members, in as condensed form as possible, a general outline of the situation, and then questions which I may not have covered I will be glad to answer if I can.

The purposes of this bill are threefold. First, to relieve the Bureau of Internal Revenue from the task of enforcing national prohibition; second, placing the entire jurisdiction of prohibition enforcement as a Federal proposition in a new bureau, to be created in the Department of the Treasury, known as the Bureau of Prohibition; and third, to place the personnel of that new bureau under the civil service.

The first thing accomplished, then, is the relief of the Bureau of Internal Revenue from a task that is interfering with the proper performance of its normal functions in connection with the tax laws. Second, to secure through this new bureau more effective enforcement of prohibition. The bill proposes that the new bureau shall have entire jurisdiction over the enforcement of the Federal laws with reference to liquor, both permitted uses and prohibited uses, except the collection of certain taxes, which is left in the Bureau of Internal Revenue. The bureau so created will be coordinated with other bureaus in the department; it will be subject to exactly the same regulation and supervision by the Secretary of the Treasury that the Commissioner of Internal Revenue is now subject to in these matters, and it will be subject to exactly the same appeals to the courts that are now provided as to the Bureau of Internal Revenue.

There have been various propositions suggested looking to improved enforcement. There have been some suggestions of taking it to the Department of Justice, and there have been some suggestions to make it an independent bureau directly under the President. But leaving aside other matters which might be urged as against those, I agree entirely with the Secretary of the Treasury in this: That especially since we have given the Coast Guard so large a part in protecting our coasts against smuggling and since the Customs Service in the Treasury Department is also protecting against smuggling, that the place for this bureau is in the Treasury Department, where close coordination can be secured between it, the Coast Guard, the Customs Service, and the Internal Revenue Bureau.

I came here last fall before the session opened and I made a special study of it, and I came to the conclusion that this was the best thing to do. Then I went to Secretary Mellon, as the head of the department which has the work in charge, and in my first interview with him he indorsed the principle of it. He said that personally he would be glad to be relieved of the burden that is now on his department, but that from his experience he was bound to say he felt that in that department was the best place for it and that it should be in a separate bureau. He has maintained that position. I did not introduce the bill until I got the indorsement of the department of its terms, and there is in the report a statement by the Secretary, under date of February 20, outlining the purposes of the bill and saying, "I hope the bill may speedily become a law."

It has been before the Committee on the Judiciary, 250 pages of hearings have been held, and it comes out with the unanimous report of that committee. However, I should be frank and say this: That the report of the committee carried an amendment that I have not been able in full to accept, although

I have gone just as far as I could in my desire to get together with what is known as the industrial alcohol interests.

The amendment on page 2, which you will see in your bills, was intended to relieve the fears of some industrial users of alcohol, but I have been afraid it went so far that it would, in fact, defeat the purpose of the bill. The purpose of the bill is to have one bureau and a close coordination, and I have been afraid the amendment went so far as to take this divison of industrial alcohol in effect, possibly, out of the bureau.

To guard against that I have simply suggested this amendment to the committee amendment, that the chief of that division of industrial alcohol, instead of being appointed by the Secretary of the Treasury, should be appointed by the Commissioner of Prohibition, with the approval of the Secretary of the Treasury. That gives the Secretary full control of the situation, but makes it clear that that division is not independent of the bureau. But I am frank to say that that provision was not in the bill as reported from the committee, and I do not want the committee to be held responsible for that particular amendment to this amendment.

The SPEAKER pro tempore (Mr. SANDERS of Indiana). The gentleman has used seven minutes.

Mr. CRAMTON. I will have to yield myself two more minutes. The committee amendment, with the change I have made as to appointment of the chief of this division, reads:

> To better effectuate the provisions of section 13, Title III, of this act, there shall also be in said bureau a division of industrial alcohol and chemistry, the chief of which shall be a graduate chemist and a person of knowledge and experience in the manufacture, distribution, and industrial uses of ethyl and denatured alcohol, who shall be appointed by the Commissioner of Prohibition with the approval of the Secretary of the Treasury and receive a salary of not more than $7,500 per annum. Such division of industrial alcohol and chemistry shall administer the manufacture, distribution, sale, and use of ethyl and denatured alcohol for all nonbeverage purposes in such manner as to insure an ample supply and promote the use thereof in scientific research and the development of lawful industry.

Mr. VARE. Will the gentleman yield?

Mr. CRAMTON. In just a moment.

As to the civil-service features, the bill as reported has the indorsement of the National Civil Service Reform League and the Civil Service Commission. In connection with that, some of you may not agree entirely with civil service as a policy, but I want to submit to you that whatever you may think of it as a general policy it is of the utmost importance in this work that the employment of men as directors and employees in this service should not be on the political indorsement of Senators and Congressmen, who may not be entirely in harmony with the purposes of the law. [Applause.] I consider it a very important feature of the bill.

Mr. BEEDY. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BEEDY. Is there anything in this bill that gives the Commisioner of Prohibition any more discretion than is now reposed in the Commissioner of Internal Revenue?

Mr. CRAMTON. Certainly no more; and I have been so careful at every step in the bill to provide for supervision by the Secretary to meet possible objections that maybe he is subject to more supervision than the Commissioner of Internal Revenue.

Mr. VARE. Will the gentleman yield?

Mr. CRAMTON. For a brief question.

Mr. VARE. May I ask whether there are any salary raises in the bill?

Mr. CRAMTON. The bill provides that the commissioner shall receive not more than $10,000 a year. My impression is he does not get quite that now, but that is the salary of the Commissioner of Internal Revenue, and we are proposing to make it uniform.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. CRAMTON. I reserve the balance of my time, Mr. Speaker.

Mr. BOYLAN. Will the gentleman yield for a question?

Mr. CRAMTON. I yield myself one minute more in order to yield to the gentleman.

Mr. BOYLAN. I just wanted the gentleman to kindly advise us whether or not the bill has the approval of the Republican National Committee.

Mr. CRAMTON. I do not want to talk of partisan matters, but I know the Republican National Committee and the Republican organization are fully behind law enforcement.

Mr. HASTINGS. Does this bill change existing law in any way?

Mr. CRAMTON. Only as to administration.

Mr. HASTINGS. Only as to administration?

Mr. CRAMTON. That is all.

Mr. HASTINGS. So it continues in force all laws of every kind and character?

Mr. CRAMTON. Yes.

Mr. O'CONNELL of New York. Except at an increased price.

Mr. SABATH. And places the bureau under civil service.

Mr. O'SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this does not come before the House as a unanimous report from the Committee on the Judiciary, in spite of the assertion to the contrary. I have been opposed to its theory, not in a spirit of antagonism to the enforcement of the prohibition laws—for I have consistently voted for all appropriations and other legislation asked by our dry friends to enforce the laws—but my opposition arises because of the danger to American legitimate industry and because of other kindred reasons I shall endeavor to unfold later on.

At present there is in the Bureau of Internal Revenue a division known as the Prohibition Unit, the function of which is to enforce the provisions of the prohibitory laws. It is under the control of a commissioner of prohibition, responsible to his direct superior, the Commissioner of Internal Revenue. Any appeal taken from a decision, rule, or regulation of the present commissioner of prohibition is to the Commissioner of Internal Revenue. There is in existence no civil-service status affecting the employees of this unit.

This bill has for its objects two main purposes: The first, to place employees under civil service, and the second, to divorce the unit from the authority and guidance of the Commissioner of Internal Revenue through the creation and establishment of a new bureau, whose standing would be on a parity with the existing three bureaus in the Treasury Department, to wit: The Bureau of Internal Revenue, the Coast Guard, and the customs service. The head of this department would have equal standing with, for example, the Commissioner of Internal Revenue. His direct superior will be the Secretary of the Treasury, so that to the latter will go any appeal from a ruling of the commissioner of prohibition.

As far as the civil-service provision is concerned, there is no need to create a new bureau to effect such a result. For that object could readily be attained by a separate bill covering that specific object. To be sure, Mr. Britt, who is counselor for the present prohibition unit, says that in his opinion the most valuable feature of the measure is the provision to place the bureau under a civil-service status. But it must, of course, be manifest that the creation of a new bureau is unnecessary to accomplish this important feature.

No; it is the second object of the bill that merits the attention of this House. As far as power is concerned, which is necessary to enforce the Volstead Act, there is not an iota of authority granted under this bill which has not been vested in the prohibition commissioner under the existing law. It is patent that the sole objective sought to be attained lies in the elimination of the Commissioner of Internal Revenue, and thereby to deny a right of appeal to that individual from the decisions of the prohibition commissioner, many of which in the past, because of their arbitrary and unwarranted nature, have promptly been overruled by the Commissioner of Internal Revenue.

But probably the best method of analyzing the provisions of this bill can be followed by listening to the objections raised against it before the committee by those whose dealings in business will bring them in contact with this new bureau.

In the first place, and this seems to me a rather trivial objection, it increases salaries. I have no objection whatever for men employed by the Government to receive salaries commensurate with the duties imposed upon them. Therefore the objection, although it has been raised, is not serious. However, a forceful objection lies in the fact that this is to create a new bureau. I have enough old-fashioned notions, although I do not boast a great many years of experience, to believe the time passed years ago for the creation of more bureaus for this Government. [Applause.] So weighted down is this Government with bureaus and commissions running into the hundreds in numbers that it is just as proper to label this a bureaucratic as a republican form of government. I am extremely reluctant to cast my lot with those who seek the cure-all of modern ills in the establishment of a new bureau.

Yet, mark you, under this bill the birth of a new bureau is expected to make further inroads on the form of government handed down to us from the fathers.

Mr. WATKINS. Will the gentleman yield?

Mr. O'SULLIVAN. Yes.

Mr. WATKINS. What does the testimony disclose, and what is the opinion of the committee as to whether or not this new feature will increase enforcement or lessen it?

Mr. O'SULLIVAN. The impression seems to be it would increase the enforcement. And there is no good reason why this should not be the case. For by the same token, if we declare martial law and order out the Army to assist in the enforcement of the eighteenth amendment, such action will necessarily speak for better enforcement. But who would suggest such a remedy? Or we might prohibit the people of California from growing grapes and the people of Oregon from raising apples on the theory that better enforcement would result from the lack of grapes to make wine and of apples to make cider. There are many ways in which enforcement may be made more nearly perfect, but the employment of such means would mean the overthrow of all those rights which most of us have always believed were safeguarded by the Constitution.

Of course, the centralization of power in the hands of this new commissioner of prohibition, a veritable czar at the head of this new bureau with unlimited authority and most limited circumscription, will accomplish better enforcement. But what a penalty we must pay to bring this about!

We seem at times to have overlooked what the Volstead Act promised with reference to the use of alcohol in certain industries. The Volstead Act not only permits the use of alcohol for industrial, scientific, mechanical, and medicinal purposes, but it actually encourages its use in such industrial pursuits. Therefore, unless the spirit of that act is to be grossly overlooked, the Congress, in the furtherance of the generally understood policy with reference to the lawful industries, should place no obstacles in the way of those great numbers of legitimate users of such alcohol.

Mr. DYER. Will the gentleman yield?

Mr. O'SULLIVAN. Yes.

Mr. DYER. This bill, offered by the gentleman from Michigan, in connection with this motion, proposes to place within the enforcement of prohibition the users and manufacturers of industrial alcohol, as well as those engaged in illegitimate manufacture and sale. That is the result of this motion, to put them in all together?

Mr. O'SULLIVAN. Yes.

Mr. DYER. Men trying to build up a great industry are put in with bootleggers and crooks under prohibition?

Mr. O'SULLIVAN. The gentleman is right.

Mr. BEEDY. Will the gentleman yield?

Mr. O'SULLIVAN. I will.

Mr. BEEDY. Is it a fact that the commissioner under this bill will be given added power over and above that which he now possesses; and if so, how is it accomplished?

Mr. O'SULLIVAN. He has no added power, but there is a limitation under the present scheme that will be lost if this bill becomes a law. That is the right of appeal, the right of the manufacturer or user of industrial alcohol to go to some person who is not so fanatical with reference to the enforcement of laws that he can not see that a man using industrial alcohol is not a bootlegger.

Mr. DYER. Will the gentleman yield?

Mr. O'SULLIVAN. I have such a limited time that it is with regret that I can not.

Now, to revert temporarily. I have stated that the Volstead Act contemplates the encouragement of industrial alcohol. It would astonish you to learn of the vast industries scattered throughout the country that make use of such a product. The great chemical companies, with millions of dollars invested in their plants; the dye industry, if we still have one, no thanks to the present drastic regulations; the manufacturers of artificial silk, one of which uses over three and one-half million gallons of alcohol a year; the manufacturer of toilet articles, of glass, of tooth pastes, and of hundreds of other articles, literally flooded the Committee on the Judiciary with letters of condemnation against this bill. Why? They summarized their reasons as follows:

First. The passage of the bill would deprive legitimate users and dealers of the right of appeal to the Commissioner of Internal Revenue from unnecessary rulings and regulations promulgated by the Commissioner of Prohibition. They base their predictions of the future on the actions of that individual in the past, when, in his desire to enforce the law, he surrounded the legitimate users with regulations so unwarranted and unreasonable as to call for an immediate reversal on the part of his superior.

Second. It would give a free hand to officials whose chief concern is the pursuit of the law violator, and who, as demonstrated by experience, would give little consideration or attention to the needs of the manufacturers employing alcohol as a raw product.

Third. It would take the administration of the law away from the Commissioner of Internal Revenue, who has acquired vast knowledge and experience in the industrial and commercial use of alcohol, and place the matter in inexperienced hands.

Fourth. In the past drastic, unnecessary, and arduous rulings of the prohibition commissioner have been modified or eliminated in a number of instances only through appeal to the Commissioner of Internal Revenue. This remedy would be lost and no appeal would lie except to the Secretary of the Treasury, an individual so far removed from the operation of the machinery of enforcement as to serve only as a rubber stamp for the contemplated new official.

Fifth. The administration of the Bureau of Internal Revenue has been most competent, affords ample protection to the Government, and through the technical knowledge and experience gained in years of handling such matters that department is able to administer the law justly to all trades.

Sixth. It would place the administration of the law solely within the hands of one man, and no man should sit in judgment on matters which concern the legitimate business life of innumerable industries.

Seventh. Business men now know where they stand with reference to the regulations necessarily following in their lines of industry. This new bureau would serve only as an obstacle and meddler in legitimate industry.

Eighth. Denatured alcohol is poisonous, can not be used as a beverage, and should not be treated as such.

Such is a summary of some of the objections to this bill strongly advocated by those men, who represent billions of capital. Perhaps you are aware of a convention held this spring at Washington on behalf of the American Chemical Society. Let me quote from their reports:

The chemists are not opposed to the creation of a commissioner of prohibition if his duties are confined to the enforcement of prohibition. The prohibition act itself recognized the right to use alcohol in legitimate industries when it states that in addition to being an act to prohibit intoxicating beverages, it says it shall insure an ample supply of alcohol and promote its use in scientific research and in the development of fuel, dye, and other lawful industries. Virtually every industry dependent on the use of alcohol has been compelled time and again to appeal to the Commissioner of Internal Revenue for relief from unwarranted conditions imposed upon them by the prohibition commissioner.

Take the case of the Standard Oil Co. of New Jersey, when it applied for 5 gallons of pure alcohol for the use of its works at Eagle Works, N. J. It took over six weeks to get it. But it has not only been because of delays in procuring tax-paid pure alcohol that the prohibition commissioner has harassed legitimate industry, but in exacting vexatious and unreasonable bonds, requiring complicated records to be kept, subjecting plants to uncalled-for inspections by ignorant and prejudiced policemen, and generally treating law-abiding manufacturers as potential bootleggers.

Prohibition, with all the wealth of good its advocates proclaim it possesses, must not be the monkey wrench to ruin the gears of industry. You will not find anyone more anxious to assist in the enforcement of law than the splendid body of men who are engaged in their lawful enterprises. But if you persist in weaving about their necks ropes of regulations and rules which can result in no other effect than the strangulation of their businesses, you will regret the day when you started those men into an organized effort to abolish all prohibition in order to save for themselves the property which our laws ought to respect.

Mr. YATES. Will the gentleman yield?

Mr. O'SULLIVAN. I will.

Mr. YATES. I am not sure that I understood the gentleman. I understood the gentleman to say he thought that under the new arrangement there would be better enforcement.

Mr. O'SULLIVAN. I did.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. O'SULLIVAN. I will.

Mr. O'CONNOR of New York. I heard the gentleman from Michigan state several times that this bill came from the Committee on the Judiciary as a unanimous report.

Mr. O'SULLIVAN. I stated at the outset that this was not a unanimous report. I yield to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. HASTINGS. Before the gentleman yields I would like to ask him a question. As I understand it, this changes the bureau that enforces the prohibition act, but it does not amend the provisions of that act in any particular.

Mr. O'SULLIVAN. No; we will have the same old Volstead law on the books.

Mr. SABATH. It increases the salaries and puts them under the civil service?

Mr. O'SULLIVAN. Yes.

Mr. HASTINGS. The Supreme Court upheld an amendment to the act amended in 1918, as applied to Oklahoma and the Indian country. This would not amend that or change it at all?

Mr. O'SULLIVAN. Oh, not in any way. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM of Pennsylvania. Mr. Chairman and Members of the House, I stand before you occupying what is to me an embarrassing position. I took up this bill for the purpose of aiding in having it carried out. I wanted in every way to bring about a union so that our Judiciary Committee might support the bill as a unit. That was when this bill lacked the penciled amendments, which the gentleman from Michigan proposes to introduce and which touch the vital question considered by us and which is not in accordance with the understanding that was reached in the Committee on the Judiciary enabling them to make a report without filing minority views. You gentlemen may not know, and in this method of passing a bill you have no chance to know, of the terrific contests before our committee waged by the enormous interests on this question. There were millions and millions of dollars representing interests, no bootleggers, no men defiant of the Volstead Act, no men seeking to escape the full enforcement of the law, but striving to relieve themselves of being compelled to go to the department headed by prosecutors and not by those who want to preserve the business of the country.

For that reason, by and with the consent of the Secretary of the Treasury, who was consulted at every step in the preparation of this bill, it was agreed that a department in this new bureau should be created, headed by a chemist acquainted with the business side of affairs, and in order to remove fear from the minds of the business world and create confidence it was provided that the head of that division should be appointed by the Secretary of the Treasury himself, so that the atmosphere of prosecution should be removed from the administration of honest and fair and square business. [Applause.]

That was done, and that enabled this committee to do what otherwise would not have been done, and that is to report this bill out, giving to the gentleman from Michigan [Mr. CRAMTON] full credit for his skill and ability in preparing this division in the Treasury, which, I think, is along the line of right and good legislation itself, in order to concentrate these powers in this department and at the same time preserve for this vast business world the sense of protection, in that they were not to be treated as criminals, having their business attacked and handled as if they were bootleggers and thieves. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. GRAHAM of Pennsylvania. Under these circumstances I must say that as the bill comes before us with the gentleman's amendment in it we can only either vote it up or vote it down, and I propose, with due regard to my sense of honor, to vote it down. [Applause.]

Mr. CRAMTON. Mr. Speaker, I yield one minute to the gentleman from Oklahoma [Mr. CARTER].

Mr. CARTER. Mr. Speaker, I want to use this short time to call the attention of the House to some petitions and letters that have come to my desk from the State of Oklahoma against legislation authorizing the sale of light wines and beer. This has resulted from the introduction of 60 bills by 60 Members of the House, thinking, I presume, to create some sentiment for breaking down the eighteenth amendment and the prohibition laws. The full strength of this movement for light wines and beer is perhaps fully represented by these 60 Members who have introduced the bills, and I doubt if there is another of the 435 Members of this House who would support such a proposition. The only effect the introduction of these bills has had in my section of the country is to hearten and strengthen the true friends of prohibition, and they are letting it be known in no uncertain terms. One of the petitions alone from my home town, Ardmore, Okla., contains the names of 983 good, law-abiding citizens, all favoring the enforcement of the Constitution and laws of our country and opposed to any such subterfuge as light wines and beer. I ask unanimous consent to extend my remarks in the RECORD by offering some of these letters and petitions without all the names.

The SPEAKER pro tempore. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. LONGWORTH. Is this a bulky document?

Mr. CARTER. No, no; these are just little short letters and a petition. I would not expect to put all the names in.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The letters are as follows:

ARDMORE, OKLA., *March 21, 1924.*

Since 60 Members of the House of Representatives have introduced 60 identical bills to so amend the Federal prohibition act as to legalize 2.75 per cent beer we know that the liquor interests have marshaled all their forces to break down the greatest of moral legislation the world has ever seen. We are aware that they will use all their strategies to deceive and discourage you, even though we know that you are for the eighteenth amendment and its enforcement, so we as citizens who believe in law enforcement and in government by a majority, wish to reaffirm to you our belief that the eighteenth amendment is the expressed will of a very large majority of the American people, and that you, our representative in Congress, will use all influence you have to prevent this or any similar legislation.

Rev. THOS. CAREY, *Pastor.*
ASHBURN WILLIAMS, *Clerk of Session.*
H. T. HUNT.

(And 980 additional names.)

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HUGO, OKLA., *March 26, 1924.*

Hon. CHAS. D. CARTER,

ESTEEMED CONGRESSMAN: As our faithful Representative in Washington we are looking to you to look well to the prayers and wishes of the women of Oklahoma, and ask you to use every effort possible to stop the manufacture of wine and beer. With faith in you still, we know you will for our dear beloved State of Oklahoma, who wants to stay dry.

Mrs. C. J. MILES,
*Secretary Woman's Christian*
*Temperance Union of Hugo, Okla.*
*403 Laurel Avenue, Hugo, Okla.*

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BRISTOW, OKLA., *April 7, 1924.*

Hon. CHARLES D. CARTER,
*Washington, D. C.*

DEAR SIR: It has been brought to our attention that a great number of bills are being introduced to weaken the Volstead Act, and we are writing you to let you know how our community stands on the matter. Our organization, composed of 140 of our best citizens, is heartily in favor of the strengthening rather than the weakening of this act.

Respectfully,

BRISTOW WOMAN'S CHRISTIAN TEMPERANCE UNION,
MRS. DAISY LOVE, *President.*
INEZ M. RILEY, *Secretary.*

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OKLAHOMA WOMAN'S CHRISTIAN TEMPERANCE UNION,
OFFICE OF PRESIDENT,
*Bartlesville, Okla., March 25, 1924.*

Hon. CHARLES D. CARTER, M. C.,
*Washington, D. C.*

DEAR SIR: The Oklahoma Woman's Christian Temperance Union in executive meeting assembled in Bartlesville, Okla., this 25th day of March, 1924, beg to submit the following resolution:

"*Resolved*, That we earnestly protest against any modification of the Volstead Act to legalize the sale of wine and beer, and that we urge the Senators and Representatives of our Commonwealth to use their best influence and vote toward the strengthening of the Volstead Act and the eighteenth amendment to the Constitution of the United States."

This resolution is the expression of a membership of 7,000 patriotic, loyal men and women of Oklahoma.

Thanking you for the prohibition victories which you have given us in the past and depending upon you for future victories, we are,

Yours sincerely,

ELIZABETH HOUSE,
*Corresponding Secretary.*
JOSEPHINE M. BUHL,
*President.*

Mr. CRAMTON. Mr. Speaker, I yield three minutes to the gentleman from Virginia [Mr. MOORE].

Mr. MOORE of Virginia. Mr. Speaker, this bill raises no question in respect to the policy of prohibition. It assumes the policy that, whether we are for or against, it is fixed by the Constitution. It assumes further that we must do one of two things, either ignore that policy or endeavor to enforce it as vigorously as possible. It is admitted that methods of enforcement are now inadequate. I happen to belong to the Joint Committee on Reorganization, which has just filed its report. Witnesses appeared before that committee from

the Department of Justice who said in substance that the prohibition unit as now constituted is inefficient. Others appeared who said that the unit is at present saturated with party politics. The purpose of this bill, as I understand, is to disassociate the enforcement of the law from party politics, to an extent at least, and to substitute more efficiency for the present woeful lack of efficiency.

When the statement is made by my friend from Connecticut [Mr. O'SULLIVAN], who is opposed to the measure, that in spite of objectionable details in the bill—and there may be such details which the rule prevents the House from correcting—it will accomplish those results in his opinion, the bill as a whole seems desirable.

In order to accomplish more than this measure will accomplish, I would take another step as suggested in the supplemental report filed by Senator HARRISON of Mississippi and myself, who are the minority members of the Reorganization Committee. In that report we said:

> Those who are anxious for an orderly and vigorous administration of existing law, whether they approve or disapprove the policy of prohibition, may well consider whether it would not be desirable to make the prohibition unit an independent establishment under the immediate control of the President.

That the conditions which now prevail can not continue without real peril to society and to the Government itself will hardly be questioned. That they might be improved and to a greater extent than will result from the enactment of this bill, by placing the administration of the law under the direction of the President, with the full responsibility which would be implied, can likewise hardly be questioned.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. CRAMTON. Mr. Speaker, I yield one minute to the gentleman from Georgia [Mr. UPSHAW].

Mr. UPSHAW. Mr. Speaker, when the eighteenth amendment was passed, the friends of prohibition knew that it would take something like a generation of aggressive activity to battle against the appetite that was begotten by the old saloon régime. There has been great improvement since the law was passed, and where the failures have occurred they have occurred largely as a result of trying to enforce a dry law by wet appointments of wet politicians. I would stand by this bill especially because it proposes to put prohibition enforcement officers under civil service and to take Members of Congress out of the necessity or the privilege of influencing appointments.

Mr. PERLMAN. Mr. Speaker, will the gentleman yield?

Mr. UPSHAW. Excuse me. No time.

Mr. PERLMAN. What about taking the Anti-Saloon League out of it, too?

Mr. UPSHAW. The gentleman says let the Anti-Saloon League be taken out of the business too. I say amen to that, if at the same time you take these defiant wet associations out of the privilege of putting their finger into the pie [applause], or perhaps I should say into the bottle [laughter]. This "wet" criticism of the Anti-Saloon League is the cheap resort of the enemies of prohibition who can not defend liquor with all of its blighting debauchery and its sickening stench of personal and political corruption, and therefore they lose no opportunity to traduce and malign the Anti-Saloon League and its leaders—for what? Simply because that patriotic organization with its high, unselfish ideals came into being 30 years ago for the express purpose of combining Republicans and Democrats, Protestants and Catholics, Jews and Gentiles into one solid phalanx against the legalized liquor traffic; and because this sacred compact was rewarded with glorious success, and because the Anti-Saloon League proposes to continue in business in order to keep the devilish saloon from coming back into business, "wet" political leaders and a largely hostile press continue to single out the Anti-Saloon League as the object of their anathemas—a company of legislative lobbyists, they say, that has no place in the American Republic. And yet, gentlemen of the House, you remember that I recently held before your eyes the actual letter of the Association Against the Prohibition Amendment (Inc.), addressed to a member of the press gallery, revealing the plan of this one wet organization to raise from the people $20,000,000 with which to dynamite our Constitution and defy our stainless flag.

And we have the names of 40 other "wet" organizations scattered widely over America that have come into being since our prohibition law was passed for the express purpose of nullifying and repealing this law. They say it is all right for these apostles of "wetness" to organize and raise money to elect liquor leaders to office, but that it is high treason for God-fearing "dry" patriots to try to block this liquor scheme. Whatever the men do, the millions of women citizens in America will smash this liquor plan.

The political emancipation of woman was not only the tardy crown which winsome virtue wears—it is, in my honest judgment, at once a prophecy and a guarantee of the early and ultimate triumph of every phase and form of moral and humanitarian legislation. And because many millions of women citizens, independent in their thinking and their voting, are going to wrap a regnant conscience around a spotless ballot, "ward heelers" will be relegated to the political scrap heap, and more political slates will be smashed from a strictly partisan standpoint than John ever saw—even John Barleycorn. This cheering fact makes me know that national constitutional prohibition is as much a permanent part of the Constitution as the Constitution is a part of the very citadel of our national life.

It is highly significant and timely that patriotic women everywhere have banded themselves together to lay stress upon the constitutionality of our national prohibition law, and therefore the mandatory call of that law to every patriotic American citizen. It is a part of their mission—a sacred, essential part—to teach the great Empire State, which recently seceded from the constitutional Union, that there can be no such thing as individual interpretation and elective obedience to the laws of a Republic like ours—for such individual interpretation and election must be the beginning of practical anarchy and ultimate national decay.

COWARDLY TACTICS OF LIQUOR LEADERS

Because the opponents of prohibition can not attack the validity and constitutionality of this law, they are seeking to muddy the waters and to compass the nullification and repeal of the law by indulging in ridiculous and irrelevant personalities, and by attacking the leaders of our cause whom they have been unable to either buy or destroy. It is the favorite theme and scheme of wet editors and wet politicians to hurl their shafts of criticism at the chief counsel of the Anti-Saloon League of America—that keen, clean, inspiring crusader in the cause of righteousness, Wayne B. Wheeler, and because the rules of the House will not allow the personalities nor the language which a very provoking situation called for, I recently took myself to New York, where, at a law-enforcement dinner of the Women's Constitution League, I tried to find language to do the subject justice. In other words, it seems that I am estopped from calling a certain offending official in Washington the "short and ugly word," with specifications such as his crime of outrageous slander demands. This vicious slander was uttered under official immunity against Wayne B. Wheeler, under the Dome of the Capitol, and was a disgrace to the sheltering protection of the Government building in which it was uttered.

The first language to which I object in the name of the sober decency of America is found in the following paragraph in the CONGRESSIONAL RECORD:

> Far be it from me to say a word of criticism touching any of the persons whose names appear at the bottom of this instrument as its sponsors save and except Hon. Wayne B. Wheeler, hired lobbyist, professional legislative agent, who I have no doubt could be hired for the other side for an advance in salary just as soon as he was assured he would get his pay.

The next specification is found in the following liquorized indictment of this stainless servant of humanity:

> It is time to get rid of this legislative pest, Wayne B. Wheeler. He never had any law business in his life except as he hired himself out, and has been willing to do any kind of service to deceive the good men and good women who pay him a salary.

Ladies and gentlemen, this cowardly assassination of the character of a fearless leader in the cause of righteousness who, like William J. Bryan, has been 30 years before the American people without a fleck upon his name has gone far enough. No man who knows the facts will make such a statement who does not love a lie better than the truth. I defy these booze-laden slanderers of a good and great man, whether politicians or editors, to point their finger to a single instance of moral turpitude on the part of Wayne B. Wheeler. I know him as few men know him, and I declare here and now that he has a personal history of unselfish dedication to the cause of God and humanity which should be a moral inspiration to every young man in America.

HOW WHEELER BEGAN—A FASCINATING STORY

What are the facts? Dr. Howard H. Russell, the venerable and beloved founder of the Anti-Saloon League of America, told me recently in his own home in Westerville, Ohio, how, having

practiced law for seven years, he felt the call of God to enter the ministry, and how soon after this sacred decision on his part he was so stirred as he witnessed the reign and ruin wrought by the licensed saloon in Ohio that he determined to give his life to an organized effort to destroy that long-protected cancer on the social and political body of our American life. Conferring with the president of Oberlin College, he asked to be directed to some young man of outstanding ability whom he might induce to join him in this stupendous undertaking. The college president named Wayne Wheeler as a young man soon to leave college with bright prospects as an attorney at law. Doctor Russell sought out the young man and laid before him his plan, which would call for unspeakable hardship and great personal privations. Wheeler promised to give him an answer after due deliberation. Finally he went to the young student's room and found him on his knees in prayer, and when he arose from his knees there was a light upon his face "that was never seen on land nor sea." It was the light that comes from self-immolation and heroic dedication to the cause of a crusader for the right. Doctor Russell and the student shook hands in an unselfish compact that meant more to the cause of sobriety and righteousness than any handclasp that ever took place, perhaps, in the history of America for the emancipation of suffering humanity.

Wayne Wheeler began his work at $100 a month, which he must raise himself, as the young lawyer and patriot fought the highly paid attorneys of the liquor interests almost single-handed and alone. Doctor Russell told me that many times during those early and trying days Wheeler's salary, meager as it was, often went unpaid for weeks at a time, while the heroic young crusader was barely able to keep body and soul together as he fought his way from town to town and met the millions of the brewery, distillery, and saloon interests, with that twin accompaniment, the gambling den and the bawdy house, in mortal combat. Thus Wayne Wheeler began the great work in which he is now engaged with the searchlight of the enemies of prohibition thrown about his every step and the hounds of calumny barking daily at his heels.

I fought side by side with him when he was superintendent of the Anti-Saloon League of Ohio, making the closing address in the first great state-wide fight at Memorial Hall in Columbus, and I saw with unmixed admiration the grip that Wayne Wheeler had upon the forces of righteousness in his native State, where he had labored since boyhood and where, amid the kindling glories of his brilliant and promising young manhood, he made the superb sacrifice of personal ambition on the altar of human redemption. And when he came to the Nation's Capital, at the earnest solicitation of his comrades, who knew him best and loved him best, I rejoiced as a director of the Anti-Saloon League of Georgia and former vice president of the Anti-Saloon League of America, to welcome him to the Capital of our country, as he came to his titanic battle with the greatest lawyers that liquor money could buy. Just think for a moment, ladies and gentlemen: Suppose Wayne B. Wheeler, with an ability that even his enemies acknowledge and with a character which these enemies have never been able to successfully assail, had chosen to stay in Ohio to pursue his chosen profession of the law and, naturally, to enter into the political life of that great pivotal State. He could have easily been Governor of or Senator from Ohio, and you know what they often make of governors and Senators from Ohio. He is as able, as stalwart, and as stainless as any man who ever occupied the President's chair from the springboard of Ohio leadership. It is such a man, the pride of his friends and the despair of his enemies, who has been charged with being a "legislative pest, ready, no doubt, to be hired by the other side for an advance in salary, just as soon as he was assured he would get his pay." May God blast this slander and forgive the slanderers before they stand at the judgment bar of eternity! Oh, that the rules of the House would allow me to tell the whole truth about this horrible thing that is not the truth! Anyway, Wayne Wheeler's picture will be framed in white in millions of happy homes and his name loved and shrined in millions of grateful human hearts when the name of the wet Senator who made this shameful charge is forever forgotten.

The fact is that Wayne B. Wheeler's salary is just about the same as a Congressman's, and nobody doubts that in the tremendous draft that is made upon his legal ability and dynamic energy he earns his salary as well as any Congressman on the floor of this House. And I happen to know that he was recently offered a partnership in a great law firm that would more than double his present income. But what if his income as an attorney were twice as large as it is? It is none of the "blooming" business of the liquor crowd, who do not pay any of his salary. That salary is paid as a joyous contribution from the organized forces of righteousness which came into militant being 30 years ago for the sake of putting the legalized liquor interests out of business and who propose to keep up their organization for the express purpose of preventing these same defiant liquor interests from returning to constitutional power from now until Judgment Day.

I shall not stain the pages of the CONGRESSIONAL RECORD by reciting the names of the liquor lobbyists who are now declaratively engaged in raising money with which to influence legislation and who are indicting the leaders of the friends of prohibition for the legislative activities which these liquor lobbyists claim for themselves. They buy full pages in metropolitan dailies, charging that the eighteenth amendment was "put over by an unscrupulous minority." With money stained with human tears and human debauchery they lay this lying charge at the door of the noblest God-fearing men and women that America ever saw, and, as I showed Congress in a three-minute speech a few days ago, they invade the precincts of the immortal dead like modern ghouls of darkness to besmirch the name of Abraham Lincoln and defend their campaign of anarchy and nullification by a forgery that smells to heaven, declaring Lincoln to be against prohibition. They have used the picture of the great Emancipator above their devilish forgery, hoping thus to deceive the multitudes who honor Lincoln's name. It was bad enough, God knows, for the assassination of Abraham Lincoln to be planned in a saloon just across the line in Prince Georges County, Md., but the shocking limit of human indecency is reached by this shameful effort on the part of the nullifiers of our Constitution to forge the words and prostitute the name of Lincoln to bolster their discredited cause—this, I remind you, in the face of the fact that Lincoln wrote and signed a pledge of total abstinence and declared that the liquor interests, with all their depraved and degrading methods, constituted the blackest cloud on the sky of America's future. And I remind you that these full-page ads of wet propaganda, prostituting the picture and name of Lincoln, carry the slogan "See your Congressman to-day." Thus liquor would lobby Congress, but the "drys" must "hands off." Nothing doing; we will fight as long as the "wets" force us to fight.

UNFORTUNATE BRAINSTORM OF NICHOLAS MURRAY BUTLER

My colleagues and fellow citizens of America, I am moved with commendable compassion for the future of the Republican Party. It has all come about because of that unfortunate brainstorm on the part of Nicholas Murray Butler, president of Columbia University. We are told in the press that this otherwise well-meaning educator and statesman is basking in the aftermath of his recent performance before the Missouri Society in New York, and is receiving a daily shower bath of congratulations from a perverse-minded element in America, who, like the two frogs in the mill pond, made so much noise that the owner thereof sold 500 to a hotel keeper on the strength of the noise he had heard, but alas, could deliver only two. What if Columbia's president has received several thousand letters and telegrams? What are they compared with the patriotic, sober millions of America who have paid no attention to his tragic folly? Many of my congressional colleagues have seen from day to day a truck out near the Capitol loaded with petitions and bearing the placard in letters of appropriate red: "Seven million citizens call for beer and wine." Nobody doubts it; but what about the 103,000,000 who do not put their appetites above the Constitution of their country and who have made no noise at all? The congratulations that are coming to Doctor Butler because he has taken his place beside the outlawed liquor interests of this country, who are practicing nullification and demanding repeal, must be weighed in the same balance with these beer and wine petitions and that delectable bunch of "57 varieties" of modification bills which have been making so much noise in the papers through the medium of the hearings courteously granted by the Judiciary Committee, a courtesy that will never be strained—mark my words—by reporting out one of these bills for congressional action.

With pardonable pride the president of Columbia has allowed some excerpts from his congratulatory letters and telegrams to be published in the papers, and in one of these pieces of boozy exuberance we find the basis for the compassion that moves our souls concerning the future of the Republican Party. Hear him:

> With such courageous leadership as yours the party can be restored to its former position of public respect and power.

What a pathetic confession as to the present abject position and condition of the party whose nominee President Butler dreamed of being four years ago—the party which he declared in the papers will lose 11 wet Northern States unless the platform

carries an antiprohibition plank. Fellow Americans who honestly wear the Republican brand, in all good humor I commend to your platform committee this rare morsel of Nicholian wisdom and Butlerian sagacity. If I might stoop so low and backslide so far in the realm of conscience as to think only of my own party success, I would adjure you by all the gods that be to hurry up your Cleveland convention and take President Butler's advice.

But hear again the words of this educator-statesman in a pitiful surrender to the forces of immorality:

> The reason why the prohibition law is not enforced is that it can not be enforced. The reason why it can not be enforced is that it ought not to have been passed. In its attempted forcible interference with the food and drink and medicine of the people, it is a form of oppression to which a free people will never submit in silence.

According to this untenable concept, my fellow citizens, every law of God and man that would restrain the hurtful habits of the individual is an unwarranted assumption of divine and human authority. Under the Butler ideal the narcotic law would fall, the pure food law would fall, the law against carrying concealed weapons would be wiped out, the man who spits on the sidewalk should not be restrained, while the woman who persists in wearing a big hat that obscures the vision of her neighbors in the theater should be crowned as a benefactress and canonized as an angel of light, and the officer of the law-making entity seeking thus to abridge human freedom should be thrown out of the house. Doctor Butler plants his feet side by side with every reeking saloon that ever cursed America in declaring that this law should never have been passed. He forgets the praying wives and mothers of that first chapter of the Woman's Christian Temperance Union in that saloon-ridden Ohio town, who begged on their knees that the liquor sellers would stop ruining the men of their homes, and who were told "to go back home and look after your business and we will look after our business that has been made legal by the State." And these women—God bless their white-ribbon souls—fell on their knees afresh and declared that if the men who were their rightful protectors would not defend the children they had borne to them they would rear a generation of men and women who would. It is this generation who have led the principles of prohibition to victorious coronation who are outraged to-day by President Butler's un-American travesty on educational leadership.

FOR THE STUDENTS OF AMERICA

In the name of nearly 4,000,000 students in America whom I have tried to inspire with lofty purpose, in the name of the many millions more whom having not seen I love, I indict the president of Columbia University as an educational menace to the youth of America and the student life of the world. If Doctor Butler believes all he has said concerning the mistakes of prohibition and the necessity for wiping out the eighteenth amendment, which would bring back the old saloon régime, then I indict him for a glaring dereliction of duty toward the students of Columbia University. If our prohibition law produces drunkards and causes wldespread disrespect for all law, then why did he not move to have beer and liquor saloons on the campus of Columbia 20 years ago—the regulation saloon, mind you, with its twin companions of crime and shame? This conclusion can not be tossed away with the self-satisfied laugh of the "scholar in politics." It is an inescapable conclusion. If the eighteenth amendment is to be wiped out in five years, as he says, then he ought to start hundreds of students to studying in the university as to the best way of handling the new industry that was outlawed by the passage of the eighteenth amendment—a national remedy for a national evil. These campus saloons, according to his concept, would breed a general respect for constitutional law and would exert a great character-building influence—the kind of influence that makes youth strong in the face of temptation. That is the incontestable logic of his position.

WOMEN CITIZENS AND THE CONSTITUTION

I reminded these women citizens of Brooklyn who are students of the Constitution that that once famous educator in their midst has picked a quarrel with the Constitution of your country and mine, and I further reminded them, if willing to take a brother citizen's advice, that they have a wonderful opportunity at their door to make a fight, as gallant as it will be winsome, against the destructive methods of this Gotham intellectual. He must be reminded for the sake of "the good of the order" that the eighteenth amendment was put into the Constitution in no spasm of sentimental hysteria, as the liquor intellectuals claim. It fought its way into the Constitution by due governmental process. This victory was won by the enemies of the saloon and the friends of sobriety after actual generations of education and agitation. It was passed by the Sixty-first Congress, which was selected—the lower House at least—with that as the great, burning issue. With this mandate from the American people—a mandate given, I remind you, five months before a single soldier went to France, this amendment received a constitutional majority; and then, according to constitutional process, it was referred in broad, open daylight to the legislatures of all the States, and fifteen-sixteenths of the States of the Union overwhelmingly indorsed this prohibition amendment. And then, with the brightest brains that liquor money could employ fighting the constitutionality of this new law before the Supreme Court of the United States, that great tribunal handed down the high decision that every step in the process had been according to the Constitution of our fathers. It is yours, I declared to the loyal members of the Woman's Constitutional League, to remind the president of Columbia University, who is supposed to be the conveyer, the purveyor, and inoculator of intelligent patriotism, that this is the way we pass our laws in America, and that if he does not want to fall in and give a square deal to a new amendment to our Constitution, deliberately, fairly, and constitutionally enacted, then he might set sail for some foreign land and make application for a professorship in something besides a strictly American institution. He might, for instance, fill the chair of "presidential misfits and American travesties" in the University of Moscow, or Irkutz, Mandalay, or Calcutta—just any old place, where he will not dazzle the eyes and dwarf the sober patriotism of the student life of America. Alas and alack, Germany went down under the ponderous weight of her self-centered intellectuals. May God save the schools and colleges of our land from such a tragic fate.

BUCKWHEAT CAKES AND LIQUOR

But if President Butler goes abroad or stays at home, the mothers and fathers and teachers and preachers of America devoutly hope that he will reverse himself on the unspeakable position that "it is no more moral or immoral to drink or to refrain from drinking alcoholic liquor than it is to eat or refrain from eating roast beef or buckwheat cakes."

We marvel that any teacher of youth could thus fly into the face of the wisdom of God and the experience of man. Wonder if Doctor Butler ever knew a breakfast of buckwheat cakes or a dinner of roast beef to make a man shoot up the town or go home and beat his wife and children? Wonder if he ever knew a food stall where roast beef and buckwheat cakes were sold to carry as their natural allies a house of shame above and a gambling den beneath? Wonder how long the people of America will tolerate in high educational positions men who do not know the difference between a shop where buckwheat cakes are made and eaten and a gilded saloon protected by law that is the trysting place of anarchy, the companion of the brothel, and the gateway to hell? Ah, voters of America, this new outbreak from a man in President Butler's position constitutes a new challenge to the friends of constitutional righteousness and national sobriety, and makes us know more than ever that neither of the old parties will dare to nominate any man on either ticket who is not politically and personally "dry."

Because you and I patriotically take such an uncringing, aggressive position the nullifiers of the Constitution brand us as radical and "extreme," but we proudly answer that we are only as extreme as "that righteousness which exalteth a nation" and as conservative as the Constitution of our country. [Applause.]

Mr. O'SULLIVAN. Mr. Speaker, I yield three minutes to the gentleman from Missouri [Mr. DYER].

Mr. DYER. Mr. Speaker and gentlemen of the House, the sole controversy as to this legislation and the sole controversy that has been in the committee has been with reference to the chemical and industrial alcohol questions. There has been no desire upon the part of any member of the committee to interfere with or to do anything except to increase the efficient enforcement of the prohibition law, but the industrial alcohol and the chemical people all over this country appeared before the committee and for days gave testimony in opposition to this bill, and the hearings consist of a very large pamphlet. It is unfair to ask the House to pass such an important bill as this without the Members having an opportunity to even read the bill, much less know what is contained in the hearings, which covered a space of several days. The chemical people and the manufacturers who use industrial alcohol in manufacture came from all over the United States. One manufacturer came from Virginia, represented in part by the distinguished gentleman, Mr. MOORE, who just took his seat after speaking for this bill, and in whose business are invested millions of dollars. That concern uses millions of gallons each year. Others in all parts of the country are using untold amounts of industrial alcohol for manufacturing and business purposes. They are the ones

who protest against having their permits or interests placed under the prohibition commissioner. They said that they desire to remain under the Commissioner of Internal Revenue, as at the present time. We finally compromised and agreed to put a special bureau in the prohibition unit under a man trained and experienced in this work, to be appointed by the Secretary of the Treasury. The gentleman from Michigan now offers a motion not to pass the bill as it was reported by the committee, but he offers a motion to pass the bill with an amendment striking out the Secretary of the Treasury as the one who shall appoint this man in charge of the industrial alcohol and chemical department, and permitting him to be appointed by the prohibition commissioner, doing exactly what the industrial alcohol and chemical people had protested against all along, and which will injure their business and industries.

Mr. Speaker, as further evidence that we should not consider so important legislation under suspension of the rules and without opportunity for discussion of its provisions, I call attention to some of those who gave testimony in the Judiciary Committee in opposition to the provisions of the bill that had to do with lawful uses of liquors, pure and denatured alcohol. Among them were:

Mr. W. L. Crounse, representing the National Wholesale Druggists' Association and American Manufacturers of Toilet Articles;

Mr. H. S. Chatfield, chairman industrial alcohol committee, National Paint, Oil, and Varnish Association;

Dr. Charles L. Reese, chemical director E. I. du Pont de Nemours & Co.;

Mr. John J. Tierney, secretary Manufacturing Chemists' Association;

Mr. Martin H. Ittner, chairman committee on industrial alcohol of the American Chemical Society, chief chemist Colgate & Co.;

Dr. M. C. Whitaker, president United States Industrial Chemical Co.;

Mr. Eugene C. Brokmeyer, general counsel National Association of Retail Druggists;

Hon. Meyer Jacobstein, Member of Congress from the State of New York;

Dr. W. J. Schiefselin, of the National Wholesale Druggists' Association;

Mr. W. W. Gibson, president Gibson-Snow Co., representing drug jobbers;

Mr. Samuel Rigney, representing Synthetic Organic Chemical Manufacturers' Association of the United States;

Mr. A. M. Spieler, representing Toilet Article Industry;

Mr. C. M. Kline, of the Smith, Kline & French Co.;

Mr. John G. Paine, of the Victor Talking Machine Co.;

Mr. Roland L. Taylor, of the Tubize Artificial Silk Co.;

Mr. Richard H. Bond, vice president McCormick & Co., flavoring extracts; vice president Flavoring Extract Manufacturers' Association of the United States; and

Mr. Samuel F. Irving, of H. L. Parke & Co.

All these gentlemen, representing large business interests, stated that to couple up the legitimate uses of alcohol with the illegitimate under the direct head of the Prohibition Commissioner would bring to them untold injury. Their statements are contained in the hearings had by the committee under dates of March 13, 21, 27, and April 2. Mr. James P. McGovern, attorney for the chemical manufacturers, very clearly pointed out some of the evils that will come from the enactment of this legislation into law. His statement is found in the hearings referred to on pages 123 to 127, inclusive. I include these in my remarks in order that the Members of the House may have some information touching this question which affects millions of dollars of honest and legitimate business.

ANALYSIS OF THE CRAMTON BILL (H. R. 6645), PROVIDING, AMONG OTHER THINGS, FOR THE TRANSFER FROM THE COMMISSIONER OF INTERNAL REVENUE TO A COMMISSIONER OF PROHIBITION OF CONTROL OVER THE SCIENTIFIC, MEDICINAL, AND INDUSTRIAL USES OF ALCOHOL—PURE AND DENATURED

[By James P. McGovern, of the District of Columbia bar]

In its scope and subtleties the Cramton bill (H. R. 6645) presents an even greater menace to American chemical industry than that contained in the Ernst-Wood bill (H. R. 12035 and S. 3713, 67th Cong., 2d sess.), which, as a result of the nation-wide opposition of scientific societies and commercial organizations, failed of passage; in fact, its draftsman obviously followed closely the lines and, to some extent, the very language of the latter measure, but added provisions, couched in ingenious phraseology, the practical effect of which are to enlarge the jurisdiction of the new Prohibition Commissioner by transferring to him the time-honored powers exercised by the Commissioner of Internal Revenue under nearly 250 statutes. And to make certain that the new bureaucrat would be clothed with authority without limitation, the bill includes under his rule "any other statutes, or parts of statutes, to the extent to which they similarly prohibit, tax, control, or regulate" liquors and narcotics.

However repugnant to our system of Government was the scheme contained in the Wood-Ernst bill of a lone officer responsible for his acts only to the President of the United States, it would nevertheless be preferable, from the standpoint of public interest and welfare, to the deplorable emasculation of the Internal Revenue Bureau embraced within the provisions of the Cramton bill. The average citizen could better deal with an absolute bureaucrat possessing clearly defined powers and responsibilities than with the commissioner whose authority would be so divided or interwoven with those of the tax and other divisions of the same department that irresponsibility in the conduct of the governmental business would be inevitable and the morale of the service destroyed.

Succinctly stated, the Cramton bill, in its present form, is unworkable from an administrative point of view, and this opinion is shared by well-informed attachés of the existing Prohibition Unit of the Internal Revenue Bureau, who have the courage of their convictions and are not currying favor with the Anti-Saloon League.

Although the Cramton bill would place the proposed prohibition bureau in the Treasury Department under the supervision of the Secretary of the Treasury, instead of its being answerable only to the President, as provided in the defunct Ernst-Wood measure, that feature manifestly furnishes no comfort to those who lawfully manufacture, handle, and use liquors and alcohol for scientific, medicinal, and industrial purposes and who visualize conditions from a practical standpoint. It is particularly without consolation to the innumerable users, in every branch of chemical industry, of denatured alcohol, which product, for 17 years, has been obtainable through competent collectors of internal revenue and their trained deputies, under regulations prepared by commissioners of internal revenue. Untainted with prejudice, such commissioners of internal revenue have given full force and effect to the letter and spirit of the denatured alcohol acts of June 7, 1906, March 2, 1907, and October 3, 1913, and section 13, Title III, of the national prohibition act.

Under the Cramton bill the administration of all denatured alcohol laws would be removed from the Internal Revenue Bureau, placed under the domination of a prohibition commissioner and his police force, and the supplies of all formula of that chemical raw material would have to be procured from inexperienced prohibition directors and inspectors who think in terms of "booze" and hip-pocket-size packages, and this despite the provisions of section 4, Title II, of the national prohibition act, that "denatured alcohol or denatured rum produced and used as provided by laws and regulations now or hereafter in force * * * shall not, after having been manufactured and prepared for the market, be subjected to the provisions" of that act. It has taken nearly a score of years for the Bureau of Internal Revenue and its collectors to systematize the work of ministering to the denatured alcohol requirements of chemical industry and reach its present state of efficiency. All this effort will be lost if the Cramton bill becomes a law. How long will it take a prohibition commissioner, charged as well with the duty of policing the law, to perfect a new organization for the purpose? And in the interim what about the lawful rights of permittees who had been led to place faith in the congressional mandate that "the nonbeverage alcohol industry and other industries using such alcohol as a chemical raw material or for other lawful purpose" shall be placed "upon the highest possible plane of scientific and commercial efficiency"?

In this connection sight should not be lost of the fact that hospitals, universities, laboratories engaged in scientific research, and governmental agencies have from time immemorial expeditiously obtained their lawful needs and requirements of pure alcohol through collectors of internal revenue. If the Cramton bill becomes a law, prohibition crews, untrained in those important fields, will control the source of supply for such uses, with what dire results to the public health and well-being of the Nation no one can possibly foretell.

However well intentioned may be a Secretary of the Treasury, or any Assistant Secretary assigned to the work, he could not possibly give the necessary time, study, and attention incidental to the supervision of lawful operations which are now devoted to them by the Bureau of Internal Revenue.

Generally speaking, the existing Prohibition Unit of the Internal Revenue Bureau, the Coast Guard, and other agencies available for the more effective enforcement of the prohibition laws are already in the Treasury Department and the reason for the creation of a new bureau of government, under the Cramton bill, is wholly unexplainable, except upon the theory that the present Commissioner of Internal Revenue, having dutifully exercised his statutory right in granting relief from intolerable restrictions imposed by the Prohibition Commissioner upon lawful industry, has incurred the displeasure of professional prohibition organizations, and is to be sacrificed upon the altar of political expediency by having taken from him powers exercised for ages by the Bureau of Internal Revenue in connection with the manufacture, withdrawal, sale, and use of distilled spirits, etc., for lawful purposes.

The approval, by the Secretary of the Treasury, of the substance of the Cramton bill (communicated to the Committee on the Judiciary of the House of Representatives in a letter which it is understood was prepared by counsel of the Prohibition Unit) can only be interpreted as the price of peace—the means of bringing to an end vicious, unwarranted, and long-sustained attacks upon the Commissioner of Internal Revenue which have been inspired by frenzied "drys" with the object of fooling the public into believing that what is required is more drastic laws instead of such efficient enforcement of existing statutes by the Prohibition Commissioner (now clothed with ample authority) as would eliminate criminal activities and protect citizens in their lawful pursuits.

What a price to pay—the crippling of American chemical industry with resultant benefits to European competitors. Strenuous efforts are now being made to set Europe, particularly Germany, on a sound business basis. It must be conceded that the very foundation of past German chemical supremacy has been industrial alcohol, and that it furnished the backbone of its defense in the World War. In the forthcoming struggle for the world's market, why should our own chemical industry be unnecessarily burdened with additional handicaps when everyone knows that Germany will follow the course which she has persistently pursued of encouraging, by every means in the power of its Government, the production and use of industrial alcohol?

In its social experiments surely our Government has not become totally indifferent to ligitimate trade development, which makes for the prosperity and happiness of a nation. In a most comprehensive article, entitled "Republic or bureaucracy," published in the Saturday Evening Post March 15, 1924, ex-United States Senator Albert J. Beveridge quotes Prof. Roscoe Pound, dean of the Harvard Law School, as follows:

"To-day in the wake of ambitious social programs calling for more and more interference with every relation of life dissatisfaction with law becomes universal. * * * The causes of nonenforcement of law * * * for the most part grow out of overambitious plans to regulate every phase of human action by law; they are involved in continual resort to law to supply deficiencies of other agencies of social control; they spring from attempts to govern by means of law things which in their nature do not admit of objective treatment and external coercion."

The former Senator then adds:

"There is the root of the evil, is it not, the attempt to put all human activities into statutory strait-jackets, and these strait-jackets constructed, too, by those who know little or nothing of the industry or business they would thus incase?"

ANALYSIS BY SECTION

Digesting the Cramton bill, section by section, we find the following:

Section 1: This section amends the national prohibition act by substituting for the Commissioner of Internal Revenue a "Commissioner of Prohibition." It also provides for the office of "solicitor of prohibition." Such officers are to be appointed by the President and are to receive salaries of $10,000 and $7,500, respectively. It furthermore creates a new division in the Treasury Department, to be known as the bureau of prohibition.

Everything that is contemplated by this section is now an accomplished fact, except the increase in salaries. There is at present, and has been since the enactment of the national prohibition act, a unit in the Treasury Department, designated as the Prohibition Unit, with an officer in charge called the Prohibition Commissioner. That unit was created by the Commissioner of Internal Revenue, and the Prohibition Commissioner was appointed by him under authority of section 38 of the national prohibition act. Under his appointive power, the Commissioner of Internal Revenue also employed a solicitor of prohibition, known as counsel of the Prohibition Unit. The Cmmissioner of Internal Revenue delegated to his Prohibition Commissioner the actual enforcement of the national prohibition act and other liquor and narcotic laws, vesting in him adequate authority for the purpose, and reserved to himself only the statutory right of supervision and control. The Prohibition Unit now functions as an integral part of the Bureau of Internal Revenue and is within the Treasury Department. In truth and in fact there is no necessity whatsoever, nor advantage to the public service, in the elevation of the present Prohibition Unit to the status of a bureau of prohibition. Surely one title sounds as pretty as the other. The Commissioner of Internal Revenue needed no legislative sanction to call the prohibition enforcement officer a Prohibition Commissioner or to otherwise appropriately classify him.

"What's in a name? That which we call a rose
By any other name would smell as sweet."

Expressed differently, there is sufficient law on the statute books relative to the subject matter, and the only effect of enactment of the Cramton bill would be to cut off absolutely and forever the guiding hands of the Commissioner of Internal Revenue and his trained deputies, collectors, etc. Under existing law (sec. 3248, R. S.) the lien of the Government for internal-revenue taxes attaches to alcohol and every other type of alcoholic liquors "as soon as it is in existence as such," and continues until the spirits are either tax paid or withdrawn tax free for governmental use, hospitals, denaturation, export, etc. Therefore, until the Government abandons its tax interest in such liquors for nonbeverage purposes, the logical place for the enforcement of all laws having to do with those products is the Bureau of Internal Revenue.

Section 2: This section is identical with the similarly numbered section of the national prohibition act, except that the Commissioner of Prohibition is substituted for the Commissioner of Internal Revenue. Obviously the only reason it was spelled out in the Cramton bill was to "sweeten" the measure by appealing to advocates of true law enforcement and to convey the impression that such powers are not in the existing law.

Section 3: This section specifically empowers the newly created Commissioner of Prohibition to appoint assistants, experts, and employees necessary for the enforcement of the act, all of whom, with the exception of a favored group, are to be appointed under the rules and regulations of the civil service act. Practically speaking, the civil-service feature of the Cramton bill suggests the only reason for possible new legislation and, of course, that could be accomplished by a separate bill for the purpose without disrupting the Bureau of Internal Revenue and hog tieing legitimate chemical industry.

Section 4: This section adds three new sections to the national prohibition act—40, 41, and 42. The new section 40 would vest in the Commissioner of Prohibition all of the duties and powers heretofore exercised by the Commissioner of Internal Revenue under the entire group of laws—punitive and taxing—relative to narcotic drugs, liquors, and alcohol (pure and denatured)—scientific, medicinal, and industrial—and cereal beverages—without let or hindrance, save as he may be under the supervision of the Secretary of the Treasury—the busiest man in the Cabinet. These laws may be summarized as follows:

National prohibition act, approved October 28, 1919.

Act supplemental to the national prohibition act, approved November 23, 1921.

Sections 238, 239, and 240, Criminal Code, covering interstate shipments of intoxicating liquors.

The Reed amendment of March 3, 1917, prohibiting shipments of intoxicating liquors into "dry" territory.

Act of January 17, 1914, regulating manufacture of opium.

Act of December 17, 1914 (the Harrison narcotic law).

Sections 1006, 1007, and 1008 of the act of February 24, 1919, amending the Harrison Narcotic Act.

All other statutes of the United States relating to traffic in narcotics.

Chapters 2, 3, 4, 5, and 11, of Title XXXV, Revised Statutes, and amendments thereto, comprising over 240 sections of the Revised Statutes dealing with multifarious subjects, the handling of which between the new Prohibition Bureau and the Internal Revenue Bureau could not but fail to produce chaotic conditions in the public service.

Then follows omnibus provisions whereby the Commissioner of Prohibition is given all the powers now conferred upon the Commissioner of Internal Revenue under "any other statutes or parts of statutes" dealing with the subject matter, including, of course, the denatured alcohol laws above referred to.

The proposed additional section 41 to the national prohibition act gives to the Commissioner of Prohibition the broadest possible powers in connection with assessments, abatements, refunds, and compromises, and the right to sue for penalties. It also gives the Commissioner of Prohibition authority to issue "such regulations as may be deemed necessary for the enforcement of laws relating to intoxicating liquor, narcotics, and cereal beverages," subject only to the vague approval of the Secretary of the Treasury. It also specifically states that the officers appointed by the Commissioner of Prohibition "shall exercise such functions as may now be exercised by collectors of internal revenue, internal-revenue agents, or field officers acting under the direction of the Commissioner of Internal Revenue for the administration of the statutes relating to the enforcement of the national prohibition act and all legislation passed for that purpose."

To any lawyer or business agent who has practiced before the Bureau of Internal Revenue in connection with the lawful manufacture, tax payment, withdrawal, transportation, sale, exportation, or use of industrial alcohol, the very contemplation of the confusion which would follow enactment into law of the Cramton bill is terrifying. The last paragraph of said section provides that all moneys collected by the Commissioner of Prohibition shall be deposited to the credit of the Treasurer of the United States. Are such funds not now so credited?

The remaining section (42) sought by the Cramton bill to be added to the national prohibition act provides for the transfer to the Commissioner of Prohibition of certain employees, equipment, and quarters, and, of course, gives to the Commissioner of Prohibition all appropriations made for prohibition enforcement, and in addition takes from the Treasury Department an amount "deemed necessary for the

payment of salaries and traveling expenses of storekeeper-gaugers and gaugers and for the employment of clerks to fill positions similar to the places now held by employees in collectors' offices who are engaged upon distilled spirits and narcotic work. It finally gives to the Commissioner of Prohibition such part of the appropriation for salaries of the office of Commissioner of Internal Revenue as are "deemed necessary for the employment of clerks paid from that appropriation who are now assigned to duties relating to the enforcement of laws with reference to intoxicating liquors, narcotics, and cereal beverages." In other words, the Prohibition Commissioner is given all the power and money which the taxpayers have bestowed upon the Secretary of the Treasury and the Commissioner of Internal Revenue for the enforcement of both the prohibitory and permissive features of the liquor, narcotic, and industrial alcohol laws, and he is to attempt to replace—overnight—smooth-running machinery of Government with new facilities and personnel without interfering with lawful activities of citizens. May God pity those who will have to do business with the Prohibition Bureau should the Cramton bill in its present form become law.

Unless so amended as to leave the administration of the lawful uses of all liquors and alcohol—pure and denatured—in the hands of the Commissioner of Internal Revenue, the Cramton bill should be defeated in the interests of nationally important chemical industries and orderly procedure of government.

WASHINGTON, D. C., *March 20, 1924*.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. CRAMTON. Mr. Speaker, I said before the Committee on the Judiciary that the prohibition act could never have been put over in this country except that it was deemed to be in the interest of legitimate industry. Nobody wants to hurt legitimate industry. It will be protected. Gentlemen here have challenged my statement that the committee unanimously reported the bill. The gentleman from Pennsylvania [Mr. GRAHAM], the chairman of the committee, repeated the statement that the bill was unanimously reported.

At any rate, there was no minority report. The gentleman says, and I agree with him, it is my understanding it is a unanimous report. But I have availed myself of my right under the rules of the House to move to suspend the rules and pass the bill with a slight amendment to the committee amendment in reference to this subject. I accept nearly all of the committee amendments. I accept the provision for the creation of this division, the qualifications of its chief, and the directions as to what they shall do to encourage the development of lawful industry. But they said the chief should be appointed by the Secretary. I ask that he be appointed by the commissioner with the approval of the Secretary. [Applause.] Nobody can be named whom the Secretary does not want. I do not want my bill destroyed by taking the supervision over the lawful use of alcohol out from this bill. Here is what they think they get. Here is the N. A. R. D. Journal, which says the provision I am objecting to "deprives the national prohibition commissioner of unlimited or absolute authority over industrial alcohol. The amendment places this authority in the hands of the chief of a division of chemical and industrial alcohol, subject to the Secretary of the Treasury only." I want to keep together in the bill in this bureau the complete administration of the law as to both prohibited and permitted liquors, and hence want this chief under the commissioner, but his appointment is subject to the approval of the Secretary.

I never agreed to the committee amendment; I was never asked to; but I tried hard to come as close as I could to it, because I want legitimate industry to be reassured. The American Drug Manufacturers' Association indorses this bill and says there is nothing to be alarmed about and says the bill should not be opposed. Here is the thing we want to reach. Sixty million gallons of alcohol were permitted in legitimate industry last year, of which at least 6,000,000 gallons went into unlawful uses, were diverted. There are only two big sources of violation. One is smuggling from abroad, and the other is the diversion from the lawful use to unlawful purposes.

I want the commissioner who issues the permit to have the authority and the responsibility to see that the permit is not used for unlawful purposes. By a closer organization and wiping out of red tape and delays and buck passing lawful industry will get a better administration, and the fellow who is using the permit for unlawful purposes is going to find the proposition more dangerous.

Mr. WATKINS. Will the gentleman yield?

Mr. CRAMTON. I will.

Mr. WATKINS. The virtue of this legislation lies in the fact that the wets admit that it means better enforcement?

Mr. CRAMTON. I will not say that all wets are against this. I will say we had good consideration by the Committee on the Judiciary. There is a chance for argument about this industrial alcohol feature, because lawful industry has been alarmed, but unnecessarily alarmed, I am sure. The only argument they make is that the commissioner of prohibition is pledged to enforcement; he is interested in enforcement and may not have enough sympathy with legitimate industry. The converse would be that one who had sympathy with lawful industry would not have sympathy for enforcement. The problem is big enough to deserve and demand a bureau to handle it all. If we are to succeed in enforcing national prohibition, we must have effective organization. The Nation wants better enforcement, but does not want to interfere with legitimate industry and will not permit legitimate industry to suffer.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for two minutes, to make a statement.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent to proceed for two minutes. Is there objection?

Mr. CRAMTON. I would like one minute to answer.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. MICHENER. Mr. Speaker, I am a member of the committee reporting this bill and I am just as dry as is my friend from Michigan, and without taking any particular credit for getting this bill out of committee, I am here to say the bill would not have come out of the committee had it not been for my efforts and the efforts of other dry Members, unless brought out by petition. But we tried, as has been stated here, to agree upon a bill. We did agree in the committee upon this bill. We got a unanimous report from all those present. I did not know whether our friend from Connecticut [Mr. O'SULLIVAN] voted or not, but I am in a position where I do not want to vote against this bill, because I believe the bill is fundamentally right. I do not believe that this particular amendment makes any material change in the operation of the law, but I am placed in a position here brought about by the parliamentary situation where I must either vote against the bill—vote against the thing I believe in—or I must vote against an agreement which I made in committee, acting in good faith and after I had consulted with my friend Mr. CRAMTON, and so to-day I do not want to betray any faith. I want to vote for the bill, and I asked the gentleman from Michigan [Mr. CRAMTON] a few minutes ago to give me three minutes to explain my position, and I was unable to get it. I am just as much interested in the enforcement of the law as is my friend from Michigan [Mr. CRAMTON]. I say, viewing this matter in a reasonable, in a practical, and in a common-sense way, it is my judgment and it was the judgment of the dry members of that committee, that this amendment will not change in the least the force or the effect, if you please, of this bill, but we should have an opportunity to vote separately on this amendment; but as a matter of procedure we must either vote the bill down or we must accept the amendment, which the committee agreed not to accept. And is there not some parliamentary situation, Mr. Speaker, whereby we can have an opportunity to vote for the bill as agreed and also vote against the amendment? The vote of the House should control, but we should not be put in this position.

Mr. STEVENSON. Will the gentleman yield?

Mr. MICHENER. I will.

Mr. STEVENSON. I suggest to the gentleman I am as dry as he is and I agree with him entirely, and the way to do is to vote down this motion and bring the bill up for consideration under the regular rules of the House. I have voted for all prohibition legislation proposed here in seven years, but will not vote to pass this bill in this shape, unless given an opportunity to amend it.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent for one-half a minute.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I object.

Mr. CRAMTON. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER pro tempore. The gentleman from Pennsylvania objects. The gentleman from Michigan will state his question of personal privilege.

Mr. CRAMTON. I fear that the statement of my colleague [Mr. MICHENER] may impute bad faith to me, and if there is

anything in it to do that, I simply want to say that, while the gentleman from Michigan rendered great service in getting the bill out, yet I never agreed to accept this committee amendment. [Cries of "Vote!"]

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan [Mr. CRAMTON] to suspend the rules and pass the bill as amended.

The question was taken, and the Speaker pro tempore expressed himself as in doubt.

Mr. CRAMTON. Mr. Speaker, I demand the yeas and nays.

The SPEAKER pro tempore. As many as favor taking this vote by yeas and nays will rise and stand until they are counted. [After counting.] Not a sufficient number have arisen. The yeas and nays are refused.

Mr. CRAMTON. I ask that the Speaker count the other side.

The SPEAKER pro tempore. The gentleman from Michigan demands a count of the other side. [After counting.] Two hundred and twenty-seven gentlemen, a sufficient number, have arisen, and the yeas and nays are ordered. As many as favor the suspension of the rules will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 274, nays 86, not voting 73, as follows:

YEAS—274

| | | | |
|---|---|---|---|
| Ackerman | Frear | Lowrey | Scott |
| Allen | Fredericks | Lozier | Seger |
| Allgood | French | Luce | Shallenberger |
| Almon | Frothingham | McClintic | Shreve |
| Anthony | Fulbright | McDuffie | Simmons |
| Arnold | Fuller | McFadden | Sinclair |
| Aswell | Fulmer | McKeown | Sinnott |
| Ayres | Garber | McLaughlin, Mich. | Sites |
| Bacon | Gardner, Ind. | McLaughlin, Nebr. | Smith |
| Bankhead | Garner, Tex. | McReynolds | Smithwick |
| Barbour | Garrett, Tenn. | McSwain | Speaks |
| Barkley | Garrett, Tex. | McSweeney | Sproul, Ill. |
| Beedy | Gasque | MacLafferty | Sproul, Kans. |
| Beers | Gibson | Madden | Stalker |
| Begg | Gifford | Major, Ill. | Steagall |
| Bell | Gilbert | Major, Mo. | Stedman |
| Bixler | Goldsborough | Manlove | Stengle |
| Black, Tex. | Graham, Ill. | Mansfield | Strong, Kans. |
| Bland | Green, Iowa | Mapes | Strong, Pa. |
| Blanton | Greene, Mass. | Michener | Summers, Wash. |
| Bowling | Greenwood | Miller, Wash. | Summers, Tex. |
| Box | Griest | Milligan | Swank |
| Boyce | Hadley | Montague | Swing |
| Brand, Ga. | Hardy | Moore, Ga. | Swoope |
| Brand, Ohio | Harrison | Moore, Ohio | Taber |
| Briggs | Hastings | Moore, Va. | Taylor, Colo. |
| Browne, Wis. | Hawley | Moores, Ind. | Taylor, W. Va. |
| Browning | Hayden | Morehead | Temple |
| Buchanan | Hersey | Morgan | Thomas, Ky. |
| Bulwinkle | Hickey | Morris | Thomas, Okla. |
| Burtness | Hill, Ala. | Morrow | Thompson |
| Bushy | Hill, Wash. | Murphy | Tillman |
| Butler | Hoch | Nelson, Me. | Timberlake |
| Byrns, Tenn. | Holaday | Newton, Minn. | Tincher |
| Cable | Hooker | Oldfield | Tinkham |
| Canfield | Howard, Nebr. | Oliver, Ala. | Treadway |
| Cannon | Huddleston | Paige | Underhill |
| Carter | Hudson | Park, Ga. | Underwood |
| Chindblom | Hull, Tenn. | Parker | Upshaw |
| Clague | James | Parks, Ark. | Vaile |
| Cole, Iowa | Jeffers | Peery | Vestal |
| Collier | Johnson, Ky. | Perkins | Vincent, Mich. |
| Colton | Johnson, S. Dak. | Phillips | Vinson, Ga. |
| Connally, Tex. | Johnson, Tex. | Pou | Vinson, Ky. |
| Cook | Johnson, Wash. | Purnell | Wainwright |
| Cooper, Ohio | Johnson, W. Va. | Quin | Wason |
| Cooper, Wis. | Jones | Ragon | Watkins |
| Cramton | Kearns | Rainey | Watres |
| Crisp | Keller | Raker | Weaver |
| Dallinger | Kelly | Ramseyer | Wefald |
| Davey | Kendall | Rankin | Welsh |
| Davis, Tenn. | Kerr | Rathbone | Wertz |
| Dempsey | Ketcham | Rayburn | White, Kans. |
| Denison | Kiess | Reece | Williams, Ill. |
| Dickinson, Iowa | Kincheloe | Reed, Ark. | Williams, Mich. |
| Doughton | King | Reed, N. Y. | Williamson |
| Dowell | Kopp | Reid, Ill. | Wilson, Ind. |
| Driver | Kurtz | Richards | Wingo |
| Evans, Iowa | Kvale | Roach | Winslow |
| Evans, Mont. | Lanham | Robinson, Iowa | Winter |
| Fairchild | Lankford | Robsion, Ky. | Wolff |
| Fairfield | Larsen, Ga. | Rogers, Mass. | Wood |
| Faust | Larson, Minn. | Romjue | Woodrum |
| Favrot | Lazaro | Rubey | Wright |
| Fish | Lea, Calif. | Sanders, Ind. | Wyant |
| Fisher | Leatherwood | Sanders, N. Y. | Yates |
| Fitzgerald | Leavitt | Sanders, Tex. | Young |
| Fleetwood | Lee, Ga. | Sandlin | |
| Foster | Lineberger | Schall | |

NAYS—86

| | | | |
|---|---|---|---|
| Bacharach | Burdick | Connolly, Pa. | Dickstein |
| Berger | Campbell | Corning | Doyle |
| Black, N. Y. | Carew | Croll | Drewry |
| Bloom | Casey | Crosser | Dyer |
| Boylan | Clancy | Cullen | Eagan |
| Browne, N. J. | Clarke, N. Y. | Cummings | Edmonds |
| Brumm | Cleary | Davis, Minn. | Fenn |
| Buckley | Connery | Deal | Freeman |
| Gallivan | Linthicum | O'Connell, R. I. | Spearing |
| Glatfelter | Longworth | O'Connor, La. | Stephens |
| Graham, Pa. | McLeod | O'Connor, N. Y. | Stevenson |
| Griffin | McNulty | O'Sullivan | Tague |
| Hawes | MacGregor | Oliver, N. Y. | Thatcher |
| Hill, Md. | Magee, N. Y. | Perlman | Tilson |
| Hull, Iowa | Mead | Prall | Tucker |
| Jacobstein | Merritt | Ransley | Vare |
| Kent | Michaelson | Rouse | Voigt |
| Kindred | Minahan | Sabath | Weller |
| LaGuardia | Mooney | Schafer | Williams, Tex. |
| Lampert | Newton, Mo. | Schneider | Wurzbach |
| Lehlbach | Nolan | Sears, Nebr. | |
| Lindsay | O'Connell, N. Y. | Snyder | |

NOT VOTING—73

| | | | |
|---|---|---|---|
| Abernethy | Drane | Logan | Salmon |
| Aldrich | Elliott | Lyon | Sears, Fla. |
| Anderson | Free | McKenzie | Sherwood |
| Andrew | Funk | Magee, Pa. | Snell |
| Beck | Geran | Martin | Sullivan |
| Boies | Hammer | Miller, Ill. | Sweet |
| Britten | Haugen | Mills | Taylor, Tenn. |
| Burton | Howard, Okla. | Moore, Ill. | Tydings |
| Byrnes, S. C. | Hudspeth | Morin | Ward, N. Y. |
| Celler | Hull, Morton D. | Mudd | Ward, N. C. |
| Christopherson | Hull, William E. | Nelson, Wis. | Watson |
| Clark, Fla. | Humphreys | O'Brien | White, Me. |
| Cole, Ohio | Jost | Patterson | Wilson, La. |
| Collins | Kahn | Peavey | Wilson, Miss. |
| Crowther | Knutson | Porter | Woodruff |
| Curry | Kunz | Quayle | Zihlman |
| Darrow | Langley | Reed, W. Va. | |
| Dickinson, Mo. | Lilly | Rogers, N. H. | |
| Dominick | Little | Rosenbloom | |

So, two-thirds having voted in the affirmative, the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Drane and Mr. Byrnes of South Carolina (for) with Mr. Quayle (against).
Mr. Little and Mr. White of Maine (for) with Mr. Curry (against).
Mr. Darrow and Mr. Dominick (for) with Mr. Celler (against).
Mr. Hudspeth and Mr. Elliott (for) with Mr. Sullivan (against).

Until further notice:

Mr. Cole of Ohio with Mr. Howard of Oklahoma.
Mr. Free with Mr. Lilly.
Mr. Zihlman with Mr. Lyon.
Mr. Britten with Mr. Hammer.
Mr. William E. Hull with Mr. Geran.
Mr. Taylor of Tennessee with Mr. Wilson of Louisiana.
Mr. Aldrich with Mr. Dickinson of Missouri.
Mr. Burton with Mr. Humphreys.
Mr. Patterson with Mr. Martin.
Mr. Mills with Mr. Salmon.
Mr. Sweet with Mr. Tydings.
Mr. Snell with Mr. Sherwood.

Mr. HUMPHREYS. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. HUMPHREYS. No.

The SPEAKER. Then the gentleman does not bring himself within the rule.

The result of the vote was announced as above recorded.

COMMITTEE TO INVESTIGATE NORTHERN PACIFIC LAND GRANTS

The SPEAKER. The Chair appoints as the committee authorized by the bill passed to investigate the Northern Pacific land grants Mr. SINNOTT, Mr. VAILE, Mr. WILLIAMS of Michigan, Mr. RAKER, and Mr. DRIVER.

RURAL POST ROADS

Mr. DOWELL. Mr. Speaker, I move to suspend the rules and pass H. R. 4971 as amended by the Committee on Roads.

The SPEAKER. The gentleman from Iowa moves to suspend the rules and pass a bill as amended by the Committee on Roads, which the Clerk will report.

The Clerk read the bill, as follows:

A bill to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes

*Be it enacted, etc.*, That for the purposes of carrying out the provisions of the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, and all acts amendatory thereof and supplementary thereto, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the following additional sums, to be expended according to the provisions of such act as amended:

The sum of $75,000,000 for the fiscal year ending June 30, 1926.

The sum of $75,000,000 for the fiscal year ending June 30, 1927.

Not later than January 1, 1925, the Secretary of Agriculture is authorized to apportion among the several States, as provided in section

21 of the Federal highway act, approved November 9, 1921, the $75,000,000 herein authorized to be appropriated for the fiscal year ending June 30, 1926, and on or before January 1 next preceding the commencement of each succeeding fiscal year he shall make like apportionment of the appropriation herein authorized, or which may hereafter be authorized, for each fiscal year: *Provided*, That the Secretary of Agriculture shall act upon projects submitted to him under his apportionment of this authorization, and his approval of any such project within three years shall be deemed a contractual obligation of the Federal Government for the payment of its proportional contribution thereto.

SEC. 2. For carrying out the provisions of section 23 of the Federal highway act, approved November 9, 1921, there is hereby authorized to be appropriated for forest roads and trails, out of any money in the Treasury not otherwise appropriated, the following additional sums, to be available until expended in accordance with the provisions of said section 23:

The sum of $7,500,000 for the fiscal year ending June 30, 1926.

The sum of $7,500,000 for the fiscal year ending June 30, 1927.

SEC. 3. That the Secretary of Agriculture may exchange deteriorated explosives or explosive components, obtained by transfer from the Secretary of War for distribution among the States and for use in the improvement of roads under his direct supervision, for explosives or explosive products in condition for immediate use. The Secretary of Agriculture is further authorized, by contract or otherwise, to reclaim by reworking, reconditioning, cartridging, or otherwise converting into usable form such deteriorated explosives or explosive components as can not be so exchanged, and to pay the cost thereof out of available administrative funds authorized by the Federal highway act, approved November 9, 1921, and acts amendatory thereof or supplementary thereto. The Secretary of Agriculture, in his discretion, may transfer to any department or agency of the Federal Government such of the materials acquired from such exchanges, and also such of the explosives or explosive components as may be reworked, reconditioned, cartridged, or otherwise converted hereunder, as may be required by any such department or agency for use in its authorized activities: *Provided*, That the charges incident to the storage, handling, protection, exchange, reworking, reconditioning, cartridging, or conversion of such explosives or explosive components as may be certified by the Secretary of Agriculture to have been incurred against said administrative funds shall be reimbursed said funds pro rata by the department or agency of the Federal Government, the State, or other agency receiving such explosives or explosive products.

SEC. 4. That section 11 of the Federal highway act approved November 9, 1921, as amended and approved by the acts of June 19, 1922, and June 30, 1923, is further amended by inserting after each place where the words "unappropriated public lands" occur the words "and nontaxable Indian lands, individual and tribal."

SEC. 5. All acts or parts of acts in any way inconsistent with the provisions of this act are hereby repealed and this act shall take effect on its passage.

Mr. DOUGHTON. Mr. Speaker, I demand a second.

Mr. DOWELL. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. The gentleman from Iowa asks unanimous consent that a second may be considered as ordered. Is there objection? [After a pause.] The Chair hears none.

Mr. DOWELL. Mr. Speaker, I ask unanimous consent that all Members may have three legislative days in which to extend their remarks on this bill.

The SPEAKER. The gentleman from Iowa asks unanimous consent that all Members may have three legislative days in which to extend their remarks on this bill. Is there objection? [After a pause.] The Chair hears none.

Mr. DOWELL. Mr. Speaker, I yield myself five minutes.

The SPEAKER. The gentleman from Iowa is recognized for five minutes.

Mr. DOWELL. Mr. Speaker and gentlemen of the House, the bill under consideration is the general authorization for appropriations under the general legislation of Congress enacted on the 9th of September, 1921.

First, I want to briefly call the attention of the House to the history of this legislation. The first legislation enacted which had for its purpose Federal aid for good roads was enacted in 1916, and an appropriation of $75,000,000 was made at that time to cover a period of five years. Five million dollars was appropriated for the first year, $10,000,000 for the second year, $15,000,000 for the third year, $20,000,000 for the fourth year, and $25,000,000 for the fifth year. This was the initiation of Federal aid for the construction of roads in the United States. After this had been utilized, in February of 1919, in an appropriation bill $200,000,000 was appropriated to cover a period of three years, after which it was determined by Congress that it should be the policy of our Government to carry on Federal aid for the construction of roads, and on the 9th of September, 1921, a very carefully prepared revision of the laws up to that date was enacted by Congress and $75,000,000 was appropriated. For the next three years the following appropriations have been made: $50,000,000 for the first year, $65,000,000 for the second year, and $75,000,000 for the present year, ending July 1, 1925.

The present bill authorizes a two-year program of $75,000,000 for each year, beginning in 1925 and ending on the 30th of June, 1927.

This bill further provides, in section 2, for the authorization for building roads in forests of $7,500,000 each year for the two years specified.

The third section of the bill provides for the transfer by the Agricultural Department of the explosives which were turned over to the Agricultural Department by Congress a few years ago from the War Department, being the surplus after the war. The Agricultural Department now finds itself with a large surplus on hand. Other departments of the Government desire this surplus, and the department has asked—and it has been granted in this bill—authority to transfer these explosives to other departments of the Government that may need them.

The SPEAKER. The time of the gentleman has expired.

Mr. DOWELL. I yield myself three more minutes.

Mr. SHERWOOD. Will the gentleman state when this authorization begins?

Mr. DOWELL. In answer to the gentleman from Ohio I will state that this authorization begins with the fiscal year 1926 and makes an authorization for 1926 and 1927.

Mr. SCHNEIDER. Will the gentleman yield?

Mr. DOWELL. Yes.

Mr. SCHNEIDER. With reference to the surplus explosives mentioned in the bill, is it not possible for the farmers who are in need of explosives to get them from the Agricultural Department under this provision?

Mr. DOWELL. This provision merely authorizes the transfer of surplus explosives to departments of the Government.

Mr. SCHNEIDER. For what?

Mr. DOWELL. For any purpose for which they may have need of explosives.

Mr. SCHNEIDER. But farmers could not get them?

Mr. DOWELL. Not directly, under this authorization.

Mr. LARSEN of Georgia. Will the gentleman yield for a question at this point?

Mr. DOWELL. Yes.

Mr. LARSEN of Georgia. This bill does not prohibit the Department of Agriculture from turning them over to the farmers?

Mr. DOWELL. No; this does not have anything to do with the question asked by the gentleman, but merely authorizes the Department of Agriculture to transfer explosives to other departments of the Government which may have use for such explosives.

Mr. SCHNEIDER. Has the Department of Agriculture no use for them?

Mr. DOWELL. It has no use for the surplus. They are using a great amount of explosives in the construction of roads, but there is a large amount that has been transferred to the department that is not needed by the department.

Mr. SCHNEIDER. Does the chairman of the committee know that the Department of Agriculture has been giving to the farm people in new farming countries these explosives?

Mr. DOWELL. I assume that is true.

Mr. SCHNEIDER. And that has been discontinued?

Mr. DOWELL. I know nothing of that.

Mr. SCHNEIDER. The information I get is that the surplus of explosives that had been given to the farmers is not now being given because of the surplus having been exhausted.

Mr. DOWELL. The information before the committee is that the Department of Agriculture has a surplus and that other departments are asking for a part of this surplus and therefore this authority is granted under the bill.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. DOWELL. Yes.

Mr. MORTON D. HULL. Presumably, the committee has given a study to the whole problem of Federal aid for roads. How long does the committee anticipate this policy of Federal appropriations for roads will be continued?

Mr. DOWELL. I am unable to answer the question further than to say to the gentleman it has been established as the

policy, and until the policy is changed, I assume the Government will continue in this work.

Mr. MORTON D. HULL. Was not the policy originally a policy to stimulate the building of roads rather than to continue the subsidizing of the building of roads?

Mr. DOWELL. I am unable to answer that further than to say the first proposition is correct. I do not know what may be the policy of the Congress after it has been in operation for some time.

The SPEAKER. The time of the gentleman has again expired.

Mr. DOWELL. I yield myself two minutes more, Mr. Speaker.

Mr. BRIGGS. Will the gentleman yield?

Mr. DOWELL. In just a moment when I get through with this statement. I will then be glad to yield to the gentleman.

The third section of the bill provides for the placing of untaxable Indian lands in the United States the same as unappropriated public lands. In other words, in the States where there are Indian lands untaxable under the law they are given the same status with reference to the roads as unappropriated public lands.

I yield now to the gentleman from Texas.

Mr. BRIGGS. I simply wanted to ask the gentleman if the amount authorized in this bill is adequate to provide the necessary funds to match the amounts which the States are appropriating?

Mr. DOWELL. According to the testimony before the committee there was a controversy with reference to the amount of this authorization. The department asked for $85,000,000, and according to the testimony that was conceded by the Budget, but the Budget shows that in this last year $72,000,000 was actually used in the construction of roads, and this bill authorizes $75,000,000, which is $3,000,000 more than was actually used this year.

Mr. BRIGGS. Is road building increasing or is it on the decrease?

Mr. DOWELL. It has been increasing.

Mr. BRIGGS. Each year.

Mr. DOWELL. It has been increasing as the testimony before the committee shows.

Mr. MANLOVE. Will the gentleman yield?

Mr. DOWELL. Yes.

Mr. MANLOVE. Did not the evidence before the committee show that certain States which are voting bond issues and putting over a big program——

Mr. DOWELL. Yes; they can utilize much more than is authorized in this bill.

Mr. MANLOVE. But after their program is put over——

The SPEAKER. The time of the gentleman has again expired.

Mr. DOWELL. I yield myself one more minute in order to answer the gentleman.

Mr. MANLOVE. In the States that have a big program, such as the State of Missouri, which is putting over a $60,000,000 program, after their program of road building is completed, they will not be asking the Federal Government for as much money as they are wanting at the present time.

Mr. DOWELL. That may be true, and it may be possible that eventually this is going to solve itself.

Mr. BRIGGS. But your idea is that the authorization here is ample to provide the funds necessary for the next two years?

Mr. DOWELL. There was some difference of opinion in the committee about that. Some wanted $85,000,000. This is a unanimous report from the committee, although some members of the committee desired a greater authorization. My view is that every dollar should be cut from the expenditures of the Government that is possible, and I believe that the $75,000,000 authorized in this bill is sufficient to reasonably carry on the construction of roads as that work has been carried on in the past.

### ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 5478. An act to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment";

H. R. 7877. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 8143. An act for the protection of the fisheries of Alaska, and for other purposes;

H. J. Res. 194. A joint resolution to print as a House document the proceedings of the national encampments of the Grand Army of the Republic, the United Spanish War Veterans, and the American Legion, for the use of the House and Senate; and

S. 3181. An act to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide additional hospital facilities.

### SENATE BILL REFERRED

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 2694. An act to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes; to the Committee on the District of Columbia.

### RURAL POST ROADS

Mr. DOUGHTON. Mr. Speaker, I yield two minutes to the gentleman from Virginia [Mr. PEERY].

Mr. PEERY. Mr. Speaker, amid the cross currents of partisan controversy that sometimes arise here it is refreshing to come now and then to the consideration of a measure upon which most if not all of us on both sides the aisle are in substantial accord.

Such is the bill now before us for consideration. It deals with the subject of good roads. Its object is to provide that the National Government shall "carry on" under the program of Federal aid to road building heretofore enacted into law by the Congress. While there may have been those in times past who were opposed to good roads, their number has now reached the vanishing point.

Roads are the arteries through which the trade of the Nation pulsates. They are the avenues which promote friendly intercourse and helpful relationships. They afford access to schools for the country children. They help to bring the town and the country together. They promote trade and friendship between people, communities, and States. They are the agents of a progressive and better civilization. When Rome was great one of the elements contributing to her greatness was good roads. We are told that in the height of her greatness and power all roads led to Rome. Radiating from the Imperial City as a center, her traders, her soldiers, and later her missionaries went forth as messengers of an advanced civilization to all the world.

France likewise builded good roads. They were a splendid contribution to her civilization. And when the emergency of war came and the despot's heel was on her soil the roads played no small part in stopping the advance of the invader and achieving victory over her foes. Competent critics tell us that Chateau-Thierry would not have been won for the Allies but for the splendid roads built many years before, over which American troops were rushed in time to turn the tide and save the day for France and her allies. Good roads are necessary in times of war. They are necessary to a progressive and enlightened civilization in times of peace.

All are agreed that we should have good roads. Disagreement arises only as to the means and methods of achieving the desired end. And fortunately these matters of disagreement as to methods are being ironed out and solved in a constructive way.

Prior to July 11, 1916, the matter of road building in this country was left entirely to the individual States. Then a larger vision began to dawn. Long before that time, in the course of our economic and industrial development, we had advanced from the idea that the regulation of the railroads of our country was a matter solely of State concern. By common consent it became a matter of national concern. And so with the interdependence of the States one upon the other with the wonderful advance in the development of motor transport and travel, and with the thought and vision of a Nation solidified and united together by a system of national highways, the matter of good roads emerged from a policy of mere State concern to one of national concern. The first Federal aid highway act was approved July 11, 1916. The second Federal road act was approved February 28, 1919.

Thereafter a movement was agitated looking to a change in the basic principle of Federal aid to the States and providing for a system of national highways to be built and maintained entirely by the Federal Government.

The movement, however, was not adopted. The basic principle of Federal aid to the States was adhered to, and the Federal highway act of November 9, 1921, was enacted. Under

this act a constructive plan of Federal aid road building is established. Under the act the highway departments of the individual States are required to select or designate systems of highways not to exceed 7 per cent of the total highway mileage of such State upon which Federal-aid apportionments shall be expended. These Federal-aid highways are to be divided into two classes, known as primary or interstate highways, and the other correlated therewith, known as secondard or intercounty highways. Primary highways shall not exceed three-sevenths of the total mileage which may receive Federal aid, and the secondary or intercounty highways shall comprise the remainder that may receive Federal aid. The expenses of administration are limited to 2½ per cent of all moneys appropriated thereunder. The remainder of funds appropriated are apportioned to the States in the following manner:

One-third in the ratio in which the area of each State bears to the total area of all States; one-third in the ratio which the population of each State bears to the total population of all the States, as shown by the latest available Federal census; and one-third in the ratio which the mileage of rural delivery and star routes bears to the total mileage of rural delivery and star routes in all the States at the close of the next preceding fiscal year. The Federal aid on each project shall not exceed 50 per cent of the total estimated cost thereof. Exception is made in the case of States containing unappropriated public lands exceeding 5 per cent of the total area of all lands in the State. In such States the share of the United States shall not exceed 50 per cent of the total estimated cost thereof plus a percentage of such estimatel cost equal to one-half of the percentage which the area of the unappropriated public lands in such States bears to the total aren of such State. The contribution of the Federal Government to each project on the 50-50 basis was limited to $20,000 per mile, but a later amendment has limited the allotment to $15,000 per mile. The act itself contemplates a system of highways interstate and national in character. It provides that in approving projects to receive Federal aid the Secretary of Agriculture, to whom is committed the administration of the act—

shall give preference to such projects as will expedite the completion of an adequate and connected system of highways interstate in character.

The act contemplates a permanent system of national highways permanent in character. It recognizes the two essential principles in any system of highways, namely, construction and maintenance. In the matter of construction it provides that only such durable types of surface and kinds of material shall be adopted for the construction and reconstruction of any highway which is a part of the primary or interstate and secondary or intercounty systems as will adequately meet the existing and probable future traffic needs and conditions thereon.

In the matter of maintenance it provides that—

should any State fail to maintain any highway within its boundaries after construction or reconstruction under the provisions of this act, the Secretary of Agriculture shall then serve notice upon the State highway department of that fact, and if, within 90 days after receipt of such notice said highway has not been placed in proper condition of maintenance, the Secretary of Agriculture shall proceed immediately to have such highway placed in a proper condition of maintenance and charge the cost thereof against the Federal funds allotted to such State, and shall refuse to approve any other project in such State, except as hereinafter provided.

Under this law the Department of Roads has been established. It has proceeded with efficiency in the establishment and carrying out of a constructive highway plan. Acting in conjunction with the highway departments of the 48 individual States it has adopted a system of Federal aid highways comprising 168,181 miles in extent. This system so adopted presents a connected and interstate highway system national in character and extent. Of the Federal aid highway system, 30,036 miles had been completed up to March 1, this year, and 13,800 miles were under construction and reported 50 per cent complete.

The announced plan of the department contemplates a construction program of approximately 11,000 miles per year, and contemplates completion of the entire system within the next 10-year period.

The appropriations for roads authorized for the respective years since the enactment of the first Federal highway act have been as follows:

| | |
|---|---|
| 1917 | $35,000,000 |
| 1918 | 10,000,000 |
| 1919 | 65,000,000 |
| 1920 | 95,000,000 |
| 1921 | $100,000,000 |
| 1923 | 50,000,000 |
| 1924 | 65,000,000 |
| 1925 | 75,000,000 |

During the war period conditions were such as to make it inadvisable to enter upon an extensive road-building program, and the work was practically suspended. The actual withdrawals of funds from the Treasury have been as follows:

| | |
|---|---|
| 1917 | 34,338 |
| 1918 | 574,816 |
| 1919 | 2,915,283 |
| 1920 | 20,340,774 |
| 1921 | 57,462,768 |
| 1922 | $89,798,404 |
| 1923 | 71,429,297 |
| 1924 (estimated) | 85,000,000 |
| 1925 (estimated) | 90,000,000 |

By way of illustration as to how the matter of allotments of Federal aid to the respective States has worked out, the State of Virginia, which I have the honor in part to represent, has been credited with total allotments amounting to $9,144,390.45. There has been actually paid on these allotments to the State of Virginia up to January 1, 1924, the sum of $6,082,966.85. In addition thereto, a number of projects were under construction as of that date, which will receive Federal aid in the sum of approximately $2,500,000. This indicates that the State of Virginia, in accordance with the provisions of the Federal law, has complied with the provisions thereof, and is absorbing with reasonable promptness the amount of Federal funds allotted to her. The same observation is, for the most part, true as to the other 47 States. A small number of States owing to individual conditions have not been able to meet and absorb their share of Federal allotments. The cost of the completed road work in Virginia upon which Federal aid was expended from July 1, 1916, to November 30, 1923, was $7,430,055.63, and the number of miles of completed road thereunder was 429.6.

The statement of authorizations and actual withdrawals above set forth discloses the fact that for a number of years after the Federal Government entered upon a policy of Federal aid construction, the balance carried over in the succeeding years was greater than the annual authorization. This was due to the fact that but little road work was done during the war period and the funds authorized by Congress were allowed to accumulate. The Sixty-seventh Congress provided for authorizations which extended to the close of the fiscal year ending June 30, 1925.

The Bureau of Roads advises that the estimated balance of authorized funds that will remain unexpended at that time will amount to approximately $20,000,000. It is necessary that a balance be maintained to care for contingencies that can not be provided for in advance. The situation, therefore, that confronts this Congress is this: In order to carry on a constructive program of Federal-aid construction it is necessary that appropriations be authorized by this Congress for the fiscal year ending June 30, 1926, and it is highly advisable that the authorization also extend to the succeeding year. A real program of constructive road building must be planned in advance, and the Bureau of Public Roads can not function efficiently unless it is assured of appropriations far enough in advance of actual expenditures so as to enable the department to plan with certainty the work that is to be done. The highway-construction program for 1926 depends upon what the present Congress does in the way of authorization. The Committee on Roads is in unanimous accord upon the proposition that a substantial and constructive program of Federal-aid road building should be continued. Friendly disagreement arose only upon the question as to the amount of authorization for the two next succeeding years which this Congress should make, a number of us advocating that a sound public policy consistent with real economy would justify a larger authorization than that finally reported by the committee. The bill unanimously reported by the committee provides for an authorization of $75,000,000 annually for the two next fiscal years ending, respectively, June 30, 1926, and June 30, 1927. In addition thereto the bill carries an annual authorization of $7,500,000 for two years for the construction of forest roads and trails. It is confidently submitted that the sentiment of the entire country will approve the passage of a bill carrying these amounts.

The bill also authorizes the Secretary of Agriculture to exchange explosives obtained by transfer from the Secretary of War for distribution among the States for use in the improvement of roads.

The bill carries an amendment which places the States containing nontaxable Indian lands upon the same footing as States containing unappropriated public lands in the matter of allotment of funds.

The bill is brought to the House carrying the unanimous indorsement of the Committee on Roads. It is therefore free from partisan controversy and represents the sentiment of the various representatives upon this committee who come from various sections of the Nation. We confidently expect its passage.

In connection with the consideration of this measure I desire to commend to the House the record of efficiency and splendid achievement accomplished under the Bureau of Public Roads. The bureau has approached highway problems arising in the different sections of the country with fine spirit and has brought them to successful conclusion. The relations between the department and the various highway departments of the individual States have been conducted in a way to inspire mutual confidence and esteem. The department has conducted research work and investigations in the matter of materials and plans for road construction with a view to arriving at the soundest, most practical, and best methods suited to the respective sections of the country. It has also conducted surveys of motor transport and travel showing how the same reflects the business and social life of the respective communities. It is a matter of importance and interest to know that about 40 per cent of the milk supply of the city of Baltimore goes to the city by motor transport.

In connection with the administration of the Bureau of Roads, I desire to voice a protest to a change recently proposed.

The Bureau of Public Roads is now attached to the Department of Agriculture. The matter has large agricultural aspects and the bureau has functioned most satisfactorily. In the report of the Joint Committee on Reorganization, filed a few days ago, the four Republican members of the committee favor the transfer of the bureau to the Department of the Interior. This undesirable action, which might prove highly injurious, is opposed by the two Democratic members of the Committee on Reorganization, Senator HARRISON, of Mississippi, and Representative MOORE, of Virginia, and it should not be taken.

Another factor in this road problem of outstanding importance is the part which the roads of our country may play in the matter of national defense. This question has been studied by the Bureau of Roads in connection with the War Department and the result has been the preparation of a map showing that 53,800 miles of public highway are absolutely essential to our national defense. While all of us hope that the roads of the country may be devoted solely to peace-time pursuits, yet we must not forget the fact that if a war emergency should again arise at any time in the future we should so plan that our roads may efficiently contribute in the matter of our national defense. The 53,800 miles reported by the War Department as necessary in the matter of our national defense in the main are included in the system of national highways already adopted and the whole of said mileage, with minor exceptions, will be taken care of in the future in the Federal-aid highway system.

The progressive growth of the road building program is shown by the progressive increases in the mileage completed from year to year. The mileage completed for the respective years is as follows:

| | Miles |
|---|---|
| 1918 | 12.5 |
| 1919 | 177 |
| 1920 | 1,493 |
| 1921 | 5,787 |
| 1922 | 10,247 |
| 1923 | 8,820 |

And for the first eight months of the fiscal year 1924 there have been completed 6,500 miles of Federal-aid highway.

A statement as to the matter of income for road purposes may be of interest. In 1904 the total income for all rural purposes amounted to about $79,500,000. This included an estimated value of about $20,000,000 in statute labor. In 1914 the total had risen to $240,250,000, of which the statute labor was negligible. The income continued to rise in the years that followed until it reached $1,150,000,000 in 1921.

This indicates that the people of our country are alive to the situation and that the sentiment of the country strongly supports a constructive road-building program throughout the country as a whole. The people realize the necessity and advantages of good roads. They are looking forward to the completion of a national highway system.

The builders of Rome erected in the forum in the Imperial City a golden milestone. From it as a center radiated a splendid system of highways throughout the Roman Empire. They were a potent factor in the civilization of that country.

On June 4, last year, there was dedicated with appropriate ceremony here in this our Capital City the zero milestone. It marks the beginning point of our system of national highways. It stands within the shadow of the imposing shaft erected by a grateful people to the memory of Washington. From it one may look with reverent vision upon the memorial to Lincoln, the preserver of the Union, and then turning to the West may behold the home of Lee, the idol of the South.

From it extending to the north and through the west on to the slopes of the Pacific runs the Lincoln Highway, while to the south and through the cotton fields of Dixie on again to the waters of the Pacific runs the Lee Highway.

The vision of the builders is that the year 1934 may witness a completed system of paved highways radiating from the heart of our beloved Republic to the east and to the west and to the north and to the south, linking together the remotest corners of our land, and contributing to the happiness of our people and to the greatness of our Republic.

Mr. DOUGHTON. Mr. Speaker, I yield one minute to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Speaker, I wish to congratulate the committee on bringing out a bill appropriating this large sum for good roads. I am one of the city men who voted for the original good roads bill. I think what has been accomplished in building good roads has shown the wisdom of this legislation throughout the entire period. I wish to congratulate the country on the fact that we are by this bill appropriating $75,000,000 for each of the fiscal years ending June 30, 1926 and 1927, a total of $150,000,000. It seems to me it is conclusive proof that the income tax bill we passed recently is so well thought of that we can not only look forward one year but we can look forward with certainty to the year 1927. I think the action of Congress to-day in passing this good roads bill indicates the wisdom of Congress in the passage of the tax bill with the Democratic schedule of taxation. [Applause.]

I feel highly gratified with the splendid tax bill which has been enacted by this Congress in spite of all kinds of propaganda through the public press, by letters and telegrams, cartoons, and so forth. The Congress of the United States has had the temerity and backbone to stand for the rights of the great mass of taxpayers as against any partiality in favor of the immensely wealthy of the country.

I have nothing to say against our citizens of large means, but I do feel that they should be just as capable and willing to pay their just proportion of the expenses of the Government as the smaller taxpayer. The Mellon bill set 25 per cent as the maximum surtax, being a 50 per cent reduction of the present law, and around that definite stand taken by Mr. Mellon was formulated what is known as the Mellon tax plan, which gave scant relief to the small taxpayer and a very great relief to those of large means.

There are several special features in the law just enacted; the allowance of 25 per cent reduction upon all incomes for the year 1923 has been a very substantial relief to all taxpayers. For the first half of this calendar year the 25 per cent reduction in the income taxes will take off more than half of the $232,000,000 for the full calendar year. If we add to this the $361,000,000 for the fiscal year ending June 30, 1925, we have a total reduction in 18 months of $480,000,000, and some of the papers are still stating that Congress refused to reduce taxes and the President claims that the reduction is not scientific. Yet in these 18 months Congress reduced taxes $250,000,000 more than what the Mellon plan proposed. It will be noted that under the new law all taxpayers having incomes of $10,000 or less will have their income tax reduced some 60 per cent, and where they are earned incomes the taxpayer receives 25 per cent additional, which is a wise and just provision.

Ever since I studied under Dr. Richard T. Ely, of the Johns Hopkins University, I have always thought that an earned income should not be taxed in the same proportion as that received from investments. When the man who has an earned income is no longer able to work or passes to the great beyond, his income ceases, while the man having an income from investments, becoming incapacited or dying, the income still continues.

In addition to these heavy reductions, the excise and other taxes are repealed or reduced to the extent of $136,000,620, so that we not only have the vast sum reduced as income taxes but to that could well be added this excise and other tax reduction, which consists of telephone and telegraph tax, theater admissions under 50 cents, auto trucks and bodies, tires, tubes and parts, carpets and rugs, and jewelry, all of which articles and many others have had a very substantial reduction. I am inserting here certain tables to show the reductions under the new tax bill.

SHOWING NORMAL TAXES ONLY FOR BRACKETS OF $20,000 OR LESS AND TAKING INTO ACCOUNT THE NEW EARNED-INCOME PROVISIONS

| Net income | Single person | | Man and wife | | Man, wife, and child | | Man, wife, and 2 children | | Man, wife, and 3 children | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $5,000 earned income | $10,000 earned income | $5,000 earned income | $10,000 earned income | $5,000 earned income | $10,000 earned income | $5,000 earned income | $10,000 earned income | $5,000 earned income | $10,000 earned income |
| $1,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| $2,000 | $15.00 | $15.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| $3,000 | 30.00 | 30.00 | $7.50 | $7.50 | $1.50 | $1.50 | 0 | 0 | 0 | 0 |
| $4,000 | 45.00 | 45.00 | 22.50 | 22.50 | 16.50 | 16.50 | $10.50 | $10.50 | $4.50 | $4.50 |
| $5,000 | 60.00 | 60.00 | 37.50 | 37.50 | 31.50 | 31.50 | 25.50 | 25.50 | 19.50 | 19.50 |
| $6,000 | 100.00 | 90.00 | 57.50 | 52.50 | 51.50 | 46.50 | 45.50 | 40.50 | 39.50 | 34.50 |
| $7,000 | 140.00 | 120.00 | 87.50 | 75.00 | 73.50 | 63.00 | 65.50 | 55.50 | 59.50 | 49.50 |
| $8,000 | 180.00 | 150.00 | 127.50 | 105.00 | 113.50 | 93.00 | 91.50 | 75.00 | 85.50 | 69.00 |
| $9,000 | 220.00 | 180.00 | 167.50 | 135.00 | 153.50 | 123.00 | 131.50 | 105.00 | 125.50 | 99.00 |
| $10,000 | 260.00 | 225.00 | 207.50 | 165.00 | 193.50 | 153.00 | 171.50 | 135.00 | 165.50 | 129.00 |
| $11,000 | 340.00 | 285.00 | 257.50 | 215.00 | 235.50 | 195.00 | 211.50 | 175.00 | 205.50 | 169.00 |
| $12,000 | 400.00 | 345.00 | 317.50 | 275.00 | 295.50 | 255.00 | 257.50 | 221.00 | 251.50 | 215.00 |
| $13,000 | 460.00 | 405.00 | 377.50 | 335.00 | 355.50 | 315.00 | 317.50 | 281.50 | 311.50 | 275.00 |
| $14,000 | 520.00 | 465.00 | 437.50 | 395.00 | 415.00 | 375.00 | 377.50 | 341.50 | 371.50 | 335.00 |
| $15,000 | 580.00 | 525.00 | 497.50 | 455.00 | 475.00 | 435.00 | 437.50 | 401.50 | 431.50 | 395.00 |
| $16,000 | 640.00 | 585.00 | 557.50 | 515.00 | 535.00 | 495.00 | 497.50 | 461.50 | 491.50 | 455.00 |
| $17,000 | 700.00 | 645.00 | 617.50 | 575.00 | 595.00 | 555.00 | 557.50 | 521.50 | 551.50 | 515.00 |
| $18,000 | 760.00 | 705.00 | 677.50 | 635.00 | 655.00 | 615.00 | 617.50 | 581.50 | 611.50 | 575.00 |
| $19,000 | 820.00 | 765.00 | 737.50 | 695.00 | 715.00 | 675.00 | 677.50 | 641.50 | 671.50 | 635.00 |
| $20,000 | 880.00 | 825.00 | 797.50 | 755.00 | 775.00 | 735.00 | 737.50 | 701.50 | 731.50 | 695.00 |

COMBINED NORMAL TAX AND SURTAX, COMPARING THE REVENUE ACT OF 1924 WITH THE REVENUE ACT OF 1921, AND SHOWING THE AMOUNTS BY WHICH TAXES ARE REDUCED IN EACH BRACKET, WITH THE PER CENT OF REDUCTION

*Comparison of the revenue act of 1924 with the present law (married person without dependents), the first $5,000 of all income to be deemed to be earned; balance unearned*

| Number of persons making returns in each class in 1922 who paid income tax | Net income | Amount of normal tax under— | | Amount of surtax under— | | Amount of total tax under— | | Amount of reduction of total tax under act of 1924 | Percentage of reduction of total tax |
|---|---|---|---|---|---|---|---|---|---|
| | | Act of 1921 | Act of 1924 | Act of 1921 | Act of 1924 | Act of 1921 | Act of 1924 | | |
| | $1,000.00 | | | | | | | | |
| | 2,000.00 | | | | | | | | |
| | 3,000.00 | $20.00 | $7.50 | | | $20.00 | $7.50 | $12.50 | 62.50 |
| | 4,000.00 | 60.00 | 22.50 | | | 60.00 | 22.50 | 37.50 | 62.50 |
| | 5,000.00 | 100.00 | 37.50 | | | 100.00 | 37.50 | 62.50 | 62.50 |
| 3,417,626 | 6,000.00 | 160.00 | 57.50 | | | 160.00 | 57.50 | 102.50 | 64.06 |
| | 7,000.00 | 240.00 | 87.50 | $10.00 | | 250.00 | 87.50 | 162.50 | 65.00 |
| | 8,000.00 | 320.00 | 127.50 | 20.00 | | 340.00 | 127.50 | 212.50 | 62.50 |
| | 9,000.00 | 400.00 | 167.50 | 30.00 | | 430.00 | 167.50 | 262.50 | 61.05 |
| | 10,000.00 | 480.00 | 207.50 | 40.00 | | 520.00 | 207.50 | 312.50 | 60.10 |
| | 11,000.00 | 560.00 | 257.50 | 60.00 | $10.00 | 620.00 | 267.50 | 352.50 | 56.85 |
| | 12,000.00 | 640.00 | 317.50 | 80.00 | 20.00 | 720.00 | 337.50 | 382.50 | 53.13 |
| | 13,000.00 | 730.00 | 377.50 | 110.00 | 30.00 | 830.00 | 407.50 | 422.50 | 50.90 |
| | 14,000.00 | 800.00 | 437.50 | 140.00 | 40.00 | 940.00 | 477.50 | 462.50 | 49.20 |
| 114,244 | 15,000.00 | 880.00 | 497.50 | 180.00 | 60.00 | 1,060.00 | 537.50 | 502.50 | 47.41 |
| | 16,000.00 | 960.00 | 557.50 | 220.00 | 80.00 | 1,180.00 | 637.50 | 542.50 | 45.97 |
| | 17,000.00 | 1,040.00 | 617.50 | 270.00 | 110.00 | 1,310.00 | 727.50 | 582.50 | 44.47 |
| | 18,000.00 | 1,120.00 | 677.50 | 320.00 | 140.00 | 1,440.00 | 817.50 | 622.50 | 43.22 |
| | 19,000.00 | 1,200.00 | 737.50 | 380.00 | 180.00 | 1,580.00 | 917.50 | 662.50 | 41.93 |
| | 20,000.00 | 1,280.00 | 797.50 | 440.00 | 220.00 | 1,720.00 | 1,017.50 | 702.50 | 40.84 |
| | 21,000.00 | 1,360.00 | 857.50 | 520.00 | 270.00 | 1,880.00 | 1,127.50 | 752.50 | 40.00 |
| | 22,000.00 | 1,440.00 | 917.50 | 600.00 | 320.00 | 2,040.00 | 1,237.50 | 802.50 | 39.34 |
| | 23,000.00 | 1,520.00 | 977.50 | 690.00 | 380.00 | 2,210.00 | 1,357.50 | 852.50 | 38.57 |
| | 24,000.00 | 1,600.00 | 1,037.50 | 780.00 | 440.00 | 2,380.00 | 1,477.50 | 902.50 | 37.92 |
| 28,948 | 25,000.00 | 1,680.00 | 1,097.50 | 880.00 | 510.00 | 2,560.00 | 1,607.50 | 952.50 | 37.21 |
| | 26,000.00 | 1,760.00 | 1,157.50 | 980.00 | 580.00 | 2,740.00 | 1,737.50 | 1,002.50 | 36.59 |
| | 27,000.00 | 1,840.00 | 1,217.50 | 1,090.00 | 660.00 | 2,930.00 | 1,877.50 | 1,052.50 | 35.92 |
| | 28,000.00 | 1,920.00 | 1,277.50 | 1,200.00 | 740.00 | 3,120.00 | 2,017.50 | 1,102.50 | 35.34 |
| | 29,000.00 | 2,000.00 | 1,337.50 | 1,320.00 | 830.00 | 3,320.00 | 2,167.50 | 1,152.50 | 34.71 |
| | 30,000.00 | 2,080.00 | 1,397.50 | 1,440.00 | 920.00 | 3,520.00 | 2,317.50 | 1,202.50 | 34.16 |
| | 31,000.00 | 2,160.00 | 1,457.50 | 1,570.00 | 1,020.00 | 3,730.00 | 2,477.50 | 1,252.50 | 33.58 |
| | 32,000.00 | 2,240.00 | 1,517.50 | 1,700.00 | 1,120.00 | 3,940.00 | 2,637.50 | 1,302.50 | 33.06 |
| | 33,000.00 | 2,320.00 | 1,577.50 | 1,850.00 | 1,220.00 | 4,170.00 | 2,797.50 | 1,372.50 | 32.91 |
| | 34,000.00 | 2,400.00 | 1,637.50 | 2,000.00 | 1,320.00 | 4,400.00 | 2,957.50 | 1,442.50 | 32.79 |
| 12,047 | 35,000.00 | 2,480.00 | 1,697.50 | 2,150.00 | 1,430.00 | 4,630.00 | 3,127.50 | 1,502.50 | 32.45 |
| | 36,000.00 | 2,560.00 | 1,757.50 | 2,300.00 | 1,540.00 | 4,860.00 | 3,297.50 | 1,562.50 | 32.15 |
| | 37,000.00 | 2,640.00 | 1,817.50 | 2,460.00 | 1,660.00 | 5,100.00 | 3,477.50 | 1,622.50 | 31.81 |
| | 38,000.00 | 2,720.00 | 1,877.50 | 2,620.00 | 1,780.00 | 5,340.00 | 3,657.50 | 1,682.50 | 31.51 |
| | 39,000.00 | 2,800.00 | 1,937.50 | 2,790.00 | 1,910.00 | 5,590.00 | 3,847.50 | 1,742.50 | 31.17 |
| | 40,000.00 | 2,880.00 | 1,997.50 | 2,960.00 | 2,040.00 | 5,840.00 | 4,037.50 | 1,802.50 | 30.86 |
| | 41,000.00 | 2,960.00 | 2,057.50 | 3,140.00 | 2,170.00 | 6,100.00 | 4,227.50 | 1,872.50 | 30.70 |
| | 42,000.00 | 3,040.00 | 2,117.50 | 3,320.00 | 2,300.00 | 6,360.00 | 4,417.50 | 1,942.50 | 30.54 |
| | 43,000.00 | 3,120.00 | 2,177.50 | 3,510.00 | 2,440.00 | 6,630.00 | 4,617.50 | 2,012.50 | 30.35 |
| | 44,000.00 | 3,200.00 | 2,237.50 | 3,700.00 | 2,580.00 | 6,900.00 | 4,817.50 | 2,082.50 | 30.18 |
| 6,051 | 45,000.00 | 3,280.00 | 2,297.50 | 3,900.00 | 2,730.00 | 7,180.00 | 5,027.50 | 2,152.50 | 29.98 |
| | 46,000.00 | 3,360.00 | 2,357.50 | 4,100.00 | 2,880.00 | 7,460.00 | 5,237.50 | 2,222.50 | 29.79 |
| | 47,000.00 | 3,440.00 | 2,417.50 | 4,310.00 | 3,040.00 | 7,750.00 | 5,457.50 | 2,292.50 | 29.58 |
| | 48,000.00 | 3,520.00 | 2,477.50 | 4,520.00 | 3,200.00 | 8,040.00 | 5,677.50 | 2,362.50 | 29.38 |
| | 49,000.00 | 3,600.00 | 2,537.50 | 4,740.00 | 3,370.00 | 8,340.00 | 5,907.50 | 2,432.50 | 29.13 |
| | 50,000.00 | 3,680.00 | 2,597.50 | 4,960.00 | 3,540.00 | 8,640.00 | 6,137.50 | 2,502.50 | 28.97 |
| | 51,000.00 | 3,760.00 | 2,657.50 | 5,190.00 | 3,720.00 | 8,950.00 | 6,377.50 | 2,572.50 | 28.74 |
| | 52,000.00 | 3,840.00 | 2,717.50 | 5,420.00 | 3,900.00 | 9,260.00 | 6,617.50 | 2,642.50 | 28.54 |
| | 53,000.00 | 3,920.00 | 2,777.50 | 5,660.00 | 4,090.00 | 9,580.00 | 6,867.50 | 2,712.50 | 28.31 |
| | 54,000.00 | 4,000.00 | 2,837.50 | 5,900.00 | 4,280.00 | 9,900.00 | 7,117.50 | 2,782.50 | 28.11 |
| 2,431 | 55,000.00 | 4,080.00 | 2,897.50 | 6,150.00 | 4,470.00 | 10,230.00 | 7,367.50 | 2,862.50 | 27.98 |
| | 56,000.00 | 4,160.00 | 2,957.50 | 6,400.00 | 4,660.00 | 10,560.00 | 7,617.50 | 2,942.50 | 27.86 |
| | 57,000.00 | 4,240.00 | 3,017.50 | 6,660.00 | 4,860.00 | 10,900.00 | 7,877.50 | 3,022.50 | 27.73 |
| | 58,000.00 | 4,320.00 | 3,077.50 | 6,920.00 | 5,060.00 | 11,240.00 | 8,137.50 | 3,102.50 | 27.60 |
| | 59,000.00 | 4,400.00 | 3,137.50 | 7,190.00 | 5,270.00 | 11,590.00 | 8,407.50 | 3,182.50 | 27.46 |
| | 60,000.00 | 4,480.00 | 3,197.50 | 7,460.00 | 5,480.00 | 11,940.00 | 8,677.50 | 3,262.50 | 27.33 |
| | 61,000.00 | 4,560.00 | 3,257.50 | 7,740.00 | 5,690.00 | 12,300.00 | 8,947.50 | 3,352.50 | 27.26 |
| | 62,000.00 | 4,640.00 | 3,317.50 | 8,020.00 | 5,900.00 | 12,660.00 | 9,217.50 | 3,442.50 | 27.19 |
| | 63,000.00 | 4,720.00 | 3,377.50 | 8,310.00 | 6,120.00 | 13,030.00 | 9,497.50 | 3,532.50 | 27.11 |
| | 64,000.00 | 4,800.00 | 2,437.50 | 8,600.00 | 6,340.00 | 13,400.00 | 9,777.50 | 3,622.50 | 27.04 |
| 2,240 | 65,000.00 | 4,880.00 | 3,497.50 | 8,900.00 | 6,570.00 | 13,780.00 | 10,067.50 | 3,712.50 | 26.94 |
| | 66,000.00 | 4,960.00 | 3,557.50 | 9,200.00 | 6,800.00 | 14,160.00 | 10,357.50 | 3,802.50 | 26.85 |
| | 67,000.00 | 5,040.00 | 3,617.50 | 9,510.00 | 7,040.00 | 14,550.00 | 10,657.50 | 3,892.50 | 26.75 |
| | 68,000.00 | 5,120.00 | 3,677.50 | 9,820.00 | 7,280.00 | 14,940.00 | 10,957.50 | 3,982.50 | 26.66 |
| | 69,000.00 | 5,200.00 | 3,737.50 | 10,140.00 | 7,530.00 | 15,340.00 | 11,267.50 | 4,072.50 | 26.55 |
| | 70,000.00 | 5,280.00 | 3,797.50 | 10,460.00 | 7,780.00 | 15,740.00 | 11,577.50 | 4,162.50 | 26.44 |

COMBINED NORMAL TAX AND SURTAX, COMPARING THE REVENUE ACT OF 1924 WITH THE REVENUE ACT OF 1921, ETC.—Continued

*Comparison of the revenue act of 1924 with the present law (married person without dependents), the first $5,000 of all income to be deemed to be earned; balance unearned*—Con.

| Number of persons making returns in each class in 1922 who paid income tax | Net income | Amount of normal tax under— | | Amount of surtax under— | | Amount of total tax under— | | Amount of reduction of total tax under act of 1924 | Percentage of reduction of total tax |
|---|---|---|---|---|---|---|---|---|---|
| | | Act of 1921 | Act of 1924 | Act of 1921 | Act of 1924 | Act of 1921 | Act of 1924 | | |
| 1,423 | $71,000.00 | $5,360.00 | $3,857.50 | $10,790.00 | $8,040.00 | $16,150.00 | $11,897.50 | $4,252.50 | 26.33 |
| | 72,000.00 | 5,440.00 | 3,917.50 | 11,120.00 | 8,300.00 | 16,560.00 | 12,217.50 | 4,342.50 | 26.22 |
| | 73,000.00 | 5,520.00 | 3,977.50 | 11,460.00 | 8,560.00 | 16,980.00 | 12,537.50 | 4,442.50 | 26.16 |
| | 74,000.00 | 5,600.00 | 4,037.50 | 11,800.00 | 8,820.00 | 17,400.00 | 12,857.50 | 4,542.50 | 26.11 |
| | 75,000.00 | 5,680.00 | 4,097.50 | 12,150.00 | 9,090.00 | 17,830.00 | 13,187.50 | 4,642.50 | 26.04 |
| | 76,000.00 | 5,760.00 | 4,157.50 | 12,500.00 | 9,360.00 | 18,260.00 | 13,517.50 | 4,742.50 | 25.97 |
| | 77,000.00 | 5,840.00 | 4,217.50 | 12,860.00 | 9,640.00 | 18,700.00 | 13,857.50 | 4,842.50 | 25.91 |
| | 78,000.00 | 5,920.00 | 4,277.50 | 13,220.00 | 9,920.00 | 19,140.00 | 14,197.50 | 4,942.50 | 25.82 |
| | 79,000.00 | 6,000.00 | 4,337.50 | 13,590.00 | 10,200.00 | 19,590.00 | 14,537.50 | 5,052.50 | 25.79 |
| | 80,000.00 | 6,080.00 | 4,397.50 | 13,960.00 | 10,480.00 | 20,040.00 | 14,877.50 | 5,162.50 | 25.76 |
| 957 | 81,000.00 | 6,160.00 | 4,457.50 | 14,340.00 | 10,770.00 | 20,500.00 | 15,227.50 | 5,272.50 | 25.78 |
| | 82,000.00 | 6,240.00 | 4,517.50 | 14,720.00 | 11,060.00 | 20,960.00 | 15,577.50 | 5,382.50 | 25.62 |
| | 83,000.00 | 6,320.00 | 4,577.50 | 15,110.00 | 11,360.00 | 21,430.00 | 15,937.50 | 5,492.50 | 25.63 |
| | 84,000.00 | 6,400.00 | 4,637.50 | 15,500.00 | 11,660.00 | 21,900.00 | 16,297.50 | 5,602.50 | 25.58 |
| | 85,000.00 | 6,480.00 | 4,697.50 | 15,900.00 | 11,970.00 | 22,380.00 | 16,667.50 | 5,712.50 | 25.53 |
| | 86,000.00 | 6,560.00 | 4,757.50 | 16,300.00 | 12,280.00 | 22,860.00 | 17,037.50 | 5,822.50 | 25.47 |
| | 87,000.00 | 6,640.00 | 4,817.50 | 16,710.00 | 12,590.00 | 23,350.00 | 17,407.50 | 5,942.50 | 25.45 |
| | 88,000.00 | 6,720.00 | 4,877.50 | 17,120.00 | 12,900.00 | 23,840.00 | 17,777.50 | 6,062.50 | 25.43 |
| | 89,000.00 | 6,800.00 | 4,937.50 | 17,540.00 | 13,223.00 | 24,340.00 | 18,157.50 | 6,182.50 | 25.40 |
| | 90,000.00 | 6,880.00 | 4,997.50 | 17,960.00 | 13,540.00 | 24,840.00 | 18,537.50 | 6,302.50 | 25.37 |
| | 91,000.00 | 6,960.00 | 5,057.50 | 18,390.00 | 13,870.00 | 25,350.00 | 18,927.50 | 6,422.50 | 25.34 |
| | 92,000.00 | 7,040.00 | 5,117.50 | 18,820.00 | 14,200.00 | 25,860.00 | 19,317.50 | 6,542.50 | 25.30 |
| | 93,000.00 | 7,120.00 | 5,177.50 | 19,260.00 | 14,540.00 | 26,380.00 | 19,717.50 | 6,662.50 | 25.26 |
| 606 | 94,000.00 | 7,200.00 | 5,237.50 | 19,700.00 | 14,880.00 | 26,900.00 | 20,117.50 | 6,782.50 | 25.21 |
| | 95,000.00 | 7,280.00 | 5,297.50 | 20,150.00 | 15,230.00 | 27,430.00 | 20,527.50 | 6,902.50 | 25.16 |
| | 96,000.00 | 7,360.00 | 5,357.50 | 20,600.00 | 15,580.00 | 27,960.00 | 20,937.50 | 7,022.50 | 25.12 |
| | 97,000.00 | 7,440.00 | 5,417.50 | 21,060.00 | 15,940.00 | 28,500.00 | 21,357.50 | 7,142.50 | 25.06 |
| | 98,000.00 | 7,520.00 | 5,477.50 | 21,520.00 | 16,300.00 | 29,040.00 | 21,777.50 | 7,262.50 | 25.01 |
| | 99,000.00 | 7,600.00 | 5,537.50 | 21,990.00 | 16,660.00 | 29,590.00 | 22,197.50 | 7,392.50 | 24.98 |
| 1,817 | 100,000.00 | 7,680.00 | 5,597.50 | 22,460.00 | 17,020.00 | 30,140.00 | 22,617.50 | 7,522.50 | 24.96 |
| | 150,000.00 | 11,680.00 | 8,597.50 | 46,460.00 | 35,520.00 | 58,140.00 | 44,117.50 | 14,022.50 | 24.12 |
| 451 | 200,000.00 | 15,680.00 | 11,597.50 | 70,960.00 | 54,020.00 | 86,640.00 | 65,617.50 | 21,022.50 | 24.26 |
| | 250,000.00 | 19,680.00 | 14,597.50 | 95,960.00 | 73,020.00 | 115,640.00 | 87,617.50 | 28,022.50 | 24.23 |
| 68 | 300,000.00 | 23,680.00 | 17,597.50 | 120,960.00 | 92,020.00 | 144,640.00 | 109,617.50 | 35,022.50 | 24.21 |
| | 500,000.00 | 39,680.00 | 29,597.50 | 230,960.00 | 170,020.00 | 260,640.00 | 199,617.50 | 61,022.50 | 23.41 |
| 21 | 1,000,000.00 | 79,680.00 | 59,597.50 | 470,960.00 | 370,020.00 | 550,640.00 | 429,617.50 | 121,022.50 | 21.96 |
| | 2,000,000.00 | 159,680.00 | 119,597.50 | 970,960.00 | 770,020.00 | 1,130,640.00 | 889,617.50 | 241,022.50 | 21.32 |
| | 3,000,000.00 | 239,680.00 | 179,597.50 | 1,470,960.00 | 1,170,020.00 | 1,710,640.00 | 1,349,617.50 | 361,022.50 | 21.11 |
| | 4,000,000.00 | 319,680.00 | 239,597.50 | 1,970,960.00 | 1,570,020.00 | 2,290,640.00 | 1,809,617.50 | 481,022.50 | 21.00 |
| | 5,000,000.00 | 399,680.00 | 299,597.50 | 2,470,960.00 | 1,970,020.00 | 2,870,640.00 | 2,269,617.50 | 601,022.50 | 20.94 |

*How income taxes are reduced by the revenue act of 1924*

[What the income-tax payer saves under the new law as compared with the Mellon plan. Compiled from statistics furnished by the Government Actuary, Treasury Department]

| Income (married man without dependents), first $5,000 considered as earned income | Total amount saved from act of 1921 | | Percentage of total saving from act of 1921 | |
|---|---|---|---|---|
| | By the Act of 1924 | By the Mellon plan | By the Act of 1924 | By the Mellon plan |
| $3,000 | $12.50 | $8.75 | 62.50 | 43.75 |
| $4,000 | 37.50 | 26.25 | 62.50 | 43.75 |
| $5,000 | 62.50 | 43.75 | 62.50 | 43.75 |
| $6,000 | 102.50 | 62.50 | 64.04 | 39.06 |
| $7,000 | 162.50 | 92.50 | 65.00 | 37.00 |
| $8,000 | 212.50 | 122.50 | 62.50 | 36.03 |
| $9,000 | 262.50 | 152.50 | 61.05 | 35.47 |
| $10,000 | 312.50 | 182.50 | 60.10 | 35.10 |
| $15,000 | 502.50 | 332.50 | 47.41 | 31.35 |
| $20,000 | 702.50 | 482.50 | 40.84 | 28.05 |
| $25,000 | 952.50 | 682.50 | 37.21 | 26.06 |
| $30,000 | 1,202.50 | 882.50 | 34.16 | 25.07 |
| $35,000 | 1,502.50 | 1,102.50 | 32.45 | 23.81 |
| $40,000 | 1,802.50 | 1,322.50 | 30.86 | 22.65 |
| $45,000 | 2,152.50 | 1,612.50 | 29.98 | 22.46 |
| $50,000 | 2,502.50 | 1,982.50 | 28.97 | 22.95 |
| $55,000 | 2,862.50 | 2,442.50 | 27.98 | 23.88 |
| $60,000 | 3,262.50 | 2,982.50 | 27.32 | 24.97 |
| $65,000 | 3,712.50 | 3,612.50 | 26.94 | 26.22 |
| $70,000 | 4,162.50 | 4,322.50 | 26.44 | 27.46 |
| $75,000 | 4,642.50 | 5,112.50 | 26.04 | 28.73 |
| $80,000 | 5,162.50 | 5,982.50 | 25.76 | 29.85 |
| $85,000 | 5,712.50 | 6,942.50 | 25.53 | 31.02 |
| $90,000 | 6,302.50 | 7,982.50 | 25.37 | 32.14 |
| $95,000 | 6,902.50 | 9,112.50 | 25.16 | 33.22 |
| $100,000 | 7,522.50 | 10,322.50 | 24.96 | 34.25 |
| $200,000 | 21,022.50 | 35,822.50 | 24.26 | 41.35 |
| $300,000 | 35,022.50 | 62,822.50 | 24.21 | 43.50 |
| $500,000 | 61,022.50 | 116,822.50 | 23.41 | 44.82 |
| $1,000,000 | 121,022.50 | 251,822.50 | 21.96 | 45.73 |
| $2,000,000 | 241,022.50 | 521,822.50 | 21.32 | 46.15 |
| $3,000,000 | 361,022.50 | 791,822.50 | 21.11 | 46.29 |
| $4,000,000 | 481,022.50 | 1,061,822.50 | 21.00 | 46.35 |
| $5,000,000 | 601,022.50 | 1,331,822.50 | 20.94 | 46.39 |

*Table for convenient reference for taxes on incomes of $20,000 or less*

| Net income | Total of normal and surtaxes of man and wife under revenue act of 1921 | Total of normal and surtaxes of man and wife with $5,000 earned income under revenue act of 1924 | Reduction in dollars | Reduction in per cent |
|---|---|---|---|---|
| $1,000 | None. | None. | | |
| $2,000 | None. | None. | | |
| $3,000 | $20.00 | $7.50 | $12.50 | 62.50 |
| $4,000 | 60.00 | 22.50 | 37.50 | 62.50 |
| $5,000 | 100.00 | 37.50 | 62.50 | 62.50 |
| $6,000 | 160.00 | 57.50 | 102.50 | 64.06 |
| $7,000 | 250.00 | 87.50 | 162.50 | 65.00 |
| $8,000 | 340.00 | 127.50 | 212.50 | 62.50 |
| $9,000 | 430.00 | 167.50 | 262.50 | 61.05 |
| $10,000 | 520.00 | 207.50 | 312.50 | 60.10 |
| $11,000 | 620.00 | 267.50 | 352.50 | 56.85 |
| $12,000 | 720.00 | 337.50 | 382.50 | 53.13 |
| $13,000 | 830.00 | 407.50 | 422.50 | 50.90 |
| $14,000 | 940.00 | 477.50 | 462.50 | 49.20 |
| $15,000 | 1,060.00 | 557.50 | 502.50 | 47.41 |
| $16,000 | 1,180.00 | 637.50 | 542.50 | 45.97 |
| $17,000 | 1,310.00 | 727.50 | 582.50 | 44.47 |
| $18,000 | 1,440.00 | 817.50 | 622.50 | 43.22 |
| $19,000 | 1,580.00 | 917.50 | 662.50 | 41.93 |
| $20,000 | 1,720.00 | 1,017.50 | 702.50 | 40.84 |

The estimates given below are based upon the collections for the fiscal year ended June 30, 1923:

*Articles and amount saved to taxpayer*

| | |
|---|---|
| Repeals tax on— | |
| Telephone and telegraph messages | $34,000,000 |
| Beverages and constituent parts thereof | 10,000,000 |
| Admissions of 50 cents and under | 33,000,000 |

| | |
|---|---|
| EXCISE TAXES | |
| Auto trucks and bodies, chassis costing $1,000 and body $200 exempt from 3 per cent tax | 5,000,000 |
| Tires, tubes, parts, and accessories, tax reduced from 5 per cent to 2½ per cent | 20,000,000 |
| Smokers' articles, 10 per cent tax on humidors and smoking stands repealed | 1,000 |
| Candy, 3 per cent tax repealed | 13,000,000 |
| Slot device weighing machines, tax reduced from 10 per cent to 5 per cent | |
| Knives, dirks, daggers, etc., tax is repealed | 30,000 |
| Liveries and livery boots and hats, 10 per cent tax repealed | 140,000 |
| Hunting and shooting garments and riding habits, 10 per cent tax repealed | 180,000 |
| Yachts and motor boats and pleasure boats and canoes if sold for more than $100, 10 per cent tax repealed | 319,000 |
| Carpets and rugs (square yard tax); trunks, sold in excess of $35; valises, traveling bags, suitcases, etc., if sold in excess of $25; purses, pocketbooks, shopping or hand bags, sold in excess of $5; portable lighting fixtures, lamps, and lamp shades, sold in excess of $10; fans, sold in excess of $1; 5 per cent tax on all the foregoing repealed | 1,800,000 |
| Jewelry; 5 per cent tax does not apply on articles sold for $30 or less; on watches sold for $60 or less; on church goods, musical instruments, and silver-plated flat tableware, irrespective of price. (Eyeglasses and spectacles and surgical instruments are exempt) | 11,000,000 |
| STAMP TAXES | |
| Sales of produce on exchange, cut from 2 cents to 1 cent per $100 | 4,000,000 |
| Promissory notes, drafts, or checks, payable otherwise than at sight or demand, tax of 2 cents per $100 or fraction thereof repealed | 2,150,000 |
| OCCUPATIONAL TAXES | |
| Brokers exclusively negotiating sales of produce or merchandise, exempt from $50 tax | 400,000 |
| Theater seat tax, etc., repealed | 1,600,000 |
| Total reduction | 136,620,000 |
| MISCELLANEOUS ITEMS | |
| Adds tax— | |
| While the bill reduces the tax on slot-weighing machines from 10 per cent to 5 per cent, it now applies the 5 per cent tax to all classes of coin-operated machines, which will increase the revenue from this source about | $150,000 |
| Playing cards: Rate increased from 8 cents to 10 cents per pack | $700,000 |
| Mah jongg, pung chow, and similar tile sets taxed at 10 per cent | 1,000,000 |
| Total increase | 1,850,000 |
| Total taxes eliminated | 136,620,000 |
| Total taxes added | 1,850,000 |
| Net total reduction | 134,770,000 |

ADDITIONAL EXEMPTIONS

Tax on pool tables and bowling alleys of $10 per table or alley does not apply if no charge is made for use of same.

Seat tax on automobiles for hire does not apply in respect of automobiles used exclusively for conveying school children to and from school.

The following statement was prepared by the Actuary of the Treasury on May 23, 1924. It shows a net reduction in income taxes of $250,000,000 and in excise taxes of $111,000,000, making a total reduction of $361,000,000 for the fiscal year ending June 30, 1925:

*Estimated revenue of the revenue act of 1924 for the fiscal year ending June 30, 1925*

| Source | Present law | Revenue act of 1924 | Amount of reductions |
|---|---|---|---|
| Customs | $500,000,000 | $500,000,000 | |
| Internal revenue: | | | |
| Individual income and corporation tax | 1,906,000,000 | 1,656,000,000 | $250,000,000 |
| Miscellaneous taxes | 925,000,000 | 814,000,000 | 111,000,000 |
| Total internal-revenue taxes | 2,825,000,000 | 2,464,000,000 | 361,000,000 |
| Miscellaneous receipts | 473,000,000 | 473,000,000 | |
| Total ordinary receipts | 3,798,000,000 | 3,437,000,000 | |
| Expenditures chargeable against ordinary receipts (Budget estimate of Dec. 3, 1923, not including additional expenditures authorized or to be authorized since that date) | 3,298,100,000 | 3,298,100,000 | |
| Excess of ordinary receipts over total expenditures chargeable against ordinary receipts | 499,900,000 | 138,900,000 | |

*Estate tax*

[Comparison of the rates under the revenue acts of 1921 and 1924]

| Net estate (gross estate less certain deductions and specific exemption of $50,000) | | Rates | |
|---|---|---|---|
| Exceeding | Not exceeding | Act of 1924 | Act of 1921 |
| | | *Per cent* | *Per cent* |
| | $50,000 | 1 | 1 |
| $50,000 | 100,000 | 2 | 2 |
| 100,000 | 150,000 | 3 | 3 |
| 150,000 | 250,000 | 4 | 3 |
| 250,000 | 450,000 | 6 | 4 |
| 450,000 | 750,000 | 9 | 6 |
| 750,000 | 1,000,000 | 12 | 8 |
| 1,000,000 | 1,500,000 | 15 | 10 |
| 1,500,000 | 2,000,000 | 18 | 12 |
| 2,000,000 | 3,000,000 | 21 | 14 |
| 3,000,000 | 4,000,000 | 24 | 16 |
| 4,000,000 | 5,000,000 | 27 | 18 |
| 5,000,000 | 8,000,000 | 30 | 20 |
| 8,000,000 | 10,000,000 | 35 | 22 |
| 10,000,000 | | 40 | 25 |

THE M'NARY-HAUGEN BILL

Congress should not alone be judged by what measures it has passed, but it should likewise be judged by certain measures which it has defeated. I refer particularly to the McNary-Haugen bill, which would have taken from the Treasury of the United States $200,000,000 as an initial appropriation, and it is difficult to say what this doubtful enterprise would have eventually cost the Government. It was an entire departure from any legislation we have ever passed; it was freely admitted by advocates of the bill that the real cause of the farmer's present bankrupt condition was the fact that he had to buy in a closed market under the Fordney-McCumber tariff bill, which is certainly one of the most iniquitous tariff bills ever passed, and which enables the trusts, combines, and monopolies to dictate prices, so that to-day the American people are paying more than $3,000,000,000 increased prices to benefit these great interests. The farmer, having bought in such market, paying prices which are double what he paid in 1914, is compelled to sell in an open market to meet world competition and procures no greater price for his grain than he did in 1914.

The advocates of the bill, admitting that the tariff is the cause of the farmers' perplexity, proposed to relieve this condition by taxing the American people under this McNary-Haugen bill to the extent of $160,000,000 annually, to be taken from the pockets of the consumer for the advantage of the wheat-growing section of this country, which section, incidentally speaking, would pay only $5,000,000 of this $160,000,000 exaction. It is an "inland tariff," plain and simple. Take, for instance, my own district, comprising some 240,000 people. By the hearings before the Agricultural Committee, page 32, it was testified by an expert that this exaction would amount to some $2 for each person in the United States. That may be a little high, but if his calculation is correct it would mean some $480,000 to be taken out of the pockets of the consumers of my district of Baltimore city as a contribution to the farming interests.

We might not feel the effects of this so keenly if it really helped the farmer, but I do not believe it would. After he meandered through the ramifications of the McNary-Haugen bill, with its overhead charges, deductions, and so forth, I fear he would find himself in a worse plight than at present. Moreover, suppose you take $160,000,000 or more from the pockets of the industrial classes; will they not be required to ask for more salaries, and will this salary not be reflected in the articles produced by them, and when the farmer comes to purchase will not his high price exacted from the consumer under this bill be absorbed through an increased cost of those things which he requires for his comfort and convenience as well as for the cultivation of his land? It was, in my opinion, a bad bill, and I am glad to have opposed it.

There are many other measures confronting Congress which are perhaps not as dangerous as this; but, collectively, they would bankrupt the Treasury or further inject more government into business, which would be most deplorable.

Talking of more government in business reminds me of the campaign slogan of our late President Harding—"More business in government and less government in business." How little his party followed this slogan. The tendency throughout this Congress of the Republican Party, and, I regret to say, some of my own party, has continued to inject Govern-

ment supervision, regulation, or inspection into the affairs of individuals and corporations. This tendency has likewise continued to centralize government at Washington, and the bureaucratic system is constantly being extended. When you realize that of the 500,000 or more officials and employees only 531, the Congress, are elected by the people, we observe this bureaucracy. The old slogan of Jefferson, "The least governed is the best governed," seems largely forgotten, and State rights ignored. I believe the proper solution of many of our ills is to restore to the States, as far as possible, those inherent rights which were reserved by the Constitution. I believe a government close to the people and under close observation of the public is most likely to be the best government. "The eye of the master fattens the ox," and "The scrutinizing eye of the public develops good government."

The SPEAKER. The time of the gentleman has expired.

Mr. LINTHICUM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Maryland asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. HASTINGS. Mr. Speaker, the pending bill authorizes an appropriation of $75,000,000 for the fiscal year ending June 30, 1926, and $75,000,000 for the next fiscal year ending June 30, 1927, as Federal aid to highway construction.

I assisted in the enactment of the first good-roads law, approved July 11, 1916, and made a speech in its behalf while the same was being considered in the House. At that time I called attention to the benefits that good roads were to all classes of people, those who live in the cities and towns, and those who live on the farms. In fact, everyone is benefited by road construction.

There are in the United States about 2,250,000 miles of roads and, of course, to improve them all would be a gigantic task. The primary roads are being improved very rapidly, and under the stimulus of the Federal highway act of 1916 and subsequent supplemental acts the various counties and States throughout the country are spending large sums of money derived from taxes and bond issues in the building of roads.

It is estimated that about 70 per cent of all commerce is carried over roads, yet the Government of the United States has spent in the aggregate to date only about $400,000,000 on roads.

I regard appropriations for agriculture and for roads as investments or as productive appropriations. These appropriations bring good returns. Hence I very greatly favor more appropriations for roads and for agriculture and for rural mail delivery than I do for the nonproductive purposes—the maintenance of a great standing army and a navy.

Immediately upon my return to Congress in December, 1923, I introduced a bill, H. R. 8885, amending the Federal highway law, by placing "nontaxable Indian lands, individual and tribal," in the same class with unappropriated public lands.

The bill which I introduced was an amendment to section 11 of the act of November 9, 1921. The bill under consideration contains the following:

SEC. 4. That section 11 of the Federal highway act approved November 9, 1921, as amended and approved by the acts of June 19, 1922, and June 30, 1923, is further amended by inserting after each place where the words "unappropriated public lands" occur the words "and nontaxable Indian lands, individual and tribal."

Nontaxable Indian lands are placed in a class with unappropriated public lands. This is a just provision and is of great benefit to the Western States, where there are large areas of nontaxable Indian lands, some of which have been individualized but will be nontaxable for a number of years. Under existing law the Federal highway department is authorized to pay upon a 50 per cent basis for road construction in various States up to the amount to which any State is entitled. This provision will permit the Federal Government to pay a higher per cent than 50 per cent of the cost for road construction. To illustrate: Suppose there are 20 per cent of the lands in any State that are nontaxable Indian lands or unappropriated public lands, and therefore nontaxable. The Government would under this law be authorized to add one-half of this percentage to the 50 per cent which it already pays. In other words, one-half of the 20 per cent would be 10 per cent, which, added to the 50 per cent, would make 60 per cent. If there are 20 per cent of unappropriated public lands or nontaxable Indian lands, or both, in any State, then the Government from its Federal highway fund would pay 60 per cent and the State or county 40 per cent for the construction of public roads.

We in Oklahoma have a large amount of Indian lands. In the eastern part of the State alone there were 19,500,000 acres. Some of these lands have been made taxable. All have been allotted, but a great part of them remain nontaxable. This is true with reference to lands allotted to Indian tribes in western Oklahoma.

The chief of the Bureau of Public Roads indorsed this provision and recognized that it was fair to place nontaxable Indian lands in the same class with unappropriated public lands.

Nothing will more greatly aid in the development of the country or add more value to farm lands than the building of good roads. Over these small arteries of commerce will flow the products from the farm to market, and over them the mail service will be carried to the door of each farmer throughout the country. Good roads will bring more comforts and conveniences to the rural population and will encourage district schools and greatly aid in the development of the rural population and have a tendency to keep the rural population from concentrating in cities and towns.

Mr. DOUGHTON. Mr. Speaker, I yield three minutes to the gentleman from Alabama [Mr. ALMON].

Mr. ALMON. Mr. Speaker, there is no one subject of more real interest to all the people than the subject of roads. In May, 1916, when I made my maiden speech in this House in support of the first bill passed by Congress providing Federal aid to the States in the construction of rural post roads, I did not realize, or even hope that so much would have been accomplished in road building by this time. I said at that time, and many times before, that it was the duty of Congress to aid the States and counties in the building of public roads and that if Congress would begin making an appropriation for this purpose it would do more to create sentiment and interest in good roads than anything else, and that it would result in the building of all of the principal public roads in this country in 20 or 25 years.

Congress made the beginning at that time, and my prediction is being vindicated by what has happened in road construction.

The total appropriations by Congress since 1916 to this time amount to $452,000,000, and this bill reported by the Committee on Roads, of which I have had the honor to be a member for the past 10 years, makes provision for an additional $165,000,000 for the two-year period beginning July 1, 1925.

To give some idea of the increase in amount expended for road construction of recent years, I call your attention to the fact that in 1904 only $79,500,000 was expended. In 1914 it had risen to $240,250,000, and in 1921 it rose to $1,150,000,000. This is but a reflection of the increased sentiment for better roads.

At the present rate of appropriations by Congress and the States, all of the principal highways will have been completed within 10 years' time.

The amount of appropriation by Congress which has been allotted to the State of Alabama since 1916 is more than $10,000,000. The State and counties have matched this amount dollar for dollar, and have expended large amounts on other roads than the Federal aid roads. The people of Alabama have voted a bond issue of $25,000,000 for road construction. By the time this amount has been expended, and the amount appropriated by Congress, together with all other sources of revenue, all of the principal rural roads in every county in the State should be completed, and we would then have good roads that would start somewhere and go somewhere.

The coming of automobiles and trucks has done much to create a better sentiment for good roads. Ten billion dollars were expended in 1923 in the United States for automobiles and trucks, being one-half the value of all our railroads, and only $1,000,000,000 less than all the gold in the world. There were 15,000,000 cars and trucks in use in the United States in 1923, according to the motor vehicle registration in the various States. Four States, namely, New York, Ohio, Pennsylvania, and California, each registered more than a million cars and trucks in 1923. There were 126,642 registered in Alabama, the State which I have the honor to represent in part.

One of the best pieces of road legislation in existence is the law passed by Congress in 1921, requiring the States to maintain and keep in good order all of the Federal-aid roads; this will be the means of preserving the roads, which have heretofore been allowed to go to waste for the want of constant and prompt repairs.

The Federal-aid road law and Federal highway appropriations have contributed more to the development of the highway system in the United States than all previous efforts combined, in that a definite nation-wide, coordinated highway system has been established. [Applause.]

Mr. DOUGHTON. Mr. Speaker, no subject that comes before Congress is of greater interest and importance to the

people of the United States than the subject of roads. In 1913 when the Rules of the House were amended so as to provide for forming a Committee on Roads, the most optimistic advocate of good roads did not foresee and even dare to hope for the great things that have been accomplished since that first effective step was taken. To keep history straight, it must not be forgotten that this legislation was enacted by a Democratic Congress and signed by a Democratic President. Since that first step was taken there has been appropriated and authorized for the building of public highways by the Federal Government, some total of $452,000,000. At the present time every State in the Union is cooperating with the Federal Government in this work and receiving aid from the Federal Treasury.

Now, what is our situation in Congress to-day with respect to this important matter and what is the embarrassment of your Committee on Roads? Early in the present Congress many bills relating to roads were introduced and on March 10 last, the committee began hearings on road matters with a view to drafting and presenting to Congress such measures as the committee deemed wise and adequate to meet present needs.

First to appear and testify before that committee was Mr. F. R. White, president of the American Association of Highway Officials. This association held its annual meeting at New Orleans last December and every State in the Union was represented. In this meeting the following resolutions were passed, to wit:

> The Federal aid road law and Federal highway appropriations have contributed more to the development of the highway system in the United States than all previous efforts combined, in that a definite, nation-wide, coordinated highway system has been established.

Highway construction by the Federal Government, States, and other political subdivisions has been stimulated to a degree far in excess of the actual Federal funds appropriated. The resolution further declared that for the fiscal years 1925, 1926, and 1927, $100,000,000 will be authorized to be appropriated for the carrying forward of this work. In January last the chairman of the Committee on Roads [Mr. DOWELL] introduced in Congress a bill providing for the authorization of $100,000,000 per annum for the fiscal years 1925, 1926, and 1927. Also the gentleman from Kentucky [Mr. ROUSION], who is a member of the committee, introduced a bill authorizing $100,000,000 for the three years of 1926, 1927, and 1928. I myself introduced a bill in January last calling for a three-year program, fiscal years of 1925, 1926, and 1927, inclusive, of $100,000,000 per annum. Other bills along the same lines were introduced by Representative ALMON and other members of the committee. The Chief of the Bureau of Roads, Mr. McDowell, representing the Agriculture Department, which is charged with the carrying out of the highway act, appeared also before our committee and testified that the Secretary of Agriculture and himself had discussed the matter with the Director of the Budget, and after very careful consideration they came to the conclusion that $85,000,000 per year fairly represents the amount necessary to carry forward the present program without expansion. We thought certainly that Congress would authorize sums not smaller than the ones recommended by the Secretary of Agriculture, Chief of the Bureau of Roads, and the Director of the Budget, this being $15,000,000 per annum below the amount recommended and urged by the American Association of Highway Officials and $15,000,000 below the amounts expressed by the members of the committee that had heard all of the evidence and had given this matter long and careful consideration.

Now, what happened? By the time the committee were ready to draft the bill it was informed in some way by those in charge of this Congress—the steering committee, I suppose—that unless the committee would agree to bring in a bill of $75,000,000 per annum nothing whatever would be done by this Congress. We were arbitrarily given to understand that we could take this or take nothing, and if we reported a bill carrying a larger amount it would not get consideration. So we are here to-day under a suspension of the rules, with no opportunity to amend and with only 40 minutes for debate and consideration of one of the most important measures that has been before this body. If this bill had been brought in and opportunity given for debate and amendment, there is no question in my mind but what this Congress would authorize at least eighty-five or one hundred million dollars per annum for this great work. The last appropriation made for the good roads by a Democratic Congress was the year of 1921 and the amount was $100,000,000. When the Republican Congress came in the appropriation was cut for the fiscal year 1922 to $75,000,000, in 1923 to $50,000,000, which was just one-half the amount authorized by the Democrats the last year before the matter was turned over to a Republican Congress. So this is one thing, I suppose, where the Republicans can claim that they have done one-half as well for the farmers and the people of the country as the Democrats. There is certainly no other action or other part, so far as I know, where they have done one-half as well.

The Democratic Party gave to the country the first law guaranteeing Federal aid for the construction of public roads, as I have before stated, and the entire country, every State, every county, and every community has received great benefits from this legislation. Encouraged by this Federal aid, all the States have taken on new life in road building, have formed highway departments, have provided for raising funds to match, and in many cases, as in my own State, have gone far beyond the amount provided for by the National Government. About $10,500,000 in all have been alloted to North Carolina by the Federal Government, and the State has provided a fund of $65,000,000 to use along with the Federal money, and North Carolina is going forward with one of the finest highway systems in America. To-day, in fact, at this very hour, there is being held in North Carolina, under the auspices of our State highway commission, the greatest road-building and road-maintenance demonstration ever held in any country. The Pan American Highway Commission from seven South American countries are in attendance, studying our road-building and road-construction methods. Secretary Hoover selected North Carolina from all the States of the Union to hold this demonstration on account of the wonderful highway developments and our matchless highway organization, headed by Hon. Frank Page, who is a wizard in road building.

With the wonderful benefits that have come to the country from the aid that has been given by the Federal Government it is a shame, yea, it is a crime, to cripple this great work at this time by failing to provide sufficient funds to carry on the present program.

The farmers of the country to-day are in distress, and in the West and Northwest they are in poverty and bankruptcy, and still this session of the present Republican Congress is drawing to a close without affording any adequate relief.

The President and his Secretary of the Treasury sent to Congress a tax measure which they said was the essence of all financial wisdom, though neither Congress nor the Republican Party leaders seem to think so, as the tax bill proposed by the President could not receive one-half the Republican strength in Congress. When it comes to a matter of relief for the farmer it seems that neither the President and his Cabinet nor this Republican Congress can agree on anything. They had the McNary-Haugen bill, which was an unworkable and impracticable and crazy measure, and, that failing, they have nothing else to suggest. The condition of the farmer is so appalling that, of course, it is difficult by legislation to give him prompt and effective relief. He has been fooled and deceived so long by the Republican Party and been fed up on so many quack remedies that nothing can be done that will immediately restore his former prosperous condition. However, much could have been done for him if this Congress had begun at the proper time. The high-tariff tax which has burdened him under this administration could and should have been reduced, and freight rates could and should have been reduced. A cooperative system of marketing could and should have been provided, and we could and should make increased appropriations for building public roads which benefit primarily the farmer and rural sections and incidentally the dwellers in the cities and towns as well. However, it is perfectly manifest that nothing helpful to the farmer will come from this administration. The Democrats, while in power, gave the farmer the rural credit law, good roads law, parcel post law, farm demonstration law, and, above all, the greatest prosperity ever witnessed by any country. This prosperity was enjoyed by not only the farmer but by every class of our people. More banks have failed in the last 12 months under this Republican administration than failed under the entire eight years of the Wilson administration. More farmers have lost their homes, more distress, and more suffering than has ever been known before in the history of this Republic. The remedy is to change doctors. Restore the country to the hands of the Democratic Party, the party of honesty, the party of prosperity, the party of high ideals, the party of all the people. Then, and not until then, can the country expect any permanent relief.

Mr. ALMON. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. ALMON. Were we not told, members of the Roads Committee, that we would have to take the $75,000,000 or that we would not get anything at this session of Congress?

Mr. DOUGHTON. That is the information that came to us, but I do not believe the members of the Roads Committee were in favor of that. They were all enthusiastic, and if they had their way we would have had $100,000,000, because they introduced bills for that amount.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. DOWELL. Mr. Chairman, I yield the remainder of my time to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Speaker and gentlemen of the House, the act of 1922 provides for $75,000,000 of Federal aid for roads for the fiscal year beginning July 1, 1924. The bill now before us carries $150,000,000 for Federal aid to the States in building highways for the two years beginning July 1, 1925. I strongly favored $200,000,000 instead of $150,000,000. Good roads are of great economic value. I think it wise to build our system of highways as soon as possible so that we may reap the benefit. A few years ago a majority of our population was on the farm. To-day a substantial majority of our people live in the cities and industrial centers. One of the very great problems of to-day is to provide for the distribution of food, clothing, fuel, and shelter for our rapidly increasing millions of population. This problem will grow more pressing as the years come and go. The producers and consumers of the Nation must be brought into more intimate and closer relation. Our rail and water lines and highways bear the same relation to the commerce of the country that the circulatory system—veins and arteries—bear to the human body. We have spent perhaps $25,000,000,000 in developing our rail and water transportation lines. These are very essential to the welfare of the Nation and must be extended and perfected. But we have neglected the most important means of transportation. I refer to the highways. Perhaps 75 per cent of the commerce of this country is carried over the highways, and practically all of our commerce uses the highways for some part of its journey. It was found only a few years ago that over one-half of the perishable products, such as fruit and vegetables, was lost because of bad roads. The highways must be brought to the store, factory, and shop and at the same time be in intimate touch with the forest, mine, and farm. The Nation's problem is to work out and construct the finest and best system of highways in the world and to coordinate rail, water, and highway transportation to the end that we may have more adequate, more economical, and more efficient means of transportation. [Applause.]

RAIL AND HIGHWAY DEVELOPMENT

It is interesting to note the difference in the development of the highways and railroads in European countries and the United States. European countries were slowly built up by the gradual spreading of the industries and culture of the people from a single center or a relatively small number of centers. Their highways were the framework on which their national industries were built. These highway systems for the most part came many years before the invention of the steam locomotive. The steam locomotive made possible the extension of the local road system by the construction of correlated rail lines for the longer haul. Their national development has progressed from the center outward. European growth has been intensive and ours has been extensive. European countries expanded outward from the center; our development has taken place from the outward toward the center. This difference was brought about entirely through the difference of the development of our transportation facilities. By the accident of invention the railroad came to this country at the early beginning of our history, instead of after long centuries of slow growth. Up to the time the steam locomotive came to our country we were building our roads westward from the eastern settlements. Settlements and highways mile by mile forged westward. The railroad changed the course of this development. Instead of a slow westward migration, the railroad made possible a development from numerous widely separated centers. We became a railroad country; a country of magnificent distances; a vast territory continent wide. It would have taken us centuries perhaps to reach our present stage of growth and development had it not been for the invention of the railroad. By means of the railroad we control this great continent. No wonder the railroad should captivate the imagination of the people. No wonder we should come to think of it as America's principal servant in the transportation field. I survey with pride our wonderful rail and water lines of transportation. They should be enlarged and perfected. We need them as much as ever to take care of the long haul. [Applause.]

GROWTH OF HIGHWAY TRANSPORTATION

Our railroads cross the country east, west, north, and south. Our population and commerce have expanded by leaps and bounds. With this has come a phenomenal growth in the use of highways for commerce. According to a survey made by the United States Bureau of Public Roads the use of the highway has increased fully 50 per cent in the last three years. They found in their investigation the transportation of freight by highway in the State of Connecticut alone during 1922 amounted to 150,000,000 ton-miles. To do this amount of hauling, a train of one hundred 5-ton trucks would have to circuit the earth twelve times. Other States, such as New York, Massachusetts, New Jersey, Pennsylvania, and Ohio, have outstripped this remarkable record. It may reasonably be assumed that the motor vehicle is now handling 60,000,000,000 ton-miles of passenger and freight traffic each year. They are doing it more quickly, more economically, and with less breakage than rail and water lines. In fact, in the great commercial sections of this country, while we have the greatest and finest rail and water systems of transportation in the world, they can not begin to handle the commerce of the country, and at certain seasons of the year they must place an embargo on certain products and commodities. Just at the time the country was becoming thickly settled and the country needed a quick and economical short-haul means of transportation the motor vehicle makes its appearance.

THREE HUNDRED TO TWENTY MILLIONS

In 1895 there were only 300 autos in the United States and no motor trucks. By 1900 this number had increased to 14,000; in 1905 to 78,000; in 1910 they had increased to 468,000; in 1912 we reached the million mark; in 1915 we had 2,500,000; in 1920 we had jumped to 9,000,000; and to-day 16,000,000 motor vehicles are on the highways of this country, and it is conservatively estimated before the end of 1925 we will have 20,000,000 motor vehicles. We now have about 85 per cent of all the motor vehicles of the world, representing an investment to the American people of at least $10,000,000,000.

DEVELOPMENT OF FEDERAL HIGHWAY SYSTEM

With the coming of the motor vehicle some farseeing men in Congress and out began to visualize a revolution in our means of transportation and the necessity for improved highways. Among the real leaders of these pioneers were Mr. M. O. Eldridge, now with the American Automobile Association, and Congressman Brownlow, of Tennessee.

Transportation by motor vehicle had so developed by the year of 1910 that we began to realize that the motor vehicle was literally destroying the old-fashioned macadam roads faster than they could be built, and we had practically no other kind of roads at that time. We had very few miles of good roads judged by present standards. Congress appropriated a small sum of money to build a few miles in various sections of the country to show the States how to build roads. At that time the construction of roads was considered the problem of each individual county, but the county did not and could not solve the problem. The many friends of good roads turned to the States for the solution of this problem, but the States did not and could not solve it. Finally the advocates of this great movement began to see it as a combined county, State, and national problem, and they turned to Congress, and Congress between 1917 and 1921 appropriated $275,000,000 to aid the States in the construction of highways. This action on the part of Congress accomplished at least two great purposes. It greatly stimulated activity and sentiment for good roads throughout the Nation and led to the creation of highway departments in each of the 48 States; but the Federal plan was found to be inherently weak in at least three very important particulars. The Federal road act did not provide for a connected and coordinated system of highways. It did not provide for the standardization of the highways as to width, material, and construction. It failed to provide for the upkeep and maintenance of the roads when once constructed.

Roads were being built everywhere and billions were being spent without any regard to a connected system and without any regard to a standard of width, material, or construction, and no provision was made for their maintenance and upkeep. Roads started nowhere and ended nowhere. It was found that roads were not repaired and maintained and were going to pieces as fast as they were being built. During this period of Federal participation of highway construction the Federal road bureau and the State highway departments, under the able leadership of Director Thomas McDonald and the road committees of Congress, made extensive studies of this subject. The

result of these studies, investigations, and experiments was crystallized in the Federal highway act of November 9, 1921. I had charge of this bill in the House. I know of the great contributions made to this splendid and constructive measure by the persons and agencies that I have mentioned.

INTERSTATE AND INTERCOUNTY

There were some who wanted this great system to be interstate only. That is, one or two great highways running through each State. Others of us desired this to be intercounty and interstate. We wanted all of the county seats and all sections of the Nation united and brought together in this fine system, and this law contemplates just such a system. The counties and States are now and will continue to build lateral roads leading into this system and extending to the forest, farm, shop, factory, and store; in other words, brings the consumers and producers of the Nation together. When this system is completed 85 per cent of the people of the Nation will live on a good road or within 2 miles of this great system, and in time the lateral roads will bring a good road to practically all of our people. [Applause.]

170,000 MILES IN SYSTEM

The act of November 9, 1921, provides for a great coordinated system of highways, intercounty and interstate in character, embracing a total of 170,000 miles. This system, when it is completed, will penetrate every city, industrial center, and practically every section of the Nation, and will be the finest, greatest, and best system of highways in the world. Prior to 1921 the counties, States, and Federal Government had built and surfaced about 400,000 miles of road. These were like the railroads of this country in the beginning. They were disjointed and disconnected. A few years ago we had all of the railroads made standard gauge and tied together so that to-day a car or engine placed on any railroad can be shifted to every part of the country. It was the thought of the friends of this road measure to provide a means whereby all of the highways in the country would be joined together so that a person getting on a good road in one part of the country could travel to all parts of the country on a good road. This Federal highway system is the key to the highway development of the whole country. We have already completed about 60,000 miles of this great Federal system. We are building at the rate of about 10,000 miles per year. If we keep up our present program, we will finish the system in about 10 years. I might say that the States are also building about 10,000 miles of other roads each year. The States and Nation are completing about 20,000 miles of hard-surfaced roads annually. Under this Federal highway act all of these roads will be united together. They will be of that width and character of material suitable for the traffic, and when these roads are once constructed the States must maintain them and keep them in good order constantly. Another great advantage about this Federal highway act is that the Government puts up one-half of the cost and the State must put up the other one-half. Under the old law the counties matched the Federal aid. Of course this meant that good roads could not be built through poor counties. Under the present law this great system will go forward through the poor counties as well as the rich counties.

Mr. ALMON. Does the gentleman mean to convey the idea that an appropriation of $75,000,000 a year will complete it in 10 years, in face of the evidence of all of the highway officials that it would take $100,000,000 per year for 10 years?

Mr. ROBSION of Kentucky. I have always and I still strongly favor the $100,000,000 per year program.

Mr. ALMON. But we are not getting it in this bill.

Mr. ROBSION of Kentucky. This bill provides for $150,000,000 for two years. To carry forward the present program at the rate we are going would require about $85,000,000 per year, and with this we could complete the system in about 10 years. As I have stated heretofore, I strongly favor the $100,000,000 per year program. I want this system completed as soon as possible. Build them now and get the benefits from them. [Applause.]

NATIONAL DEFENSE

This great Federal highway system contemplates another thing. The Nation in looking to its safety in the future must have in mind roads that can be used for military purposes for moving men and materials in time of war. About 60,000 miles of this 170,000-mile system have been mapped out as military roads and will in the event of war be used to mobilize the man power and resources of the Nation. In my judgment the building of this system of highways means more to the permanent national defense of this country than any sum we put in a great standing army, yet the standing Army costs this country about $300,000,000 a year, and a like sum is necessary for the Navy.

GOOD ROADS PAY

There are those who would obstruct the road program. They complain of the cost. This can only be due to lack of knowledge of the facts. You can not find any group of people in the North or East where they have built good roads saying that they can not afford them. They are enlarging their road programs. The fact is, the people who are using the roads are paying for the roads. Motor vehicles paid in war-excise taxes alone up to June 30, 1923, a total of $589,012,021. Up to June 30, 1923, Federal aid for roads amounted to less than $400,000,000. Motor vehicles contributed to State and the Federal Governments in license fees and other taxes in the year of 1923 about $450,000,000, and the amount will be even greater this year. We can see that the motor vehicles are contributing their full share and more for the construction of highways. Instead of tollgates, we have set up gasoline stations and sold license tags. I am happy to say that the owners of motor vehicles do not object to paying taxes and license fees, but they do insist on having this money economically spent for good roads. They want good roads because of comfort, and for the reason it costs only about one-half as much to operate and maintain a motor vehicle on a good road as it does on a dirt road. It has also been found, after actual investigation on the Boston Post Road, that the saving in gasoline alone in 11 years would pay the cost and interest for the construction of that hard-surfaced road. In other words, the motor users will save enough on the average road in gasoline and repairs to pay the cost of the road and interest in 11 years. We must either do away with the motor vehicle or build the roads. Neither the sensible farmer, the merchant, the stockman, the factory owner, or the wholesaler desires the road-building program stopped or curtailed.

BUREAU OF ROADS GOOD RECORD

Congress and the States have faith in the integrity and ability of Director McDonald. His bureau has administered the largest fund at the least overhead expense of perhaps any other branch of the Government. The leadership of himself and associates has been of very great value to the road builders of the States and the Nation. Director McDonald, among other things, urges:

1. That there be a classification of all highways and a clear definition of the Federal, State, and local responsibility. The designation of a Federal-aid system upon which the joint funds of the National and State Governments are to be expended is mandatory under the Federal highway act. The State system and local roads should, and no doubt will, coincide and fit in with the Federal-aid system. In this way we will have one great unified system of highways.

2. The next requirement is the establishment of a truly adequate State highway department in every State—a State agency free to function independently of county support, empowered with full authority over the roads of the Federal-aid and State systems, and equipped with personnel and material resources consistent with the responsibility imposed upon it. This can not be done in a single year; it is a long-time job. It is therefore highly important that there be maintained that continuity of well-considered policy which will insure the attainment of the end in the shortest possible time. Permanence of employment for capable and efficient officers without political interference is a first essential. Road building is a developing science. The experience of the capable specialist is too valuable to be lightly discarded with every change of the political complexion of the State administration.

3. The third Federal requirement and the third guiding principle is the provision of ample funds for State road construction and maintenance and the expenditure of such funds by the State highway department without dictation from local interests. All the experience of the past points to the positive necessity of such a provision for the successful completion of a connected State road system.

With these principles adopted, the State will be equipped to proceed with the development of the main roads. The county, free of the burden of providing for the expensive roads, which are the concern of the entire State, can apply their resources to the improvement of the lateral or local roads and the assistance of the Federal Government will insure the building of the main State roads and the interstate connections.

LESS WAR, MORE ROADS

Our Nation excels all others in man power, in natural resources, and wealth. The building of good roads is of great

economic necessity as well as great value to the Nation. Let us build them now and reap the benefit. Let us bring the producers and consumers together. Let us conserve the investment of billions in motor vehicles. Let us complete for the greatest and finest nation in the world the greatest and finest system of highways in the world. Good roads mean real preparedness. Let us have less war and more of improved highways. This means more and better farms and farmers, better prices for the farmer and less cost to the consumer, cheaper and more adequate transportation facilities, better schools, better churches, better homes, and a more contented and prosperous, united, and powerful nation. [Applause.]

The SPEAKER. The time of the gentleman from Kentucky has expired. All time has expired.

Mr. ALMON. Mr. Speaker, a parliamentary inquiry. Would it be in order now or at any stage in the proceedings to submit a unanimous-consent request to amend the bill by changing the amount?

The SPEAKER. It would not. The question is on the motion of the gentleman from Iowa to suspend the rules and pass the bill as amended.

The question was taken; and in the opinion of the Chair, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8233) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 5078. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 8961. An act for the relief of Frank Stinchcomb.

H. R. 5325. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes;

H. R. 2607. An act for the relief of Jesse L. Meeks;

H. R. 4985. An act to repeal the first proviso of section 4 of an act to establish a national park in the Territory of Hawaii, approved August 1, 1916; and

H. R. 905. An act for the relief of Gerard E. Bess.

EVENING SESSION

Mr. LONGWORTH. Mr. Speaker, it seems very evident that if we are to have any further consideration of the Consent Calendar it will have to be to-night.

Mr. GARRETT of Tennessee. The Consent Calendar or the Private Calendar?

Mr. LONGWORTH. The Consent Calendar. The consideration of the Private Calendar, of course, will depend upon the completion of the Consent Calendar.

Mr. LINTHICUM. Why take up the Consent Calendar to-night, when we considered it last night?

Mr. LONGWORTH. Because the Consent Calendar is in order. I hope that opportunity may arrive to-morrow, to take up, by unanimous consent, the Private Calendar. Of course, it can not be done otherwise.

Mr. LINTHICUM. To-morrow, or to-morrow evening?

Mr. LONGWORTH. I can not tell. No one knows what the situation will be. I think it will be necessary, even if we conclude the consideration of the Consent Calendar to-night, to preserve an attendance here to-night. Some important business may have to be transacted which may come over from the Senate, although I have no definite assurance on that. I ask unanimous consent that the House stand in recess between 6.30 o'clock to-night and 8 o'clock to-night, with the expectation of going on with the Consent Calendar at 8 o'clock, interrupted, possibly, by other business.

Mr. HOWARD of Nebraska. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Ohio, Will the session to-night be for the consideration of matters now on the Consent Calendar only?

Mr. LONGWORTH. I do not know what the gentleman means. It will be on the Consent Calendar and possibly be interrupted by business coming over from the Senate.

The SPEAKER. The Chair will suggest this evening he certainly would not recognize any suspensions and there would not be any business of that kind. The Chair would suggest it might be open to include messages from the Senate and action upon them.

Mr. LONGWORTH. That was my suggestion, Mr. Speaker.

Mr. HOWARD of Nebraska. Mr. Speaker, for information, these things coming over from the Senate under unanimous consent would be still subject to objection?

Mr. LONGWORTH. This would not be a unanimous-consent session. The Consent Calendar is in order, just as any business is in order.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, would not the gentleman from Ohio make it from 6 to 8 o'clock and give Members a chance to get a breathing spell between working hours? If he will give us between 6 and 8, we can come back feeling fresh.

Mr. LONGWORTH. I never saw the gentleman from Texas when he did not feel that way.

Mr. BLANTON. I am working hard now, I will tell the gentleman.

Mr. LONGWORTH. If it is the desire of the House to have two hours for a recess, very well.

Mr. BLANTON. That would give us a chance to get a breathing space.

Mr. WINGO. Some might be too fresh.

Mr. LONGWORTH. At the request of the gentleman from Texas I modify my request and put it that the House shall stand in recess between 6 and 8 o'clock.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

Mr. LONGWORTH. I trust gentlemen will preserve a full attendance this evening.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DAVIS of Minnesota. Mr. Speaker, I call up the conference report on the District of Columbia appropriation bill.

The SPEAKER. The Clerk will report the conference report.

The Clerk read as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8839) making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have been unable to agree.

C. R. DAVIS,
FRANK H. FUNK,
W. A. AYRES,
*Managers on the part of the House.*

LAWRENCE C. PHIPPS,
W. L. JONES,
L. HEISLER BALL,
CARTER GLASS,
E. I. EDWARDS,
*Managers on the part of the Senate.*

Mr. DAVIS of Minnesota. Mr. Speaker, I move the adoption of the conference report.

The SPEAKER. Is it a complete disagreement; if so, it does not require action.

Mr. DAVIS of Minnesota. Mr. Speaker, I desire to call up a matter here to section No. 1 of the bill, which is a section that we have had an absolute disagreement upon. The House voted upon that the other day, and I would——

Mr. BLANTON. I want it to be understood that all points of order are reserved.

The SPEAKER. Of course.

Mr. DAVIS of Minnesota. There will be plenty of time to reserve points of order when I get through, when I submit this motion. After meeting the Senate conferees yesterday afternoon a suggestion was made by the Senate conferees. The House conferees did not agree upon it at all, and I for one proposed, and I think my other conferees agreed with me, that we would submit the proposition made by the Senate conferees to the House at this time and ask the House in substance what they though of it. I will say, furthermore, after we got a little further, which I did not agree upon and neither did my conferees, we now wish to submit the following for the consideration of the House at the request of the Senate conferees.

The SPEAKER. The gentleman from Minnesota submits a motion, which the Clerk will report.

The Clerk read as follows:

Mr. DAVIS of Minnesota moves to amend the amendment of the House to the amendment of the Senate No. 1, as follows: In lieu of the matter inserted by the amendment of the House insert the following:

"Thirty per cent of each of the following sums, except those herein directed to be paid otherwise," and on page 1 of the bill, after the enacting clause, insert the following:

"That a committee to be composed of three Senators, to be appointed by the President of the Senate, and three Representatives, to be appointed by the Speaker of the House of Representatives, and three residents of the District of Columbia, to be appointed by the President of the United States, is created and is authorized and directed to inquire into the present fiscal relations between the United States and the District of Columbia, with a view of ascertaining and reporting to Congress whether the United States should contribute a fixed or lump-sum amount annually as its share of appropriations for the District of Columbia or continue upon a percentage proportion basis, and, if so, what the proportion should be.

"The committee is further authorized and directed to inquire into the relations of the government of the District of Columbia with departments and branches of the Government of the United States with a view of ascertaining and reporting whether there should be vested in municipal officers certain duties and responsibilities in connection with estimates, appropriations, and expenditures of the District of Columbia now vested in the Federal officers.

"The committee is further authorized and directed to make a survey of the administrative services of the government of the District of Columbia and report what changes, if any, may be desirable or expedient and necessary in the present municipal organization, particularly should it find, and recommend, the Federal Government should contribute a fixed lump sum annually as its share of appropriation for the District of Columbia in lieu of the present percentage basis.

"That the officers and employees of all administrative services of the government of the District of Columbia shall furnish to the committee such information regarding powers, duties, activities, organizations, and methods of business as the committee may from time to time require, and the committee, or any of its employees, when duly authorized by the committee, shall have access to and the right to examine any books, documents, papers, or records of any administrative service for the purpose of securing information needed by the committee in the prosecution of its work.

"The committee shall report its findings and recommendations relative to all matters herein contained to the Senate and House, respectively, on or before the first Monday in January, 1925.

"For the payment of salaries of employees, for printing and binding, and other necessary expenses of the committee, there is appropriated 30 per cent out of the Treasury of the United States and 70 per cent out of the revenues of the District of Columbia, the sum of $5,000, to be paid out upon vouchers approved by the chairman or acting chairman of the committee."

Mr. SANDERS of Indiana. I think sufficient has been read to show it is subject to the point of order, and I make the point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. SANDERS of Indiana. The point of order—I am not at all sure whether at the present stage the amendment could be made at all, but certainly this amendment is not proper, because it is not germane to either the House bill or the House amendment to the Senate amendment. The amendment just offered must be germane to the bill and it must be germane to the Senate amendment just the same as if we were considering an original amendment, and this is an appropriation bill——

The SPEAKER. The Chair thinks it is very clear that this is subject to a point of order, that it is not germane to the amendment, and moreover it seems to the Chair it is additional legislation on an appropriation bill, and the Chair sustains the point of order.

Mr. ZIHLMAN. Will the gentleman from Minnesota yield?

Mr. DAVIS of Minnesota. The Chair sustained the point of order.

Mr. BLANTON. Regular order.

Mr. ZIHLMAN. Will not the gentleman submit the first part of the proposition, which is not subject to a point of order?

Mr. DAVIS of Minnesota. I want to make a motion right now. Mr. Speaker, I move that the House further insist upon its amendment to the amendment of the Senate No. 1 and further insist on its disagreement to all the remaining amendments of the Senate.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. DAVIS of Minnesota moves to further insist upon the amendment to the amendment of the Senate No. 1, and that it further insists upon the disagreement to all the remaining amendments of the Senate.

The question was taken, and the Speaker announced the ayes seemed to have it.

Mr. BLANTON. I ask for a division, so that the gentleman may know how many of us are with him.

The House divided; and there were—ayes 98, noes 3.

So the motion was agreed to.

## FOREIGN COMMERCE SERVICE OF THE UNITED STATES

Mr. WINSLOW. Mr. Speaker, I move to suspend the rules and pass the bill H. R. 7034 as amended.

The SPEAKER. The Clerk will report the bill.

The Clerk began the reading of the bill.

Mr. GARRETT of Tennessee. Mr. Speaker, it is difficult to follow the reading very well. Is the Clerk reading the bill exactly as reported from the committee?

Mr. WINSLOW. He is not. There are amendments there for the purpose of clarifying the language of the bill and to make the language conform to the nomenclature of the language of the other departments.

Mr. GARRETT of Tennessee. Has the gentleman an extra copy of the bill there?

Mr. WINSLOW. Yes.

The Clerk read as follows:

A bill (H. R. 7034) to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a foreign commerce service of the United States, and for other purposes

*Be it enacted, etc.*, That there is hereby established in the Bureau of Foreign and Domestic Commerce of the Department of Commerce the foreign commerce service of the United States (hereinafter referred to as the "foreign commerce service"), consisting of officers to be graded in the following order and to be known as commercial attachés (senior grade), commercial attachés (junior grade), assistant commercial attachés, trade commissioners, and assistant trade commissioners.

SEC. 2. Under the direction of the Secretary of Commerce (hereinafter referred to as the "Secretary"), the officers of the foreign commerce service shall—

(a) Promote the foreign commerce of the United States;

(b) Investigate and report upon economic, commercial, and industrial conditions and activities in foreign countries, and economic and commercial aspects of agriculture, manufacturing, mining, forestry, shipping, transportation, finance, labor, and legislation, and of all other activities in foreign countries which may be of economic, commercial, or industrial interest to the United States; but this subdivision shall not be construed as affecting the functions of any other officers of the United States in respect to the collection and reporting of crop and livestock production statistics, the promotion of American standards for agricultural products, and exclusively scientific investigations.

(c) Perform such other duties as the Secretary may direct in connection with the promotion of the industries, trade, or commerce of the United States;

(d) Collect, under regulations promulgated by the President, from the heads of all regularly established offices of the United States in foreign countries and from special investigators (other than confidential agents) such information as may be essential to the performance, without unnecessary duplication, of the functions described in subdivision (d);

(e) Make such inspections of the foreign commerce service as the Secretary may direct.

SEC. 3. (a) The Secretary is authorized to appoint officers of the foreign commerce service, but only after eligibility has been determined by examinations held by the Civil Service Commission and the Department of Commerce in coordination, except that the Secretary may, with the approval of the Civil Service Commission, appoint without such examination any person who, prior to the date on which this act takes effect, has served, or has passed an examination for appointment, as commercial attaché, assistant commercial attaché, trade commissioner, division head, assistant trade commissioner, commercial agent, or special agent in the Bureau of Foreign and Domestic Commerce.

(b) The Secretary shall appoint each officer of the foreign commerce service to a grade specified in section 1, and to one of the following classes, and shall fix his compensation within the salary range specified for such class: Class 1, $8,000 to $10,000; class 2, $7,000 to $9,000; class 3, $6,000 to $8,000; class 4, $5,000 to $7,000; class 5, $4,000 to $6,000; class 6, $3,000 to $5,000; class 7, below $3,000. In making appointments to a grade and class and in fixing compensation the Secretary shall take into consideration the examination and record of the officer and the post to which assigned.

(c) The Secretary is authorized to promote or demote in grade or class, to increase or decrease within the salary range fixed for the class the compensation of, and to separate from the service officers of

the foreign commerce service, but in so doing the Secretary shall take into consideration records of efficiency maintained under his direction.

(d) Any officer of the foreign commerce service may be assigned for duty in the United States for a period of not more than three years without change in grade, class, or salary, or with such change as the Secretary may direct.

SEC. 4. (a) Subject to the requirements of the civil service laws and rules, the Secretary is authorized to appoint, fix the compensation of, promote, demote, and separate from the service such clerks and other assistants for officers of the foreign commerce service as he may deem necessary.

(b) When authorized by the Secretary and in accordance with the regulations of the Civil Service Commission, officers of the foreign commerce service may employ in a foreign country, from time to time, fix the compensation of, and separate from the service such clerical and subclerical assistants as may be necessary.

SEC. 5. (a) Any officer of the foreign commerce service designated by the Secretary of Commerce shall, through the Department of State, be regularly and officially attached to the diplomatic mission of the United States in the country in which he is to be stationed. If any such officer is to be stationed in a country in which there is no diplomatic mission of the United States, proper recognition and standing, with full facilities for discharging his official duties, shall be arranged by the Department of State. The Secretary of State may reject the name of any such officer if in his judgment the assignment of such officer to the post designated would be prejudicial to the public policy of the United States.

(b) No officer of the foreign commerce service shall be considered as having the character of a public minister.

SEC. 6. (a) Any officer, clerk, employee, or assistant of the Bureau of Foreign and Domestic Commerce, while on duty outside the continental limits of the United States and away from the post to which he is assigned, shall be entitled to receive his necessary traveling expenses and his actual expenses, in an amount not exceeding $10 per day fixed by the Secretary, incurred for subsistence, including, at the discretion of the Secretary, expenses for subsistence for the entire period while attending a trade gathering, congress, or conference, and, in any other case, for the entire period (but not exceeding 60 days) while remaining continuously in any one place, except that the Secretary is authorized to prescribe a per diem allowance not exceeding $8 in lieu of subsistence.

(b) The Secretary may authorize any officer of the foreign commerce service to fix, in an amount not exceeding the allowance fixed for such officer, an allowance for actual subsistence, or a per diem allowance in lieu thereof, for any clerical or subclerical assistant employed by such officer under subdivision (b) of section 4.

(c) Any such officer, clerk, employee, or assistant, while on duty within the continental limits of the United States, shall be entitled to receive the traveling expenses and actual expenses incurred for subsistence, or per diem allowance in lieu thereof, authorized by law.

SEC. 7. Any appropriation available during the fiscal year ending June 30, 1925, for the Department of Commerce for commercial attachés, or for promoting commerce in Europe and other areas, South or Central America, or the Far East, shall be available for carrying out the provisions of this act, including the payment of salaries and compensation for personal services, in the District of Columbia or elsewhere, necessary janitor and messenger service, traveling and subsistence expenses and per diem allowances, the purchase of necessary furniture and equipment, stationery, and supplies, typewriting, adding, and computing machines, accessories and repairs, the purchase of books of reference and periodicals, newspapers, reports, documents, plans, specifications, manuscripts, and all other necessary publications, the payment of rent outside the District of Columbia, and all other necessary incidental expenses. With the approval of the Secretary, an officer of the foreign commerce service may enter into leases for office quarters and may pay rent in advance in a foreign country where custom or practice requires payment in advance.

SEC. 8. This act shall take effect on July 1, 1924.

Mr. LINTHICUM. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore (Mr. SANDERS of Indiana). The gentleman from Maryland makes the point of order that there is no quorum present. It is clear that there is no quorum present.

Mr. LONGWORTH. Why should the gentleman make that point?

Mr. LINTHICUM. Because I think a bill of this kind ought to have a quorum for its consideration.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The SPEAKER pro tempore. The gentleman from Ohio moves a call of the House.

A call of the House was ordered.

The SPEAKER pro tempore. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

| | | | |
|---|---|---|---|
| Abernethy | Drane | Lilly | Rogers, N. H. |
| Aldrich | Driver | Little | Rosenbloom |
| Anderson | Fairfield | Logan | Sabath |
| Beck | Faust | Lyon | Schall |
| Berger | Fish | McClintic | Sherwood |
| Boies | Freeman | McNulty | Sullivan |
| Brand, Ohio | Funk | McSwain | Summers, Wash. |
| Britten | Gallivan | Magee, Pa. | Taylor, Colo. |
| Bulwinkle | Geran | Miller, Ill. | Taylor, Tenn. |
| Burdick | Hammer | Mills | Thomas, Ky. |
| Butler | Hardy | Morin | Timberlake |
| Byrnes, S. C. | Haugen | Mudd | Tydings |
| Casey | Howard, Okla. | Newton, Mo. | Vare |
| Celler | Hudspeth | Nolan | Vincent |
| Clark, Fla. | Hull, Tenn. | O'Brien | Voigt |
| Cole, Ohio | Jones | O'Connor, La. | Ward, N. Y. |
| Collins | Jost | Patterson | Watson |
| Connolly, Pa. | Kahn | Peavey | Weller |
| Corning | Kendall | Phillips | Wertz |
| Curry | Kent | Porter | White, Me. |
| Darrow | Knutson | Purnell | Wilson, Miss. |
| Davis, Minn. | Kunz | Quayle | Winter |
| Dominick | Langley | Ransley | |
| Doyle | Larson, Minn. | Reed, W. Va. | |

The SPEAKER pro tempore. Three hundred and thirty-nine gentlemen are present—a quorum. The Doorkeeper will open the doors.

The doors were opened.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

EXAMINATION OF THE BANKRUPTCY LAWS

Mr. SNELL. Mr. Speaker, I present a privileged report from the Committee on Rules.

The SPEAKER pro tempore. The gentleman from New York presents a privileged report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

A resolution (H. Res. 350—Report No. 975) to appoint a subcommittee of the Committee on the Judiciary to examine into the bankruptcy laws of the United States.

FOREIGN COMMERCE SERVICE OF THE UNITED STATES

Mr. KETCHAM. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Is there anybody on the Interstate and Foreign Service Committee opposed to the bill to demand a second?

Mr. LINTHICUM. I am opposed to the bill H. R. 7034.

The SPEAKER pro tempore. The gentleman is opposed to the bill?

Mr. LINTHICUM. I am.

The SPEAKER pro tempore. The Chair thinks under the circumstances he must give recognition to the gentleman from Maryland.

Mr. LINTHICUM. I demand a second.

The SPEAKER pro tempore. The gentleman from Maryland demands a second.

Mr. WINSLOW. I ask unanimous consent, Mr. Speaker, that a second be considered as ordered.

The SPEAKER pro tempore. The gentleman from Massachusetts asks unanimous consent that a second be considered as ordered. Is there objection?

Mr. LINTHICUM. I object.

The SPEAKER pro tempore. Automatically the gentleman from Massachusetts [Mr. WINSLOW] and the gentleman from Maryland [Mr. LINTHICUM] will take their places as tellers. As many as are in favor of a second being ordered will pass between the tellers and be counted.

The House divided; and the tellers reported—ayes 93, noes 32.

So a second was ordered.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. WINSLOW] is entitled to 20 minutes, and the gentleman from Maryland [Mr. LINTHICUM] to 20 minutes.

Mr. LINTHICUM. Mr. Speaker, it is evident by the vote that there is no quorum present. I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Maryland makes the point of order that there is no quorum present. The Chair will count. [After counting.] Two hundred and twenty gentlemen are present—a quorum. The gentleman from Massachusetts [Mr. WINSLOW] is recognized.

Mr. WINSLOW. Mr. Speaker and gentlemen of the House, the bill before you was presented to and considered by the Committee on Interstate and Foreign Commerce early in this session. The purpose of it is to give a statutory existence to the Foreign Bureau of the Commerce Department, which has been working for a number of years without having a recog-

nized statutory position, and further to make some regulations and laws affecting the bureau. A purpose also of the bill is to provide laws defining its functions in relation to other departments working in the foreign field.

We had no sooner got under way with the bill in hearings and preparation of the bill than there appeared on the horizon an objection to the bill from a quarter of which we had no previous knowledge and with respect of features which we had no intimation would become subjects of discussion.

I refer to agricultural elements. No sooner had we found out that there was difficulty in the Agricultural Department in respect of some of the purposes of the bill, as they understood them, or as they saw fit to interpret them, than we undertook to get in touch with them and with other departments of the Government, particularly the consular departments of the State Department, because we might be running into their field also.

To make a long story short, after we had voted to report out the bill favorably, we held many meetings, particularly the chairman of our committee, with representatives of the State Department and later on with the Agricultural Department. We brought out, after 8 or 10 meetings, the bill which is before you to-day, but in respect of which a few amendments to clarify have been suggested and such are under discussion. Those amendments are not very important, but they have been offered in order to meet some of the desires of the Departments of State and Agriculture.

Mr. CLARKE of New York. Will the gentleman permit a question?

Mr. WINSLOW. Yes.

Mr. CLARKE of New York. Do I understand that this bill has the approval of Secretary Wallace?

Mr. WINSLOW. The gentleman may understand it, but I do not. [Laughter.]

Mr. CLARKE of New York. That is what I wanted to know.

Mr. WINSLOW. But, boiling this all down, a bill is before us, with suggested amendments, which meets the entire approval of the State Department, the President of the United States, the Army, the Navy, the Tariff Commission, and every other Government organization which works in foreign fields, with the exception of the Department of Agriculture. We may as well understand that at the outset, because that will be the discussion to-day.

We worked with the Secretary of Agriculture in order to get a bill which would suit him and his associates. We finally eliminated all elements of discussion except one, namely, that with reference to that part of the bill which gives this foreign bureau of the Commerce Department an opportunity to investigate and report on agricultural and forestry matters. The Secretary of Agriculture demanded, insisted, and finally gave an ultimatum as affecting his judgment of the bill and his approval that we cut out of the bill all references to forestry and agriculture in so far as the Department of Commerce might have a right to investigate these subjects and report thereon. Now, as it happens, 47 per cent of their total business——

Mr. BROWNE of Wisconsin. Will the gentleman yield?

Mr. WINSLOW. I will yield once more, but can not yield further.

Mr. BROWNE of Wisconsin. Are these appointees under the civil service like those in the State Department?

Mr. WINSLOW. They are under the civil service; yes.

Mr. BROWNE of Wisconsin. I notice the salaries are somewhat higher.

Mr. WINSLOW. That is an interesting and important subject, but for the moment we want to get at what the bill is all about. Now, the query is just this: Is a duplication likely to occur under the provisions of this bill which will interfere with the proper functions of the Agricultural Department? If there are, our committee does not want it. We went over and over it and met the objections of the Agricultural Department time after time. We changed this paragraph and that paragraph in order to make them satisfied, but we have declined up to now to cut out references to the right of the Commerce Bureau to investigate and report on agricultural matters and forestry matters as affecting trade movements in the interest of our country's business.

We have in our possession a letter from General Lord, of the Budget, in which he says that the President of the United States sees no objection to comprehending these references to agriculture in the commerce bill; and the President of the United States, in order to get these foreign departments working together as they ought to work, each occupying its own field and each doing its proper work, promulgated an Executive order, which was issued from the White House on the 4th of April, 1924, and since that time the Departments of Agriculture and of Commerce, the State Department, and all other departments which have representation in the foreign field have been working under that Executive order, and it remains alone for the Agricultural Department to find any considerable or harmful duplication or to find any trouble whatever.

There is not time for me to give you all the facts. I can furnish you many facts which show that the Commerce Department is rendering a great service to the business of this country, a greater service than is rendered by any other department. I do not know exactly where to begin to give you these suggestions, but as the discussion here—as indicated by those interested in the Agricultural Department—is to fail on that feature, I am obliged to use the little time I have and devote it to that feature. I say to you that every line of business in the country has appealed to various Members of this House to approve this bill and put it through.

I have never observed so much miscellaneous correspondence devoid of the propaganda taint, coming to the office of the committee as has come in from individuals here, there, and everywhere in support of this bill. The Department of Commerce has had a perfectly wonderful growth. They have developed at a rate which would pass anyone's belief if they did not investigate it.

Just to show you—and I state these facts without any suggestion of logic, because time will not permit—in 19 years this department has issued, exclusive of special reports, 870 of these pamphlet documents. Here is one which is to be released on the 9th of June, absolutely given up to the European economic conditions which affect agricultural products. It is merely suggestive of a regular issue to business men. In the year 1921 there were 505,000 written inquiries poured into this bureau for consideration. In 1924, estimated on the time which has already expired during this present year, that record has grown up to twice the number—1,003,000. It is a shame that this matter has to be rushed over in this way, but here is a large, comprehensive commerce report and 26 per cent of it is devoted to agricultural subjects of a very miscellaneous nature.

Mr. BLACK of Texas. Does the gentleman think the thicker the document the better it is?

Mr. WINSLOW. Maybe. This volume is distributed to six hundred and odd publishers of newspapers in order that they may get the news in reference to the work of the department.

I wish now to go back to the Executive order of the President which requires that in every field where there is a diplomatic head there shall be meetings every month, under the direction of the representatives of the State Department, of all representatives of the Government who are in the zone in question, and there they are to get together and compare notes and assist one another in order to avoid useless duplication of service and give the best results to the country.

This is an interesting document, but it is too long to read.

Just giving you the high spots, representatives of farm organizations, with memberships reported by their representatives to be 489,000, producing crops valued at $392,000,000 in 1903, supported the bill, and they come here as representatives of the farming element, and we have it of easy reference here in the hearings.

Cotton was represented by the president of the American Cotton Growers' Exchange, who favored this bill as affecting his agricultural trade interests. Likewise the head of the Association of California Rice Growers, a representative of the Tobacco Growers' Association, and so we might go on with reference to the agricultural interests supporting this bill.

Mr. JACOBSTEIN. Will the gentleman yield for a brief question?

Mr. WINSLOW. Make it sharp.

Mr. JACOBSTEIN. Is there any difference in the character of the work done by the agricultural men abroad and the commerce men?

Mr. WINSLOW. Yes; there is. That question is helpful to me. The character, generally speaking, is, or is supposed to be, entirely different. First of all, we expect the Agricultural Department to investigate all the scientific features relating to agriculture, the quality of seed, the sort of stuff we can grow here, and all that sort of thing; and, in addition to that, we expect them to give out their conclusions that will be helpful to the trade of this country.

The Commerce Department, speaking in a kind of casual way, has not any business interest in the kind of seed or the color of cotton or anything else, except in so far as it will be helpful to trade movements, to the sale, and they do not undertake to report on the strictly scientific end of the business at

all; and in one of the amendments which we have proposed we provide that the Foreign and Domestic Commerce Bureau of the Department of Agriculture shall not indulge in these scientific propositions and that they shall be left to other departments. We do not want any authority for the Commerce Department except to help the trade of the country.

We have here a report showing some very interesting matter. Last year we had shipped from this country abroad—and all of the work in connection with this was tabulated and spread about for the benefit of the business people of this country—$1,084,000,000 worth of merchandise. The State of New York shipped out $183,000,000, the State of Texas $147,000,000, and then we dropped down to $74,000,000 for Pennsylvania and on down to $61,000,000 for Nevada, taking in the various States and Territories.

Every one of these States has had business in foreign countries, and every State which has entered into that business has had correspondence with the Foreign and Domestic Commerce Bureau.

This bureau has 89 representatives around the world picking up information to help agriculture, and to help all trade. If it does help agriculture, so much the better, but not in a scientific way. It is solely to help the trade movements of agriculture.

Mr. LINTHICUM. Mr. Speaker, I yield two minutes to the gentleman from Louisiana [Mr. ASWELL].

Mr. ASWELL. Mr. Speaker, the organic act creating the Department of Commerce takes certain functions from other departments and turns them over to the Department of Commerce, but that organic act does not mention the Department of Agriculture, clearly showing that Congress did not intend to have the Department of Commerce usurp any of the functions of the Department of Agriculture. My distinguished friend [Mr. WINSLOW] made a fine speech boosting the Department of Commerce. I, too, want the Department of Commerce to expand; but he says that 26 per cent of the work of the Commerce Department was in agriculture. This should be stopped now. The second section of this bill provides that the Department of Commerce shall make a report on the economical and commercial activities of agriculture and on all other subjects in foreign countries.

Gentlemen, I want to call attention to this fact: The Department of Commerce under the present Secretary has specifically and continually encroached upon and usurped the authority of the Department of Agriculture until we have an inexcusable and indefensible duplication of work and an appalling waste of funds by letting Mr. Hoover and his associates usurp the functions of the Department of Agriculture. The Department of Commerce has no right to touch an agricultural product until after it goes into commerce. I believe that every friend of agriculture who is concerned with the activity of this great department will vote against this bill, because you have just passed a bill in the House to give authority in this matter where it belongs—to the Department of Agriculture. I am in sympathy with the Department of Commerce, but I want its activities confined to commerce and not to usurp or duplicate work in agriculture. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LINTHICUM. Mr. Speaker, I yield two minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. Mr. Speaker, I have nothing but admiration for the work being done by the highly efficient Bureau of Domestic and Foreign Commerce under its splendid and capable head, Docton Klein, and I have always done what I could to promote the activities of that department. From its establishment the bureau and its valuable work has had no more ardent supporter than I have been; but I do not think we ought to bring up here at practically the eleventh hour of this session of Congress a bill which, it is charged, takes from the Department of Agriculture some of its activities.

I might support this bill if we had an opportunity to discuss it under the regular rules of the House, subject to amendment.

Mr. MAPES. Will the gentleman yield?

Mr. BYRNS of Tennessee. I can not; I have but two minutes. This bill proposes to take from the Department of Agriculture the authority to make investigation and report as to agriculture and market conditions in foreign countries and place it in the Department of Commerce. If it does not do that, then it clearly will bring about duplication, for it gives to the Department of Commerce certain jurisdiction over purely agricultural matters not contemplated when that department was organized.

Mr. MAPES. Will the gentleman yield?

Mr. BYRNS of Tennessee. I can not; I have not the time.

Mr. MAPES. I want to ask the gentleman——

Mr. BYRNS of Tennessee. The gentleman from Michigan knows the rules of the House, and when I courteously decline, he ought to respect my attitude and not continually interrupt. [Applause.]

Now, if it does not result in duplication, if it does not do what I said, if it does not take from the Department of Agriculture some of its present power, it is clearly a case where there will be duplication, and Congress ought not at this hour, without an opportunity to discuss the bill, without an opportunity to offer amendment, undertake to pass an important bill like this, which, it is charged, will result in duplication and additional expense to the Government. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired.

Mr. LINTHICUM. Mr. Speaker, I yield three minutes to the gentleman from Michigan [Mr. KETCHAM].

Mr. KETCHAM. Mr. Speaker and gentlemen of the House, some four or five weeks ago by a very substantial majority we passed a bill, H. R. 7111, clearly defining the field of activity of the Department of Agriculture so far as collecting statistics and extending the markets in agricultural products in cooperation with various farm organizations. The vote was 33 yeas and 221 nays against recommittal. In common with those who have preceded me in opposition to this bill in its present form I am pleased to state that if it restricted the activities of the Department of Commerce to the fields where the law creating it designed it should operate I would give my hearty support to it, but because I believe it contravenes the provisions of H. R. 7111 passed by this House and puts in the Department of Commerce duties which ought to be assigned to the Department of Agriculture I am against the bill unless it could be amended in that particular, and there is no opportunity under the rules of the House to do that. If you go into the history of the developments of the Department of Commerce you will find a clearly defined latitude of work for this department, and specifically agriculture is left out in defining such duties. No less a parliamentarian than the late James R. Mann made that declaration, and his word ought to be final with most of us. One feature of the bill we have entirely overlooked. From the beginning of the Department of Agriculture the foreign work in the extension of markets and the gathering of farm statistics has been specifically confined therein, and has been developed until it is a remarkably fine service, which is made available to the Department of Commerce and all other departments of the Government in the finest spirit of cooperation. Until only within the last year has the Department of Commerce begun to build up a skeleton organization and go into the foreign field, with an idea, it seems to me, of taking over the very heart of the agricultural work, the direction of marketing of farm products, and we want that retained within the Department of Agriculture.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. LINTHICUM. Mr. Speaker, I yield three minutes to the gentleman from Texas [Mr. BLACK].

Mr. BLACK of Texas. Mr. Speaker, I am going to discuss one feature of this bill that has not yet been mentioned. I call attention to the fact that in the Deparment of Commerce we have the Bureau of Foreign and Domestic Commerce and that it is presided over by Docton Klein. He is the chief of the bureau and he will receive a salary under the classification act of $7,500 a year. This bill seeks to set up another bureau within the Bureau of Foreign and Domestic Commerce to be known as the Foreign Commerce Service, and it will pay the subordinates of Doctor Klein the following salaries:

Class 1, $8,000 to $10,000 per year; class 2, $7,000 to $9,000 per year; class 3, $6,000 to $8,000 per year, and so on.

Bear in mind these employees will be under the direction of Doctor Klein, the head of the bureau, who receives a salary of $7,500 a year.

Mr. NEWTON of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. BLACK of Texas. No.

Mr. NEWTON of Minnesota. But——

Mr. BLACK of Texas. Yes; I yield to the gentleman if he wants to dispute the accuracy of what I have said.

Mr. NEWTON of Minnesota. I simply wanted to say that in the State Department the Director of the Consular Service receives less than the consuls general.

Mr. BLACK of Texas. Oh, yes. Congress recently passed the Rogers bill, which makes a new and separate classification of the Diplomatic and Consular Service and pays some rather extravagant salaries, but I did not vote for the bill. I voted against it. I call attention to the fact, whether you pay

heed to it or not, that the one purpose of these bills is to begin making exceptions to the reclassification act which we passed here during the Sixty-eighth Congress. In that bill we provided for the classification of all of the employees of the Government service, and the maximum salary under the act is $7,500 per year. The reason we passed that bill was because there was so much lack of uniformity in the Government salaries. The whole purpose of this bill we are now considering is to cut around the reclassification act and set up independent salaries far in excess of those provided in the law. I am strictly opposed to doing any such thing, and will vote against this bill. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. LINTHICUM. Mr. Speaker, I yield three minutes to the gentleman from Iowa [Mr. DICKINSON].

Mr. DICKINSON of Iowa. Mr. Speaker, under date of April 5 of this year I put into the RECORD a statement of the legislation that has led up to this conflict of control. Ninety per cent of the information that the Department of Commerce is getting for the Department of Agriculture is absolutely worthless, and yet they come in here now and want you to expand their authority under this bill to do the very thing that the Department of Agriculture is doing more efficiently and more effectively. As farmers we do not want this Congress to turn over to another department the right to collect information that is valuable to the farming interests of this country and not to the commercial interests. Let me show you what the Department of Commerce did under the investigation of crude rubber, the law that was put through here under the deficiency appropriation act. That law contained this sentence:

> And to investigate related problems in the development of the foreign trade of the United States in agriculture and manufactured products, including personal services in the District of Columbia, etc.

Under that provision they devoted nearly all of their investigations and spent practically all of their money provided for crude rubber investigation in gathering information with reference to statistics on agriculture in foreign countries. Under that wording the Department of Commerce claims that it is authorized to undertake a complete direction of the agricultural service throughout the world and that the Department of Agriculture should obtain consent of the Department of Commerce before undertaking investigations of agriculture in foreign countries. I say to you that if there are any friends of the farmer in this House to-day, they should vote against this bill.

Mr. WINSLOW. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON of Iowa. No; I can not yield. The gentleman has 15 minutes and I have only 3.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. WINSLOW. Mr. Speaker, I yield one minute to the gentleman from North Dakota [Mr. YOUNG].

Mr. YOUNG. Mr. Speaker, this is an age of specialists. The officials of the Department of Agriculture are specialists in production. They make two blades grow where before only one grew. But I ask this question seriously of every man here who claims to be a friend of the farmer: Do you know of anything that the Department of Agriculture has ever done to sell anything excepting to furnish bear news? There are no sales experts connected with the Department of Agriculture. The whole department is saturated with the idea of production, and it is perhaps unreasonable to expert that salesmanship could be developed in such an atmosphere.

Mr. DICKINSON of Iowa. What is the Bureau of Markets?

Mr. YOUNG. About all the Department of Agriculture has ever done now or during past administrations to sell anything is to give out inflated or exaggerated estimates in respect to the yield of crops and report it at precisely the wrong time. I think it is pretty nearly time for us to wake up to the fact that there is something to do other than to produce. A wholly unnecessary report was volunteered by the Department of Agriculture last fall regarding the amount of turkeys in cold storage which cost the farmers in one State, North Dakota, more than a million dollars.

The officials of the Department of Commerce are sales specialists. They think it while awake and asleep. It is the dominating thought of the department. What we need to do for the farmer is to get better markets, to have better salesmanship, and the natural place to find salesmanship is in the Department of Commerce, where there are sales experts who think about nothing else.

The SPEAKER pro tempore. The time of the gentleman from North Dakota has expired.

Mr. WINSLOW. Mr. Speaker, does anyone have the parliamentary right to ask as a matter of personal privilege to correct a statement?

The SPEAKER pro tempore. The gentleman can rise to a question of personal privilege.

Mr. WINSLOW. I rise to a question of personal privilege.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WINSLOW. The gentleman from Michigan just said that when the Ketcham bill was before the House I opposed it. I did not oppose it. I did offer an amendment to perfect it and I voted for it.

The SPEAKER pro tempore. The Chair will state that is not a matter of personal privilege. Does the gentleman from Massachusetts desire to yield more time?

Mr. WINSLOW. Only at the finish.

Mr. LINTHICUM. Mr. Speaker, I yield myself three minutes. [Applause.]

Gentlemen of the committee, you will realize very little can be said in the short space of time at my disposal. It is difficult to touch more than the high spots, but those high spots should demonstrate the unwisdom of the passage of this bill in its present form.

I am not opposed to the principle involved in this bill; in fact, I am in favor of the proper and systematic establishment of the foreign commerce service instead of the present method followed by the Department of Commerce, but I am opposed to taking up a measure of this vast importance under suspension of rules, with slight debate and without any opportunity to amend the bill.

The Interstate and Foreign Commerce Committee have offered certain amendments to the bill and asked that it be passed with these amendments under suspension of rules. It is impossible to procure a copy of the bill with the suggested amendments, and there is not a Member on the floor of this House who knows what the real bill is, unless it be the gentleman from Massachusetts [Mr. WINSLOW] or the gentleman from Kentucky [Mr. BARKLEY], and yet we are asked to pass this bill, which means so much to the commerce of our country, without an opportunity to know its provisions.

The bill does not limit the number of appointees which can be made by the Secretary of Commerce. The salaries range from $10,000 per year down. In addition to this these employees are to receive as much as $10 per day for subsistence and travel expenses, the amount to be paid to be regulated by the Secretary of Commerce. That is not all. In paragraph B of section 3 you will find that the Secretary of Commerce has the power to appoint these officers, and, there being no limit, he can naturally appoint as many as he can obtain an appropriation to pay.

The Secretary may promote or demote any official in grade or class; he may increase or decrease the salary, or if disposed he may separate him from the service entirely, and the only restraint or restriction, if it be one, is that he shall take into consideration the appointee's efficiency, and he, the Secretary, is sole judge of his efficiency. I contend that this unlimited power over an unlimited number of employees is too great, and while I have every confidence in the present Secretary of Commerce, yet it must be understood that this is a permanent bill, which may be in existence for a great many years.

Then again, under paragraph B of section 6, the Secretary may authorize any officer of the foreign commerce service to fix, in an amount not exceeding the allowance fixed for such officer, an allowance for actual subsistence or a per diem allowance in lieu thereof for any clerical or subclerical assistance employed by such officer; in other words, the Secretary can not only exercise these powers himself, but he may delegate other officers to fix the actual subsistence or per diem for those employees under him.

I can not believe this committee desires to authorize the fixing of expenditures to subordinate officers in the foreign commerce service. Another strong objection to this bill is that it enables employees of the Government by special enactment to receive salaries in excess of that authorized by Congress under a general act recently passed limiting salaries to $7,500. If you pass this bill without restriction as to number of employees, with but little restriction as to subsistence and traveling expenses, it is impossible to say what appropriation may be necessary to carry out the provisions of this bill.

I am not one to quibble as to proper salaries for good men, but I do think when you are granting these large salaries we should know how many are to receive them and what class of men are to be appointed.

Under the foreign service act recently passed by Congress, consuls were limited to $8,000 per annum, except as to the

consul in London, whose salary was allowed to remain at $9,000 during the occupancy thereof by the present incumbent. No one can gainsay the fact that we have the best Consular Service in the world, and our men are satisfied and contented. Out of this salary allowance they are compelled to pay into the retirement fund for the State Department 5 per cent of their salary annually, while the men appointed under this bill would only be compelled to pay the general retirement fund assessment.

Now, gentlemen, as I have said, I am not opposed to the principle embodied in this bill, but I can see no reason why it should not go over until the next session, at which time we shall have abundant opportunity to debate and amend the bill, and to pass one which will be a credit not alone to the Department of Commerce but likewise to the commercial life of our country. I therefore plead with you to vote against this bill and defer action until the next session in December. [Applause.]

The SPEAKER pro tempore. The gentleman from Maryland has one minute remaining.

Mr. LINTHICUM. I yield that to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Speaker and gentlemen of the House, I confess that it seems to me like an affront to this body and somewhat of a slight to another committee of this House that this bill should be brought out by the Committee on Interstate and Foreign Commerce at this time. There is at present a joint committee of the Committee on Appropriations of this House, consisting of its standing subcommittees on the Departments of State, Commerce, Labor, and Agriculture, engaged in making a study of this precise question as to what shall be done to coordinate the work of the various consular, commercial, and agricultural agents of the United States. At the present time there is a conflict and overlapping of authority and a duplication of expense.

The object of this joint committee is to ascertain and suggest appropriate legislation to coordinate the work of these several departments. That joint committee has not yet completed its labors. I hold in my hand a volume representing the hearings up to date, and it is only fair that we should be permitted to complete our investigation and make a report.

I ask you, gentlemen, to vote against this bill and allow us to take up the subject later on, when we can give it proper deliberation. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. WINSLOW. Mr. Speaker, I yield the remainder of my time, four minutes, to the gentleman from Kentucky [Mr. BARKLEY].

The SPEAKER pro tempore. The gentleman from Kentucky is recognized for four minutes.

Mr. BARKLEY. Mr. Speaker, in reply to the remarks of the gentleman from Maryland [Mr. LINTHICUM] and other gentlemen who have suggested the matter of the number of employees and their salaries, I want to say this: This bill does not add a single employee to the pay roll of the United States. It does not form a new service. It simply gives a legal status to a service that already exists and is in operation in foreign countries, undertaking to develop the foreign commerce of the United States. The bill does not increase salaries. The only difference is that the salaries are at present paid out of lump sums.

Mr. BLACK of Texas. Mr. Speaker, will the gentleman yield?

Mr. BARKLEY. No; I regret I can not yield.

The salaries, I say, are paid at present out of lump sums by the Department of Commerce, and we fix a limit to the salaries that may be paid. It is a very simple problem. The State Department and the Department of Commerce and the Department of Agriculture, all three, have agents in foreign countries, and they have for some years been duplicating the work. This is an effort to simplify the foreign service of the United States so that the Bureau of Foreign and Domestic Commerce may have a corps of men who have a recognized legal status in foreign countries, whose duty it shall be to advance the trade of the United States. The Secretary of State agrees to this bill, and the Secretary of Agriculture disagrees to it simply because in one place we mention "agriculture" and "forestry."

Let us see what this bill does. I hope those gentlemen who represent agricultural districts will give attention to this, while I read one of the provisions of the bill. The bill provides that "The officers of the foreign commerce service shall (a) promote the foreign commerce of the United States," and "(b) investigate and report upon economic, commercial, and industrial conditions and activities of foreign countries, and economic and commercial aspects of agriculture, manufacturing, mining, forestry, shipping, transportation, finance, labor, and legislation, and of all other activities in foreign countries which may be of economic, commercial, or industrial interest to the United States." Representatives of nearly every farmers' marketing association that deals with farm products sold to foreign nations came before our committee or sent letters there urging the passage of this bill. [Applause.]

Subsection (d) provides that under the direction of the Secretary of Commerce the officers of the foreign commerce service "shall, within their respective jurisdictions, and under the supervision of the chief or acting chief diplomatic officer of the United States for such jurisdiction," direct "the economic and commercial investigations and reporting, and the trade promotion and commercial intelligence activities of all other officers or employees of the United States."

You will notice that the foreign commerce service is directed to report, among other things, upon the economic and commercial aspects of agriculture, manufacturing, and forestry. In other words, if we strike out the words "agriculture" and "forestry," the Department of Agriculture would be in favor of this bill. All we do is to authorize this service to investigate and report upon economic, commercial, and industrial conditions and activities in foreign countries, and economic and commercial aspects of agriculture, manufacturing, mining, forestry, and so on; and we do not in any way interfere with the authority of the Department of Agriculture.

The passage of this bill will not do away with a single representative of the Department of Agriculture in a foreign country who is already there or interfere with their activities in any way.

There are two kinds of investigations involved here. One is the scientific investigation, and the Department of Agriculture is now engaged, and it ought to be engaged, in the investigation of agriculture from the scientific viewpoint, in order to determine the agricultural conditions in foreign countries and obtain general scientific knowledge. They do that now, and they will continue to do that and make their reports; and our agents in the Commerce Bureau will use that information. There is no duplication, or if there is it will be very slight. But in any event it will not in any way interfere with the functions of the Department of Agriculture, and any man who votes against this bill because the words "agriculture" and "forestry" are in it, and whose constituents are interested in the commercial and economic aspect of agriculture, which it is proposed to investigate, will vote to cripple and hamper our development in agriculture and our foreign trade in agricultural products and all other products of our country. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Kentucky has expired. The question is on the motion of the gentleman from Massachusetts [Mr. WINSLOW] to suspend the rules and pass the bill as amended.

The question was taken, and the Speaker pro tempore announced that in his judgment, two-thirds having voted in the affirmative, the rules were suspended and the bill was passed.

Mr. LINTHICUM. Mr. Speaker, I demand a division.

The SPEAKER pro tempore. The gentleman from Maryland demands a division.

The House divided; and there were—ayes 121, noes 71.

The SPEAKER pro tempore. Two-thirds not having voted in the affirmative the motion to suspend the rules and pass the bill is lost.

Mr. MAPES. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. The Clerk will call the roll. Those in favor of the motion to suspend the rules and pass the bill as amended will, when their names are called, answer "yea," those opposed will answer "nay."

The question was taken; and there were—yeas 169, nays 158, not voting 106, as follows:

YEAS—169

| | | | |
|---|---|---|---|
| Ackerman | Browne, Wis. | Cooper, Ohio | Fleetwood |
| Almon | Browning | Cramton | Foster |
| Andrew | Brumm | Crosser | Frear |
| Anthony | Buckley | Crowther | Free |
| Bacharach | Burtness | Dallinger | French |
| Bacon | Campbell | Dempsey | Frothingham |
| Barbour | Chindblom | Denison | Fuller |
| Barkley | Christopherson | Driver | Gallivan |
| Beedy | Claney | Dyer | Garrett, Tenn. |
| Bixler | Cleary | Elliott | Garrett, Tex. |
| Black, N. Y. | Colton | Fairfield | Gibson |
| Brand, Ohio | Connery | Faust | Graham, Ill. |
| Briggs | Connolly, Pa. | Fish | Graham, Pa. |
| Browne, N. J. | Cook | Fitzgerald | Greenwood |

| | | | |
|---|---|---|---|
| Griest | Longworth | Raker | Temple |
| Hadley | Luce | Ransley | Thatcher |
| Hardy | McDuffie | Rathbone | Tilson |
| Hawes | McFadden | Rayburn | Timberlake |
| Hawley | MacLafferty | Reece | Tinkham |
| Hayden | Magee, N. Y. | Reed, N. Y. | Treadway |
| Hersey | Mapes | Reid, Ill. | Vaile |
| Hickey | Merritt | Roach | Vestal |
| Hill, Ala. | Miller, Wash. | Robsion, Ky. | Vinson, Ky. |
| Hill, Md. | Minahan | Rogers, Mass. | Wainwright |
| Hoch | Mooney | Rouse | Wason |
| Holaday | Moore, Ohio | Sanders, Ind. | Watkins |
| Huddleston | Moores, Ind. | Schafer | Watres |
| Hudson | Morris | Scott | Watson |
| Hull, Iowa | Murphy | Seger | Wertz |
| Hull, Morton D. | Nelson, Me. | Shallenberger | Williams, Mich. |
| Humphreys | Newton, Minn. | Shreve | Williams, Tex. |
| Jacobstein | Nolan | Smith | Williamson |
| James | O'Connell, N. Y. | Snell | Wilson, Ind. |
| Johnson, Ky. | O'Connell, R. I. | Speaks | Winslow |
| Kearns | O'Sullivan | Sproul, Ill. | Wood |
| Kelly | Oliver, Ala. | Stalker | Wurzbach |
| Kincheloe | Paige | Stephens | Wyant |
| LaGuardia | Parker | Strong, Pa. | Yates |
| Lampert | Parks, Ark. | Sweet | Young |
| Lea, Calif. | Perkins | Swing | Zihlman |
| Leatherwood | Perlman | Swoope | |
| Lehlbach | Porter | Taber | |
| Lineberger | Prall | Tague | |

NAYS—158

| | | | |
|---|---|---|---|
| Allen | Dominick | McClintic | Sanders, Tex. |
| Allgood | Dowell | McKenzie | Sandlin |
| Arnold | Eagan | McKeown | Schall |
| Aswell | Evans, Iowa | McLaughlin, Mich. | Sears, Fla. |
| Ayres | Evans, Mont. | McLaughlin, Nebr. | Sherwood |
| Bankhead | Favrot | McNulty | Simmons |
| Beers | Fisher | McReynolds | Sinclair |
| Begg | Fulbright | McSwain | Sites |
| Bell | Fulmer | McSweeney | Smithwick |
| Black, Tex. | Garber | Major, Ill. | Spearing |
| Bland | Gardner, Ind. | Major, Mo. | Sproul, Kans. |
| Blanton | Garner, Tex. | Mansfield | Steagall |
| Bloom | Gasque | Martin | Stedman |
| Bowling | Gilbert | Mead | Stengle |
| Box | Goldsborough | Milligan | Stevenson |
| Boyce | Green, Iowa | Moore, Ga. | Summers, Wash. |
| Boylan | Griffin | Moore, Va. | Sumners, Tex. |
| Brand, Ga. | Hastings | Morehead | Swank |
| Buchanan | Haugen | Morrow | Taylor, Colo. |
| Busby | Hill, Wash. | O'Connor, La. | Taylor, W. Va. |
| Byrns, Tenn. | Hooker | O'Connor, N. Y. | Thomas, Okla. |
| Canfield | Howard, Nebr. | Oldfield | Thompson |
| Cannon | Jeffers | Oliver, N. Y. | Tillman |
| Carew | Johnson, Tex. | Park, Ga. | Tucker |
| Casey | Johnson, W. Va. | Peery | Underwood |
| Clague | Kerr | Pou | Upshaw |
| Clarke, N. Y. | Ketcham | Purnell | Vinson, Ga. |
| Cole, Iowa | King | Quin | Voigt |
| Collier | Kopp | Ragon | Weaver |
| Connally, Tex. | Kurtz | Rainey | Wefald |
| Crisp | Lanham | Ramseyer | Weller |
| Croll | Lankford | Rankin | White, Kans. |
| Cullen | Larsen, Ga. | Reed, Ark. | Williams, Ill. |
| Cummings | Lazaro | Richards | Wilson, La. |
| Davis, Minn. | Leavitt | Robinson, Iowa | Wingo |
| Davis, Tenn. | Lee, Ga. | Romjou | Winter |
| Deal | Lindsay | Rubey | Wolff |
| Dickinson, Iowa | Linthicum | Sabath | Wright |
| Dikinson, Mo. | Lowrey | Salmon | |
| Dickstein | Lozier | Sanders, N. Y. | |

NOT VOTING—106

| | | | |
|---|---|---|---|
| Abernethy | Edmonds | Kunz | Phillips |
| Aldrich | Fairchild | Kvale | Quayle |
| Anderson | Fenn | Langley | Reed, W. Va. |
| Beck | Fredericks | Larson, Minn. | Rogers, N. H. |
| Berger | Freeman | Lilly | Rosenbloom |
| Boies | Funk | Little | Schneider |
| Britten | Geran | Logan | Sears, Nebr. |
| Bulwinkle | Gifford | Lyon | Sinnott |
| Burdick | Glatfelter | McLeod | Snyder |
| Burton | Greene, Mass. | MacGregor | Strong, Kans. |
| Butler | Hammer | Madden | Sullivan |
| Byrnes, S. C. | Harrison | Magee, Pa. | Taylor, Tenn. |
| Cable | Howard, Okla. | Manlove | Thomas, Ky. |
| Carter | Hudspeth | Michaelson | Tincher |
| Celler | Hull, William E. | Michener | Tydings |
| Clark, Fla. | Hull, Tenn. | Miller, Ill. | Underhill |
| Cole, Ohio | Johnson, S. Dak. | Mills | Vare |
| Collins | Johnson, Wash. | Montague | Vincent, Mich. |
| Cooper, Wis. | Jones | Moore, Ill. | Ward, N. Y. |
| Corning | Jost | Morgan | Ward, N. C. |
| Curry | Kahn | Morin | Welsh |
| Darrow | Keller | Mudd | White, Me. |
| Davey | Kendall | Nelson, Wis. | Wilson, Miss. |
| Doughton | Kent | Newton, Mo. | Woodruff |
| Doyle | Kiess | O'Brien | Woodrum |
| Drane | Kindred | Patterson | |
| Drewry | Knutson | Peavey | |

So, two-thirds not having voted in the affirmative, the motion to suspend the rules and pass the bill was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Kahn with Mr. Clark of Florida.
Mr. Boies with Mr. Abernethy.
Mr. Curry with Mr. Wilson of Mississippi.
Mr. Patterson with Mr. Drane.
Mr. White of Maine with Mr. Byrnes of South Carolina.
Mr. Ward of New York with Mr. Jost.
Mr. Moore of Illinois with Mr. O'Brien.
Mr. Anderson with Mr. Kunz.
Mr. Little with Mr. Lilly.
Mr. Mudd with Mr. Rogers of New Hampshire.
Mr. Cole of Ohio with Mr. Sullivan.
Mr. Michaelson with Mr. Quayle.
Mr. Morin with Mr. Logan.
Mr. Fenn with Mr. Montague.
Mr. Darrow with Mr. Corning.
Mr. Mills with Mr. Hammer.
Mr. Butler with Mr. Kindred.
Mr. Madden with Mr. Woodrum.
Mr. Vare with Mr. Carter.
Mr. Aldrich with Mr. Tydings.
Mr. Welsh with Mr. Doughton.
Mr. Burton with Mr. Bulwinkle.
Mr. Manlove with Mr. Thomas of Kentucky.
Mr. Dyer with Mr. Celler.
Mr. Fredericks with Mr. Doyle.
Mr. Newton of Missouri with Mr. Geran.
Mr. MacGregor with Mr. Collins.
Mr. Morgan with Mr. Davey.
Mr. Freeman with Mr. Drewry.
Mr. Greene of Massachusetts with Mr. Howard of Oklahoma.
Mr. Kendall with Mr. Hudspeth.
Mr. Magee of Pennsylvania with Mr. Jones.
Mr. Kiess with Mr. Kent.
Mr. Johnson of Washington with Mr. Harrison.
Mr. Gifford with Mr. Kvale.
Mr. Johnson of South Dakota with Mr. Hull of Tennessee.
Mr. Phillips with Mr. Lyon.
Mr. Michener with Mr. Berger.

Mr. COOPER of Wisconsin. Mr. Speaker, I desire to vote.

The SPEAKER pro tempore. Was the gentleman present and listening when his name was called?

Mr. COOPER of Wisconsin. I was in my office downstairs and did not hear the bell ring.

The SPEAKER pro tempore. Then the gentleman does not come within the rule.

The result of the vote was announced as above recorded.

## CONFERENCE REPORT—EXECUTIVE OFFICE AND SUNDRY INDEPENDENT BUREAUS, ETC.

Mr. WOOD. Mr. Speaker, I desire to call up conference report on H. R. 8233, making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes.

Mr. BLACK of New York. Mr. Speaker, I reserve all points of order on this conference report.

The SPEAKER pro tempore. The gentleman from Indiana calls up a conference report, which the Clerk will report.

The Clerk read as follows:

### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8233) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 6, 7, and 15.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 8, 9, 12, and 14, and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "No part of the moneys appropriated or made available by this act for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall, unless the President shall otherwise direct, be used or expended for the repair or reconditioning of any vessel owned or controlled by the Government, if the expense of such repair or reconditioning is in excess of $50,000, until a reasonable opportunity has been given to the available Government navy yards to estimate upon the cost of such repair or reconditioning, if performed by such navy yards within the limit of time within which the work is to be done: *Provided*, That this limitation shall only apply to vessels while in the harbors of the United States, and all expenditures in connection with such work are to be considered in estimating the cost"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "$10,000 except the following: One at not to exceed $25,000

and five at not to exceed $18,000 each"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 4 and 10.

WILL R. WOOD,
J. W. SUMMERS,
JOHN N. SANDLIN,
*Managers on the part of the House.*
F. E. WARREN,
W. L. JONES,
LEE S. OVERMAN,
*Managers on the part of the Senate.*

STATEMENT

The managers on the part of the House at the further conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 8233) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year 1925, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On Nos. 1, 2, and 3, relating to the American Battle Monuments Commission: Strikes out the limitation of $20,000 proposed by the House for personal services, and provides, as proposed by the Senate, for the reimbursement of actual travel expenses of the members of the commission at not to exceed $8 per day, or per diem in lieu of subsistence at not to exceed $7 per day.

On Nos. 5 and 6, relating to the Employees' Compensation Commission: Appropriates $136,600, as proposed by the House, instead of $138,040, as proposed by the Senate, for salaries, and $10,000, as proposed by the House, instead of $12,000, as proposed by the Senate, for contingent expenses.

On No. 7: Appropriates $300,000, as proposed by the House, instead of $390,000, as proposed by the Senate, for contingent expenses of the General Accounting Office.

On Nos. 8 and 9, relating to the Smithsonian Institution: Appropriates $49,550, as proposed by the Senate, instead of $40,000, as proposed by the House, for the system of international exchanges, and appropriates $2,000, as proposed by the Senate, instead of $1,500, as proposed by the House, for the purchase of books, pamphlets, and periodicals.

On Nos. 11, 12, 13, and 14, relating to the United States Shipping Board: Strikes out the language proposed by the Senate and inserts a substitute paragraph which provides that no part of the moneys appropriated for the use of the Shipping Board or the Fleet Corporation shall be expended for the repair or reconditioning of any ship where the cost of the repairs or reconditioning is in excess of $50,000 until the available Government navy yards have been given reasonable opportunity to estimate upon the cost of performing the work; and provides further that the limitation shall apply only to vessels while in the harbors of the United States; corrects a typographical error in the bill; provides a general limitation of $10,000, as proposed by the House, instead of $11,000, as proposed by the Senate, for salaries of officers of the Fleet Corporation, and provides for salaries in excess of this limit as follows: One at not to exceed $25,000, as proposed by the Senate, instead of one at not to exceed $20,000, as proposed by the House, and five at not to exceed $18,000 each, instead of six, as proposed by the Senate, and instead of four at not to exceed $15,000 each, as proposed by the House; and strikes out, as proposed by the Senate, the limitation upon the appropriation to permit the payment of judgments and awards in suits in admiralty.

On No. 15: Strikes out the language proposed by the Senate authorizing the sale of a guidebook in the Washington Monument.

The committee of conference have been unable to agree upon the following amendments of the Senate:

No. 4, which provides for the detail of one part-time employee to the Civil Service Commission in the district office at New York City; and

No. 10, which provides for the expenditure of certain unexpended balances of appropriations under the office of the superintendent of the State, War, and Navy Department buildings in the erection of a temporary boiler plant for the heating of the Navy and Munitions Buildings and other Government buildings in the vicinity thereof.

WILLIAM R. WOOD,
JOHN W. SUMMERS,
JOHN N. SANDLIN,
*Managers on the part of the House.*

Mr. BLACK of New York. Mr. Speaker, I raise a point of order against that portion of the conference report setting forth that the Shipping Board can not expend any part of the appropriation in excess of $50,000 before giving an opportunity to available navy yards to estimate. I make the point of order on the ground that the conferees have exceeded their authority. The House has taken a position, as well as the Senate, for a mandatory provision in this portion of the bill. The conferees, in violation of their instructions from the House, have receded on two occasions and have agreed to a conference report setting forth a permissive proposition.

Mr. BEGG. Will the gentleman yield right there?

Mr. BLACK of New York. Yes; certainly.

Mr. BEGG. Is this the same point of order that was raised yesterday?

Mr. BLACK of New York. It is practically the same point of order.

The SPEAKER pro tempore (Mr. SANDERS of Indiana). Does the gentleman from New York differentiate this point from the ruling made by the Speaker on the former occasion?

Mr. BLACK of New York. It is impossible for me to differentiate this point and the ruling made by the Speaker on the 3d of June, but I wish to say to the Chair that the ruling made by the Speaker on the 3d of June was based on a precedent offered by the gentleman from Indiana [Mr. SANDERS], and I wish to call the attention of the Chair at this time to that precedent and the effect it should here have if read closely and given that deliberation that an important proposition of this kind is entitled to.

In the Sixty-seventh Congress when this question arose the House adopted an amendment that was mandatory in its provisions as to the expenditure of money by the Shipping Board. The Senate, on the other hand, adopted a permissive proposition. So that the point at issue between the two Houses in the Sixty-seventh Congress was whether or not it should be mandatory or permissive, and the compromise effected by the conference was between those two points, requiring that it be a permissive proposition if the amount should be in excess of $100,000. The situation that confronts this conference is entirely different. The situation that confronted this conference was a very certain set of instructions that the amendment should provide that something of a mandatory nature should be done. There was no question between the two Houses as to whether it should be mandatory or permissive. The only question between House and the Senate was how far the mandatory provision should go. The difference this year, as presented by the last conference report on this question, was a difference between both Houses of Congress and the conferees. There was no difference at all between the Houses as to whether this should be mandatory or permissive, and I submit it is something like this proposition, if I may put a parliamentary proposition in a popular way: A woman is having trouble with her husband. He says he will pay her $500. She says she wants $1,000, and her lawyer and his lawyer meet, and her lawyer agrees that instead of taking the $1,000 she insists on or the $500 that her husband is willing to give her, she will take nothing. I respectfully submit that the conferees have violated most outrageously the instructions of this House given to the conferees on at least two occasions by a very substantial vote.

The SPEAKER pro tempore. The Chair is ready to rule. The gentleman from New York makes the point of order that the conferees have exceeded their authority. The question presented by the gentleman from New York is precisely the same question which the Speaker of the House ruled upon with reference to this conference report when it was before the House on a former occasion. The rule is well settled that when a certain portion is stricken out and a new amendment is written that that gives the conferees entire authority to deal with the subject matter of what was stricken out and what was put in its place, and they may strike out the subsequent amendment and agree to any germane proposition. The Chair is of the opinion that this is germane, and following the precedent the Chair has referred to, the Chair overrules the point of order.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LAGUARDIA. What force or significance, then, has the vote of the House?

The SPEAKER pro tempore. The Chair will state that is not a parliamentary inquiry.

Mr. LAGUARDIA. I wanted to be guided as to what is before the House.

Mr. WOOD. Mr. Speaker and gentlemen of the House, I wish to state very briefly what this conference report contains. There are but two questions that were in dispute, one with reference to the salaries paid the officers of the Shipping Board

and the other with reference to repairs upon ships belonging to the United States requiring them to be made in the arsenals or navy yards of the Government. This report modifies the former report with reference to salaries paid Shipping Board officials and reduces all $11,000 salaries to $10,000. It eliminates one $18,000 man, so that there are no salaries now of the $11,000 class and there are but five of the $18,000 class. With reference to the matter of repairs, we have changed the limitation from $100,000 to $50,000, so that in the event the repairs amount to $50,000 or more an opportunity must be given to the various navy yards.

These are the only two changes. I think we are in as substantial an agreement as it is possible for us to get, and the language now in the bill is substantially the same as that for the current year, which has proven satisfactory not only to the navy yards throughout the country but likewise satisfactory to the Shipping Board.

Mr. SCHAFER. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. SCHAFER. You state an opportunity has been given to the navy yards; what opportunity has been given them—just an opportunity to go through the form of submitting a bid?

Mr. WOOD. No; there have been several large jobs done by the various navy yards.

I yield five minutes to the gentleman from Iowa [Mr. HULL].

Mr. HULL of Iowa. Mr. Speaker and Members of the House, twice has this House spoken on this matter. The Senate has spoken twice, and the conferees have flouted both the House and the Senate twice. [Applause.]

What you are trying to do is to put a limit on the profiteering that is going on in the Shipping Board.

You have spoken, and yet the conferees defy you and bring back to this House something that means nothing. There is only one thing for you to do, and that is to reject the conference report and move to recede and concur with the Senate amendment and then you will finish this matter at once. You have a right to do it; yea, more than that, if you are men you will do it. [Applause.] These conferees have no right to defy both Houses when you are trying to save the people's money. That is your right and it is your duty. No one wants to drive the shipyards out of business. They can compete with the navy yards and they do compete with them, but let the navy yards have an opportunity to find out how much money these rich corporations are making off the Government through the Shipping Board. If they are making too much, do as you said you would do—have the work done in the navy yard.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. COOPER of Wisconsin. I had not the opportunity yesterday or the day before to add a bit more to the report of the testimony given by Admiral Plunkett before the committee inquiring into the Shipping Board affairs. He testified that there were some repairs to be done, and bids were brought in. Morse & Co. bid four thousand nine hundred and a fraction dollars. The Brooklyn Navy Yard bid $1,500, and then Morse & Co. agreed to do it for $1,500.

Mr. HULL of Iowa. That is only one of many instances where the profiteers get the people's money.

Mr. BEGG. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. BEGG. Suppose it was mandatory to go to the Government shipyards and they submitted a bid that was lower and then could not build it for that—the Government would have to pay the higher bid, would it not?

Mr. HULL of Iowa. The Government of the United States can afford to make bids and carry out their bids as well as Morse & Co. The gentleman knows very well that under the naval bill we wrote the same provision, and then it is written in the Army bill permanently. It is only the Shipping Board that objects to having a limit placed on the profiteers.

Mr. BEGG. Will the gentleman yield?

Mr. HULL of Iowa. No; I refuse to yield.

Mr. BEGG. I want to say to the gentleman——

Mr. HULL of Iowa. The gentleman knows the rules of the House, and he can sit down.

Mr. BEGG. I will. [Laughter.]

Mr. HULL of Iowa. It is only the Shipping Board that objects to having a limit put on the profiteering that goes on in their department. We wrote the same provisions into the naval bill. I hope you will reject the conference report and then recede and concur in the Senate amendment. [Applause.]

Mr. MADDEN. Mr. Speaker and gentlemen, I think we may just as well realize that the House of Representatives is not the only body that makes up the Congress and that we have done everything we could within our power and within reason to reach a fair conclusion. We have limited the number of places at $18,000 to five instead of six. The Shipping Board activities are enormous. They could not function without men of great experience and supreme ability. This report should meet the reasonable expectation of everybody. There is no reason in the world why it should not be adopted. It is fair, it is clean, and it is just. More than that, this report provides that on all repairs or improvements of Shipping Board vessels, if the cost of the work exceeds $50,000 the Shipping Board shall receive estimates from the navy yards and can give them the work if they are low.

Mr. HULL of Iowa. No; there is not a word in the conference report about that.

Mr. TAGUE. That is just what it does not do.

Mr. MADDEN. It gives the right when the cost exceeds $50,000 to make estimates. Of course these gentlemen who have been standing around prating about the Shipping Board, not having any rights and the navy yards having all the rights will not listen to reason no matter what one says. The time has come to close this question, and I hope the membership of the House will believe that what we have done is right and fair and that you will approve of what the conferees have reported to you.

Mr. WOOD. Mr. Speaker, it is now quarter of 6, and I do not think any more light can be thrown on the subject by further debate, and I move the previous question.

The question was taken; and on a division (demanded by Mr. TAGUE) there were 102 ayes and 52 noes.

Mr. TAGUE. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER pro tempore. The gentleman from Massachusetts asks for the yeas and nays. All those in favor of taking the question by yeas and nays will rise. [After counting.] Twenty-two have risen, not a sufficient number, and the yeas and nays are refused.

Mr. TAGUE. Mr. Speaker, I doubt the vote and make the point of no quorum.

The SPEAKER pro tempore. The gentleman from Massachusetts makes the point of no quorum. The Chair will count. [After counting.] Two hundred and twenty-one Members are present, a quorum. The previous question is ordered, and the question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. TAGUE) there were 121 ayes and 52 noes.

Mr. HULL of Iowa. Mr. Speaker, I demand the yeas and nays.

The SPEAKER pro tempore. The gentleman from Iowa demands the yeas and nays. Those in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Thirty-six Members have risen, not a sufficient number, and the yeas and nays are refused.

The SPEAKER resumed the chair.

Mr. SCHAFER. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The Chair counted a quorum here just a moment ago.

Mr. SCHAFER. Since that time several Members have retired.

The SPEAKER. It is very clear that there is a quorum present. On the division there were—ayes 169, noes 62.

So the conference report was agreed to.

Mr. WOOD. Mr. Speaker, I move that the House recede and concur in the Senate amendment No. 4.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Page 6, line 25, insert a new paragraph as follows:

Except for one person detailed for part-time duty in the district office at New York City, no details from any executive department or independent establishment in the District of Columbia or elsewhere to the commission's central office in Washington or to any of its district offices shall be made during the fiscal year ending June 30, 1925; but this shall not affect the making of details for service as members of boards of examiners outside the immediate offices of the district secretaries. The Civil Service Commission shall have power in case of emergency to transfer or detail any of its employees herein provided for to or from its office or field force.

Mr. WOOD. Mr. Speaker, all this does is to permit the Civil Service to detail from one of the other departments some employee for a part of the time for duty in New York when business is pressing there.

The SPEAKER. The question is on the motion of the gentleman from Indiana to recede and concur.

The question was taken; and on a division (demanded by Mr. SCHAFER) there were—ayes 125, nays 25.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 22, after line 10, insert the following:

Of the unexpended balances of the appropriations provided for in the executive and independent offices appropriation act for the fiscal year 1924, approved February 13, 1923, for salaries and for fuel, lights, and miscellaneous items for the office of the Superintendent State, War, and Navy Department Buildings, there shall be immediately available and remain available during the fiscal year 1925 a sum from said appropriations not exceeding $125,000, for the erection of a temporary boiler plant for the heating of the Navy and Munitions Buildings and other Government buildings in the vicinity thereof, including all expenses incident to the setting of boilers, the procurement of all necessary equipment, laying of steam lines, etc.

For all printing and binding for the State, War, and Navy Department Buildings, $2,750.

Mr. WOOD. Mr. Speaker, this amendment permits the custodian of public buildings and grounds to use the unexpended balance in constructing a power house from which power and electricity will be furnished to certain of the Government buildings, which power is now being purchased from the outside. It will result in an estimated saving of between seventy-five and one hundred thousand dollars a year to the Government, at an expenditure of about $125,000. I move that the House recede and concur in the Senate amendment.

The SPEAKER. The question is on the motion of the gentleman from Indiana that the House recede and concur.

The motion was agreed to.

Mr. WOOD. Mr. Speaker, I move to reconsider the votes by which the conference report was agreed to and by which the motions to recede and concur in Senate amendments 4 and 10 were agreed to.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 7877. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

H. R. 5478. An act to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment."

H. J. Res. 194. Joint resolution to print as a House document the proceedings of the national encampments of the Grand Army of the Republic, the United Spanish War Veterans, and the American Legion, for the use of the House and Senate.

H. R. 526. An act authorizing the Secretary of War to enter into an arrangement, on behalf of the United States, with the Alexandria Light & Power Co., whereby civilians may obtain electric current from a Government-owned transmission line extending from Alexandria to Fort Humphreys, Va.

H. R. 8143. An act for the protection of the fisheries of Alaska, and for other purposes.

POLLUTION OF COASTAL NAVIGABLE WATERS

Mr. DEMPSEY. Mr. Speaker, I move to suspend the rules and pass the bill S. 1942, to protect navigation from obstruction and injury by preventing the discharge of oil into the coastal navigable waters of the United States, as amended.

The SPEAKER. The gentleman from New York moves to suspend the rules and pass the bill which the Clerk will report.

The Clerk read as follows:

*Be it enacted, etc.*, That this act may be cited as the "oil pollution act, 1924."

SEC. 2. When used in this act, unless the context otherwise requires—

(a) The term "oil" means oil of any kind or in any form, including fuel oil, oil sludge, and oil refuse;

(b) The term "person" means an individual, partnership, corporation, or association; any owner, master, officer or employee of a vessel; and any officer, agent, or employee of the United States;

(c) The term "coastal navigable waters of the United States" means all portions of the sea within the territorial jurisdiction of the United States, and all inland waters navigable in fact in which the tide ebbs and flows;

(d) The term "Secretary" means the Secretary of War.

SEC. 3. That, except in case of emergency imperiling life or property, or unavoidable accident, collision, or stranding, and except as otherwise permitted by regulations prescribed by the Secretary as hereinafter authorized, it shall be unlawful for any person to discharge, or suffer, or permit the discharge of oil by any method, means, or manner into or upon the coastal navigable waters of the United States from any vessel using oil as fuel for the generation of propulsion power, or any vessel carrying or having oil thereon in excess of that necessary for its lubricating requirements and such as may be required under the laws of the United States and the rules and regulations prescribed thereunder. The Secretary is authorized and empowered to prescribe regulations permitting the discharge of oil from vessels in such quantities, under such conditions, and at such times and places as in his opinion will not be deleterious to health or sea food, or a menace to navigation, or dangerous to persons or property engaged in commerce on such waters, and for the loading, handling, and unloading of oil.

SEC. 4. That any person who violates section 3 of this act, or any regulation prescribed in pursuance thereof, is guilty of a misdemeanor, and upon conviction shall be punished by a fine not exceeding $2,500 nor less than $500, or by imprisonment not exceeding one year nor less than 30 days, or by both such fine and imprisonment, for each offense. And any vessel (other than a vessel owned and operated by the United States) from which oil is discharged in violation of section 3 of this act, or any regulation prescribed in pursuance thereof, shall be liable for the pecuniary penalty specified in this section, and clearance of such vessel from a port of the United States may be withheld until the penalty is paid, and said penalty shall constitute a lien on such vessel which may be recovered in proceedings by libel in rem in the district court of the United States for any district within which the vessel may be.

SEC. 5. A board of local inspectors of vessels may, subject to the provisions of section 4450 of the Revised Statutes, and of the act entitled "An act to provide for appeals from decisions of local inspectors of vessels, and for other purposes," approved June 10, 1918, suspend or revoke a license issued by any such board to the master or other licensed officer of any vessel found violating the provisions of section 3 of this act.

SEC. 6. That no penalty, or the withholding of clearance, or the suspension or revocation of licenses, provided for herein, shall be enforced for any violation of this act occurring within three months after its passage.

SEC. 7. That in the administration of this act the Secretary may make use of the organization, equipment, and agencies, including engineering, clerical, and other personnel, employed under his direction in the improvement of rivers and harbors, and in the enforcement of existing laws for the preservation and protection of navigable waters. And for the better enforcement of the provisions of this act, the officers and agents of the United States in charge of river and harbor improvements, and the assistant engineers and inspectors employed under them by authority of the Secretary, and officers of the Customs and Coast Guard Service of the United States, shall have power and authority and it shall be their duty to swear out process and to arrest and take into custody, with or without process, any person who may violate any of said provisions: *Provided*, That no person shall be arrested without process for a violation not committed in the presence of some one of the aforesaid officials: *And provided further*, That whenever any arrest is made under the provisions of this act the person so arrested shall be brought forthwith before a commissioner, judge, or court of the United States for examination of the offenses alleged against him; and such commissioner, judge, or court shall proceed in respect thereto as authorized by law in cases of crimes against the United States.

SEC. 8. That this act shall be in addition to the existing laws for the preservation and protection of navigable waters and shall not be construed as repealing, modifying, or in any manner affecting the provisions of those laws.

SEC. 9. That the Secretary is authorized and directed to make such investigation as may be necessary to ascertain what polluting substances are being deposited into the navigable waters of the United States, or into nonnavigable waters connecting with navigable waters, to such an extent as to endanger or interfere with navigation or commerce upon such navigable waters or the fisheries therein; and with a view to ascertaining the sources of such pollutions and by what means they are deposited; and the Secretary shall report the results of his investigation to the Congress not later than two years after the passage of this act, together with such recommendations for remedial legislation as he deems advisable: *Provided*, That funds appropriated for examinations, surveys, and contingencies of rivers and harbors may be applied to paying the cost of this investigation, and, to adequately provide therefor, the additional sum of not to exceed $50,000 is hereby authorized to be appropriated for examinations, surveys, and contingencies of rivers and harbors.

The SPEAKER. The question is on the motion of the gentleman from New York to suspend the rules and pass the bill.

The question was taken; and, in the opinion of the Chair, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

THE CONSTITUTION

Mr. COOK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein the oration of Ruth Greenwood, the daughter of the Representative from Indiana, on the Constitution of the United States.

The SPEAKER. Is there objection?

There was no objection.

Mr. COOK. Mr. Speaker, a number of metropolitan newspapers, including the Washington Evening Star, inaugurated a contest among the high-school students of the United States for the best oration on the Constitution of the United States, and divided the country into seven zones, and the District of Columbia was one zone. In the contest in this zone there were eight high schools entered, and at the Eastern High School the contest was won by Miss Ruth Greenwood, the 16-year-old daughter of Representative ARTHUR H. GREENWOOD, of the second district of Indiana; and in the zone contest Miss Greenwood was given second place, or alternate for the District in the final hearing to be held at Continental Memorial Hall Friday, June 6, 1924, and under the consent granted I insert the oration of Miss Greenwood, which is as follows:

THE CONSTITUTION

(By Miss Ruth Greenwood, Eastern High School Star oratorical contest.)

If an American citizen as a pilgrim to the Capital City seeks a shrine at which to pay deep patriotic devotion, it may be found in the upper corridor of the Congressional Library, where are preserved and displayed in their original form our great twin charters of democracy—the Declaration of Independence and the Constitution of the United States.

Democracy is not a natural endowment in human affairs, but has slowly matured through a long series of struggles against primitive force, the selfish arrogance of feudalism, and the tyranny of the divine right of kings.

Nurtured by the traditions of an English ancestry who loved liberty, enriched by the experience of town meetings and assemblies of the Colonies, separated from monarchy by wide expanse of ocean, and inspired by the unhampered environment of a new world, our fathers boldly challenged the ancient creed that human rights descend from some exalted prince and substituted a new doctrine—that all men are created equal, and just government receives its power from the consent of the governed.

The original States possessed colonial self-government under written charters granted by the king, but lacked a binding union providing a common defense and able to promote a general welfare. To establish this dual relationship, to adjust the control and define without conflict the respective powers between State and Nation was the supreme task of our Constitution builders. The product of their labors was a covenant comparable unto the bond of marriage, wherein State and Nation are joined in wedlock and each loves, cherishes, and protects the other.

The powers of the Federal Government are enumerated and specified, while the reserve powers remain in the States; and if denied to the States, reside with the people. Under this adjustment the Nation directs its force in channels Federal in character, and the States are likewise preserved in full integrity over affairs entirely local. Both sovereignties have developed a line of implied or necessary powers and have commanded the respect and obedience of a free people, whose hearts are loyal to both State and Nation.

On a sacred tripod in the Temple of Apollo at Delphi sat a Pythian priestess, giving responses to those consulting the oracle; likewise our Constitution is the oracle of law, order, and civic conduct, and is supported by a sacred tripod. The oracle speaks and Congress enacts our laws; the oracle speaks again and the judiciary interprets our laws; the oracle speaks a third time and the Executive administers our laws. While working in ordered harmony, each of these three departments is a check and balance for the others, a novel but effective arrangement as provided in the Constitution. Each House of Congress is a check upon the haste, bias, or error of the other.

The Senate, the assembly of the States, checks the Executive in appointments and confirmation of treaties. The House, the popular representative body, holds the power to propose revenue measures, and, with the Senate concurring, to declare war and provide the ways and means for its successful prosecution. The Executive has a veto power over legislation, but both Houses concurring may override his denial by a two-thirds majority, and by a similar vote may propose amendments which, when ratified by three-fourths of the States, may modify the Constitution. To impeach the President, the House prosecutes and the Senate sits as a tribunal to decide the case. All such action must harmonize with the Constitution according to the interpretation of the judiciary.

The judiciary is the balance wheel of the machinery of our Government. The authority of last resort, the court is the voice of the Constitution. If war is to be avoided when States disagree, there must be a forum where conflicts may be settled. The President commands with the Army and Navy; Congress controls with the purse strings; but the court speaks with the still, small voice of justice and issues are adjudicated. Holding for life, not controlled by the tides of superficial sentiment, with hand on the wheel and eye on the compass, the court has piloted the old ship of state past many sunken reefs and bars. Let us stand unmoved, with confidence in the integrity and necessity for the courts, the guardians of the Constitution.

This triune system of government has a wonderful balanced adjustment, but final control remains in the political decision through the suffrage of the people. Under this practical scheme of limitation the President can not become a monarch, Congress can not assume despotism, and the courts dare not exercise tyranny.

Blazing a new trail for government, our Constitution makers foresaw the necessity for changes and wisely prescribed therein methods for amendment. The Bill of Rights, added as the first 10 amendments, is the protecting roof to the walls of the temple, in preservation of the freedom of speech, of religion, of petition and assembly, of trial by jury, and prevention of unlawful invasion of the home. From Runnymede's Magna Charta until Jefferson urged their incorporation into our Constitution these ancient common-law demands have proved to be the bulwark of Anglo-American liberty.

Amendments following the Civil War contributed to a broader democracy. Slavery was forever abolished and citizenship defined. The Bill of Rights was supplemented by preventing the States from abridging the privileges and immunities of citizens, of depriving them of life, liberty, or porperty without due process or by the unequal protection of the law. The individual, surrounded by the amended Constitution, can not become the victim of the arbitrary discrimination or prejudice of any State.

Taxation of incomes from whatever source derived is a departure from former Federal methods, based upon apportionment to the States according to enumeration. The scheme of a graduated income tax places the burden upon those best able to bear it.

In their respective realms both State and Nation possess inherent police powers to protect the health, morals, and safety of the body politic. Based upon this accepted authority, the eighteenth amendment outlaws that archenemy of humanity, in destruction of life second only to war—the traffic in alcoholic liquor. The States have ratified; the majority has spoken; our plain duty is to obey.

Suffrage is not an inalienable right of citizenship, but is controlled by the States, subject only to the limitations of the fifteenth and nineteenth amendments, which prohibit discriminations on account of race, color, servitude, or sex. When we have granted suffrage to the Territories and the District of Columbia equality will uniformly prevail and our country will be entirely democratic.

What makes our Nation great?

What it does for its people and what it contributes to the progress of the world. The Jewish people gave the world a religion; Greece contributed learning and art; England united the world with its commerce; but America's distinct contribution is in the science of government. There is something more than imagination and sentiment about this 130-year-old Constitution. It is grounded upon virtue, wisdom, sacred theories, and phenomenal principles. If it has lived triumphant through civil war, industrial upheavals, and foreign conflicts, why is it not worthy of our reverence? Why is it not a marvelous document? Why should not every person cling to it and desire no other? The Constitution is the one supreme law of this Nation and its people, our country's only hope. Let us love it as the Bible, cheerfully obey its mandates, and diligently seek its enforcement. Then and only then may each of us rightfully boast, "I am an American citizen."

MINUTE MEN'S CONSTITUTIONAL AMENDMENT

Mr. UPSHAW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the prohibition amendment bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. UPSHAW. Mr. Speaker and gentlemen, under leave granted me by the House I am giving here a brief statement on a vital question of legislation. At the request of Frank J. Batcheller, chairman of the national committee of the American Minute Men, of which organization I have the honor to be a member, I have presented to the House of Representatives in support of the Minute Men's constitutional amendment to prohibit sectarian appropriations, resolutions from religious and patriotic organizations whose total membership considerably exceeds 10,000,000 citizens. It is not my intention to discuss this amendment at length at the present time; I expect to do that when Congress convenes for its regular session next December, at which time a determined and, I trust, a successful

effort will be made to secure the passage of the measure. But now I wish merely to say a few explanatory words concerning the amendment and the great, unselfish organization which came into being for the express purpose of helping to place this amendment in the Constitution.

This measure, House Joint Resolution 159, if added to the National Constitution, would absolutely prohibit appropriations of public money for sectarian schools and other religious institutions and would terminate all controversy over the matter. In the minds of thinking men, it would forever remove any real cause of religious controversy from American politics. The measure is in every way eminently just and fair. It treats every religious body exactly alike. The Government, remember, must be the protector of all churches, but it must not be the patron of any.

There is a very real need for the amendment. In several States large amounts of public money are appropriated regularly for sectarian institutions. In several other States frequent attempts are made to secure such grants, many of the efforts being successful. Open demands have been made for State support of sectarian schools in different parts of the country, and actual attempts have been made to secure such appropriations in Rhode Island, Maine, and Illinois, the effort being successful in the last-named State, and hundreds of thousands of dollars being given to the religious schools of one denomination. There is no provision in the National Constitution to prevent sectarian appropriations by Congress whenever the element favoring such grants can secure the necessary votes in this body. These facts have convinced thinking citizens that this great issue must be met by the American people, and I believe that the statesmanlike way to settle the question is by the adoption of the Minute Men amendment.

The American Minute Men, the movement which originated the amendment and which is leading the fight in its behalf, is in no way connected with any other society or organization. It aims to prohibit sectarian appropriations; that and nothing else. It is in no sense of the word narrow, bigoted, or intolerant. It stands for broad American principles in a broad American way.

Its present membership is at least 5,000,000, and that membership is composed of men and women of the highest possible standing. I am well acquainted with the membership of the movement in my own State, and I have met large numbers of its leaders in other sections of the country, and I have no hesitation in saying that there are few organizations in the entire country that equal, and none that excel, the American Minute Men in the moral and mental caliber of their membership.

Every member of this body will, I think, soon be convinced of the truth of this statement, for before Congress reconvenes each of you will receive a communication from the committee on national legislation of the Minute Men, urging the speedy passage of the amendment, and signed by 1,000 citizens who are proud to acknowledge their membership in the organization. Included among the signers are many bishops, many college presidents, leading clergymen of almost every religious denomination, and laymen of the highest standing.

Cooperating with the honored Speaker of this House in filing these resolutions, we bring to you the militant sentiment of 10,000,000 citizens—the first public display of the strong national sentiment in support of the proposed constitutional amendment. This does not mean, however, that the work for the measure has just commenced. Far from it. For several years quiet, systematic, educational work has been going on all over the country, until to-day in every city and town there are large numbers of patriotic, unselfish men and women who are prepared to devote their time, their thought, their energy, and their votes to the permanent settlement of this question of sectarian appropriations. And the work that has built up this great movement has been entirely a labor of love and of patriotism, for no officer of the Minute Men receives any salary or substantial recompense of any kind for his services. There are no dues of any kind connected with the organization, the necessary expenses being met entirely by voluntary contributions.

This amendment, which has been indorsed by civic, religious, and patriotic organizations all over America, is necessary to correct widespread abuses as natural as human nature itself. Of course, no man can object to such a law, except somebody who wants to get his hand in the Public Treasury for his own particular creed. Such an amendment is as fundamental as the very spirit of our Constitution—a spirit, alas, which has often been abused for lack of this specific provision.

If Roger Williams was right in teaching that the State has no right to coerce any person's conscience in the realm of religion, then this constitutional amendment is right in demanding that no man's purse shall be coerced for the sake of promoting another person's sectarian views. Its enactment into law will be the tardy triumph of the very essence of real Americanism.

### SHALL COOLIDGE AND PROSPERITY BE UPHELD

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BACON. Mr. Speaker, in this campaign of 1924 we as a people are to determine whether we are to uphold the sane and sound achievements for national and world advancement wrought under the administration of Presidents Harding and Coolidge and stand by a man who personifies the highest American ideals of simplicity of life, loftiness of character, and unquestioned ability, or turn the Government over to the party of negation and disaster.

No matter what specious attempt may be made by the Democratic Party to divert the public mind, there is but one issue and that is whether Calvin Coolidge shall be permitted to remain at the head of our Government during the next four years. The party of Lincoln and McKinley and Roosevelt and Hughes has a record of unparalleled accomplishments. Its leadership and its principles were never of a higher standard than now. Yet the Republican Party is content this year to present to the country a man. It invites opposition and criticism. It defies any to find a flaw in a President whose singular fitness for his office has appealed to every American.

Calvin Coolidge was born on a farm in Vermont and reared in the very atmosphere of old New England traditions of all that is best in Americanism. As a boy he breathed the spirit of a Puritan ancestry, of sincere regard for the Constitution and the independence of our fathers, of reverence for God and the right as his conscience taught him to see the right. So that when he was graduated from Amherst College and the law he was in character already prepared for that high place to which destiny was to call him. And then for 30 years he devoted himself unstintedly to the Commonwealth of Massachusetts, doing his simple duty day by day and still living, even when governor of the State, in one side of a double house at Northampton, for which he paid a rental of $32 per month. He and Mrs. Coolidge had no servants. They reared their two boys as they themselves had been reared—he as a farmer's boy and she as a school-teacher—and these boys are now in college. In the Boston police strike he did not flinch, but with characteristic determination and vigor quelled disorder in an hour. When the stage was set for the nomination of another in the convention his name and his exploit captured the delegates, and he was named Vice President. When the tragic moment of the death of Warren G. Harding came, while a Nation mourned as the body was carried across the continent, he had been raking hay on his father's farm in Vermont. In the night he was awakened from that sound sleep which the tiller of the soil always earns and by the light of the kerosene lamp and the old family Bible was sworn in by his aged father. Born on the Fourth of July and the very expression of all that a Vermont fireside may mean, he thus became President of the United States, the most exalted office in the world.

With quiet courage he faced the problems of government. More like Lincoln in the simplicity of his origin and of his life and character than any other President we have had, he at once made the country feel safe in his hands. He seemed like a breath of air from the Vermont hills. In his annual message Congress became aware that a new voice was speaking for America and that he had the certainty of mind to grasp and hold leadership. Directly for or against every proposal, none doubted where he stood or on what grounds. This impression was later augmented by his Lincoln Day and other addresses. With marvelous grasp of our problems, he expressed them with a terseness and a clarity which convinced and captivated everybody.

In the primaries of his party he swept every State, including that of his leading opponent. Even those in Congress who clamored for the bonus and passed it over his veto could not but admit his manly courage and his withholding no objection he could think of. Some differed with him and amended the perfection of the suggestions he had made, but the great measures for the restriction of immigration and the reduction of taxation which were enacted during the present year, he urged and demanded in the interests of the people and to him the credit is due for them. When he found that the retention in office of some of his associates in the Government was no longer compatible with the public interest, he did not shield them as

men of his own party, but courageously and immediately demanded their retirement. And thus in a few short months of power as Chief Executive he stands forth as a typical and great American, expressive of all the simple honesty, courage, capability, and experience in public affairs which the man who occupies that high office ought to possess. Proving himself so worthy of continuance in power, I have no doubt that he will be triumphantly elected in November.

Calvin Coolidge stands, and honestly stands, for sound and right principles of government. He does not believe in class rule. He does not favor pandering to the selfish interests of any section or group. He does not like blocs. He is for a government of all of the people. Consistently he has let it be known that he is not a demagogue and that he would not seek to gain votes for himself at the expense of the taxpayers. Since he was sworn into office he has been charged with all the responsibility of the executive branch of the Government, and has had behind him only an ostensible Republican majority in the legislative branch. A small minority under the label of the Republican majority has voted with the Democratic Party for semisocialistic measures. Always under some specious pretense of helping the ills of some in the community, these demagogues have let it be known in a very modest way that they are really the only patriots left in the country and the only ones who defend the interests of the people!

The great body of Republicans in the House and Senate have supported the President. Both he and they have had to confess to a Republican minority in the Congress, to a lack of support to carry through their program of the last few months, to partisan efforts of the Wisconsin brand of Republicanism to destroy the great party whose name it bore. Nevertheless, the President has secured the main objects he has sought—tax reduction and restriction of immigration—and at the close of the Congress he stands forth as not only a great leader of his party but of the independent thought of the country. That independent thought believes in the honesty of his purposes and his convictions and in a maelstrom of charges, counter charges, badinage, and epithet surrounding the many investigations conducted for partisan purposes believes his is the still small voice speaking for sanity and common sense and good government.

With Calvin Coolidge in the White House the people have confidence in their President. And as the result of a large Republican majority in Congress when the tariff act was passed we have a prosperity which can not be assailed by the Democratic Party and which the people will vote in November to sustain, because a Republican Congress has assured prosperity by a protective tariff, has limited immigration and labor competition until American wage earners could find work, and has caused such industrial rehabilitation as to reduce the number of unemployed in this country from 5,000,000 at the close of the Wilson administration to practically none except the normally inactive at the present time. It is certainly advisable to again choose a large Republican majority in Congress in order that those benefits may be continued.

We can not but recall the fact that the Democratic Party failed to prepare us for peace just as it had previously failed to prepare us for war. Thus in the 15 months between the inauguration of President Wilson and the outbreak of the European war the lack of tariff protection threw 1,000,000 workers out of employment. After the armistice and the removal of the barrier against imports caused by the war the lack of this protection again resulted in unemployment. The Democratic administration remained inert and apathetic in the face of growing economic depression. On December 7, 1918, the United States Employment Service of the Department of Labor, then under Democratic control, reported 16 cities showing a labor surplus of 22,000.

This number grew until on March 8, 1919, it reported 373,175 out of work. While the Democratic administration was watchfully waiting to see when this trend toward hardship and want would cease, it did nothing to prevent it, and the surplus continued to grow at the rate of 5,000 and then 10,000 per week until a total of 5,550,000 was reached less than 12 weeks after Mr. Wilson retired, following upon the defeat of his candidate by a majority of 7,000,000 of votes.

The Republican Congress remedied this condition when it came into power by stopping the immigration of foreign labor, used to cheaper standards of living, and by enacting a tariff sufficiently high to protect American industry, and therefore American wage earners, from an inundation of goods made in countries where lower wages and standards prevail. President Harding also called a conference on unemployment, which devised ways and means of checking the downward economic trend. This conference, which was impartially selected, adopted progressive remedies, such as the stimulation of building activity.

The results of these Republican measures are proven by the figures gathered from reports by the United States Employment Service. On October 31, 1921, a total of 1,560,155 were employed by 1,428 industrial concerns in 65 cities. Each of these concerns usually employed 500 or more and altogether maintained a normal pay roll of 1,600,000 workers. A year later these same plants employed 1,766,599, an increase of 18.3 per cent. To-day the same employment service reports that industry has recuperated from Democratic bad times to such an extent that the Nation has not enough labor for the building trades and has for two years suffered a severe shortage of common labor.

It is true that there is usually a falling off in the spring and summer of a presidential year, due to the uncertainty among business men as to whether a Republican protective tariff will be continued, but this year it can not be denied that there is widespread prosperity throughout the country. It seems to me inevitable, then, that a Congress will be chosen which will vote for such protective measures as will keep our mills going, give employment and high wages to our labor, and further enhance a great business revival. American prosperity and an American protective tariff are synonymous. Grover Cleveland and Woodrow Wilson, the only two Democratic Presidents since the United States became a manufacturing nation after the Civil War, brought hard times and unemployment as a consequence of their tariff-for-revenue-only policy. Republican Presidents, sustained by Republican Congresses capable of enacting a protective tariff, have brought such good times as to make this the first industrial nation in the world. It should be apparent to every manufacturer and every wage earner that facts are better than promises and that their welfare will best be subserved by the reelection of a Republican administration.

Confidence in the President and the prevalence of prosperity are worth voting to maintain. These objects appeal to every American. But when he feels in his pocket the musical jingle of more coin than would be there if the Republican administration had not reduced expenditures and taxation, he has an added incentive to vote for Republican candidates this fall. When President Harding took over the reins of government by a vote in the Electoral College which would have been unanimous had it not been that some of the southern brethren are still voting for Andrew Jackson, the state of the country was deplorable indeed. In spite of much talk, there was no Budget system. The Democratic administration had been wasteful and extravagant. Two billions of dollars had been wasted in an attempt at Government operation of the railroads. Another billion was wasted in aircraft materials which were never used. Still another billion was thrown away in Government management of the telephone and telegraph systems. Three billions were bartered upon the experiment of operation of shipping lines by the incompetent administration. In the last year controlled by a Democratic majority in both branches of Congress the total appropriations were $6,455,000,000. Everybody remembers the general breakdown of the Postal Service, the demoralization in the War Risk Bureau, the lending of hundreds of millions to foreign governments after the war had been successfully concluded, and the granting after the armistice of immense contracts for materials which never could be used.

Contrast with this the wonders in Government finance wrought by a Republican Congress and a Republican administration. In the first session of the new Congress appropriations were cut down to $4,780,000,000. This total has been steadily reduced until this year it is approximately $3,780,000,000. Of the public debt $4,500,000,000 has been paid off, with a consequent reduction of $200,000,000 in the annual interest. The debt is being further reduced at the rate of $500,000,000 a year. An arrangement has been made with Great Britain whereby that Empire pays on her debt to us $160,000,000 a year during the next 62 years. The protective tariff has not only yielded $550,000,000 annually in revenue but has stimulated the purchasing power of all of the people and made it much more possible for them to bear their burdens. Liberty bonds have so reacted to this governmental financing as to increase in value from 85 to par. A saving of $5,000,000,000 to the taxpayers of the United States during the following 10 years was made possible by the conference on limitation of armaments.

The number of unnecessary employees placed on the Federal pay rolls by a Democratic administration was reduced by 47,780 in the District of Columbia and by 356,897 in the entire country. The personnel of the Army was reduced from 284,000

to 125,000 and of the Navy from 193,000 to 86,000. A budget system was inaugurated, with resultant unification of bureaus and agencies. In the United States Senate 41 useless committees were eliminated.

This would not have meant so much to the taxpayer if the Republican Party, responsible for these splendid accomplishments in economy, had not at the earliest moment possible reduced taxes. Thus with the enormous work in economy done by the first of the Republican Congresses following upon the repudiation of the Democratic administration a revenue law was enacted which reduced taxes by $819,000,000 a year. Thereafter further economies were continued by the enthusiasm of President Harding and then of President Coolidge, with the result that last year the National Treasury reported a surplus of $300,000,000. Hence it became possible to further reduce the tax burdens of the people. And so President Coolidge urged upon the Congress that there be a reduction of all taxable incomes by approximately 25 per cent. He proposed also that the surtaxes on large incomes be reduced to 25 per cent in order that the revenue which would otherwise go to the Government might enter into new enterprise and stimulate industry. Because of the Wisconsin minority acting with the Democrats this was refused, though the very high taxes were somewhat reduced. But the President was responsible for the tax reductions, which are a source of gratification to every American, first because tax bills are less, and second, because with declining taxes must come declining prices. It is estimated that the total reduction per annum will vary but in three years will total $400,000,000 a year.

Prosperity has by this tax measure been made more secure. It has been further augmented by the policy of the Republican administration toward immigration. Immediately after the war when a tide of foreign labor seeking easier living conditions began to enter our ports, in spite of the fact that millions of our wage earners were facing unemployment, it became apparent that if that tide continued our workers would be unable to compete with them and both would seriously suffer. It was therefore determined by the Republican majority in Congress that the number of those permitted to come should be restricted to 3 per cent of the nationals in the country in 1910. That law was for five years and was to expire July 1, 1924. It therefore became imperative at the present session of Congress that a decision be made as to whether such restriction be continued, whether all restriction should be done away with as in the past, or whether a new method should be arrived at. In the meantime it had become apparent that with the intensive development of the country and consequent concentration of population a policy of future unrestricted immigration would be suicidal to our labor and to our industrial structure generally. It was also felt that our Americanism should be further protected by such restriction as would not only be fair to all races and promote the assimilation of those already here, but would also be fair to the United States. It was therefore suggested in Congress, and I actively supported the suggestion, that future immigration should be confined to a small percentage of those who have made America what it is; that is, of the descendants of all who have come to our shores from other lands, from the time of the founding of our country to the present day. This suggestion was enacted into a law restricting the entire immigration every year to 150,000, to be apportioned according to the national origins of all now in the United States, American-born as well as foreign-born. In other words, English, Scotch, Irish, Germans, Italians, Swedes, Norwegians, Poles, and all other races will be permitted to make up their share of the 150,000 to be admitted annually in exact proportion to those of their race now in the country. Thus, restriction has become a national policy and on such a fair basis and for such patriotic reasons that none can complain. The President had urged further restriction in his annual message and said, "America must be kept American. For this purpose it is necessary to continue a policy of restricted immigration;" and again, "Those who do not want to partake of the American spirit ought not to settle in America." He is therefore largely responsible for a measure which safeguards America for Americans in the years and perhaps the generations to come.

For the farmer many measures were enacted to better his condition. During the war he had had his wheat price held down to $2.26 a bushel by a southern-controlled Democratic Congress while cotton was permitted to soar beyond reason. Under a Republican Congress he found immediate relief. An emergency tariff act was passed to protect our agricultural products from competition with cheaper foreign staples and this at a time of rapid decline in agricultural prices. When the more permanent tariff act was not enacted into law these highly beneficial emergency rates were continued. Grain exchanges were regulated so as to prevent gambling in the price of such staples. Through the War Finance Corporation $500,000,000 was extended in relief credits to the farmer to help him over his period of readjustment.

Cooperative marketing was legalized. The Government took over control of the packing industry and guaranteed the farmer an open market for the sale of his livestock. A real farmer was made a member of the Federal Reserve Board. The rate of interest on farm-loan bonds was increased in order to make them more marketable. In the present Congress it was proposed that the Government enter the business of farming on a vast scale. This could not be done without diminution of that spirit of initiative which has made America the first industrial nation in the world. Under the McNary-Haugen bill it was proposed to create an agricultural export commission through which there might be organized a corporation to engage in buying and exporting farm commodities; that this commission might establish a price ratio to be paid for them; that the sale within the United States of similar commodities be limited through the purchase of the surplus and the prevention of foreign imports; that cash and credit be extended by the Government to cover losses incurred by the corporation; and that all buyers use credit receipts for these farm staples and redeem them at the end of the year out of the export surplus disposed of by the Government. This measure was a mixture of the methods of the United States Grain Corporation adopted during the war strictly as a war measure and those of pure socialism. Fortunately it was voted down by a majority intent on keeping the Government out of the direct conduct of business and especially on preventing it from embarking upon the field of socialism on so vast a scale. It was well meant, but not for the advantage of the farmer in the long run. When the great measures enacted by a Republican Congress for the benefit of the farmer since the Democratic Party was swept out of power by a landslide, it must be conceded, in view of the nature of the McNary-Haugen bill, that the farmer has been assisted within sound lines and together with other measures enacted for his relief is well on the way to recovery from the decided slump in prices following upon the tremendous inflation of the war days when the rest of the world was not producing and yet was buying prodigiously of all that America could raise to feed and clothe vast armies. From 1921 our imports of all commodities increased from $3,761,000,000 to $5,353,000,000, and our exports from $5,353,000,000 to $6,025,000,000 in 1924. These figures are the highest in our history.

In addition to the stupendous achievements wrought by a Republican administration for the prosperity and welfare of our people at home, it must be said that at no time in our history has there been such a record achieved by us in foreign affairs as under the direct guidance of Charles E. Hughes, our masterly Secretary of State. During the war the votes of the Democrats in Congress were 67 per cent in favor of the war measures which were adopted, and the votes of the Republicans were 72 per cent in favor of those measures. Immediately after the war, when it was suggested by President Wilson that the United States enter the League of Nations, this same patriotic Republican membership in Congress opposed him on the ground that it would be unpatriotic to impair our sovereignty and integrity as a nation in order to do so. They held that this course would utilize the vitality of the American people to uphold in perpetuity the suzerainty of some peoples over other peoples. President Wilson called for a great and solemn referendum, which, as a Democratic Senator afterwards expressed it, was great for the Republicans and solemn for the Democrats. President Harding obeyed the 7,000,000 mandate of the people and consistently opposed the league. President Coolidge as consistently has opposed it. But both recommended a policy of extending the peace of the world through a world court for the settlement of international disputes, through conferences for better understanding among the nations, through helpfulness in the distribution of necessary aid to starving peoples, and through the settlement of the vexed reparations question upon a just and therefore lasting basis which would assure European recuperation. In the last three years 50 treaties have been signed by the United States. Secretary Hughes is authority for the statement that billions of American money have been put into investments abroad for the aid of economic recovery. The limitation of naval armament alone will stand forth in history as a great event which marked the beginning of a new era. The United States was made the equal of Great Britain in naval strength, and the total construction of all of the great nations was reduced to such an extent as to greatly relieve the tax-burdened peoples of those countries. Even more important than that, if possible, was the establishment of a new understanding in the Far East, whereby

the Anglo-Japanese pact of so many years was brought to an end and a four-power treaty between the United States, Great Britain, Japan, and China was adopted and the "open door" in the Orient assured for the future. Even more harmonious relations with Latin America were fostered. In Mexico the stable government of Obregón was upheld and another ruinous and perhaps prolonged revolution prevented.

In opposition to the solid achievements of the Republican administration and its appeal to the youth of the country we have the vain promises and futile appeals to demagogism of the Democratic Party. In 1910 it was the Democratic Party that declared with great solemnity that it would reduce the cost of living and bring it down to the market basket of the average housewife. No sooner had it entered into power, following upon the Republican split into two factions, than prices went soaring. It had declared that a market basket containing 15 articles had risen in price from $8.28 in 1896 to $15.59 in 1910, and that therefore the Republican Party ought to be turned out of power. It was. The Wilson administration came in, and then the price of the same articles mounted until in 1918 they totaled $30.87. It was all bunk. Not content with this, the Democratic Party said in 1916, when Charles E. Hughes was the opposing candidate, that it would keep the country out of the war, for which leading Republicans had been pleading preparation. On that issue it won the election, and the country entered the war which a Democratic President on August 19, 1919, admitted to have been inevitable. In 1920, unabashed by this record, it declared that it would keep us out of all further wars by entrance into a League of Nations. This was too much for the country to believe, and the Democratic Party was repudiated. This year it returns again, trusting that the memories of the people are short and that it can convince them that the Republican record of achievement of the last three years as contrasted with the previous eight Democratic years of demoralization is not fact but fable, and that the Teapot Dome revelations reveal a corruption of the entire Republican administration which should meet with the stern disapproval of the people and the turning over to the Democratic Party, the true servants of the people, of all branches of the Federal Government.

It is true that one or two in very high places in the Republican administration were accused of crookedness. I shall not attempt to deny that. A crook was found in the Cabinet during the administration of General Grant, but that did not prove General Grant to be one, nor did it undermine the faith of the American people in their Government or cause the country to go Democratic. I do not minimize any offense. It would be idle for me to do so. But I do say that the honesty and integrity of Calvin Coolidge have never been questioned, and that he has been as unswerving in his determination to get at the facts and punish the guilty as any Democratic Member of Congress could possibly be. The offense of Albert Fall is not minimized by the fact that on Doheny's pay roll were four former members of the Cabinet of President Wilson; but that fact makes at once exceedingly hypocritical all of the scandal mongering from the lips of irresponsible criminals in an effort to besmirch an entire administration which has wrought achievements for the common good which can not be properly measured for another generation.

When President Coolidge appointed counsel of both parties and instructed them to proceed to see that justice was done, no matter who might be hit, and that the rights of the Government be protected, no matter whether Democrats as well as Republicans voted in Congress for the oil leases, he inspired the country with confidence and left the way clear for a correct appraisal of the true worth of the puerile and partisan investigations which have been carried on for months with the sole purpose of attaining Democratic campaign advantage.

Surely no one will attack the name or the fame of President Harding. His kindliness of personality and true Americanism can not be assailed. He was beloved by all the people, and so is his memory. None will contend that he was responsible for the character of Albert B. Fall. President Harding's abilities and achievements were great, and the respect in which he is held by his countrymen is not lessened by scandal bearers nor by the fact that a member of his Cabinet did that which Warren G. Harding never would have done. Neither can anyone say that Calvin Coolidge is less honored because he was Vice President in an administration in which a Cabinet officer was found to have taken some money he should not have taken. Coolidge and not Fall is responsible for the Government—thank God! And Coolidge is the kind of man who will carry it past any crook who may for a time hold high place in it, and carry it safely on its way to grander and greater things.

We are entering upon a new era of development and a new generation in America. The old leaders are passing away and new ones are coming to the front. The radio and a thousand means of communication between man and man are awakening us to the new possibilities of life in our time. We must tie to the forces which make for all the best in the American spirit and the American ideal. The Republican Party is the party of Lincoln, of the abolition of slavery, of the preservation of the Union, of the development of the country, of peace and progress and prosperity and respect for our institutions and our law. We must uphold it in this campaign as the basis of our prosperity and the hope of the youth of our land. Calvin Coolidge best represents to-day the manly bravery and simple honesty of Lincoln. The country has turned to him. It will be vindicated in his election to the highest office in the gift of the people.

### THE BARKLEY BILL

Mr. CROSSER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the Barkley bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. CROSSER. Mr. Speaker, there is always, of course, a great difference of opinion as to whether or not propsed laws would, to speak in the language of the Constitution, "promote the general welfare," but I am firmly convinced that the proposed railway labor act would serve that end.

Everyone would say that it is desirable to have harmonious relations between the management and employees and consequently, therefore, uninterrupted operation of the railroads.

If, therefore, we wish to have industrial peace, established by agreements made by men representing the opposing sides of disputes, by men who make such agreements free from the threat of economic pressure and free from the feeling of being at a disadvantage before the law, then the Barkley bill, proposing the railway labor act, will secure that result more fully than any law yet enacted by Congress.

The bill requires, first, that the parties confer with each other in their own way in an effort to settle their disputes. If they fail to agree in this way, then their disputes must be submitted to the adjustment boards.

The provision for the adjustment boards, which is in my opinion the most valuable feature of the plan proposed by the bill, requires the parties to a dispute to meet each other through representatives of equal number and with authority to make public the facts concerning the dispute. Such representatives constitute the adjustment boards proposed in the bill. They are to be appointed by the President and paid by the Government. The bill provides for four such boards. Upon each adjustment board is imposed the duty of investigating and considering disputes between the companies and the workmen embraced within the classification of employees, jurisdiction of whose disputes with their employers is given to such board. The employee membership of such boards comprises, as far as practicable, representatives of all the classes of employees, jurisdiction of whose disputes with the managers is conferred upon such board. These adjustment boards, therefore, make certain of having on each side of disputes men who understand the railroad business and the methods of operation.

If the boards of adjustment fail to decide any dispute which may have been referred to them, the parties to the dispute may then put their case before the board of mediation and conciliation which is provided for in the bill. This board consists of five men, appointed by the President, and are not to be nominated by either the companies or the workmen. It is, therefore, a nonpartisan body as far as possible, and differs in that respect from the adjustment boards, which are equipartisan. If the board of mediation and conciliation fails to settle a dispute, it is required to induce the men and the companies, if possible, to agree to arbitration. If the parties agree to such arbitration, they may have a board of arbitration consisting of either three or six members.

If the parties agree upon a board of three members, then each party names one arbitrator, and the two arbitrators so named select the third arbitrator.

If the parties decide to have a board of six members, then each party chooses two members, and the four thus chosen select the remaining two. If the arbitrators appointed by the parties, either to the board of three or to the board of six, fail to select the remaining arbitrators as authorized, the Board of Mediation and Conciliation is required to name them.

A majority of the adjustment board shall be sufficient to render a decision. The same is true in regard to the boards of arbitration.

Mr. Speaker, I contend that the provisions of the bill are reasonably calculated to supply means whereby the parties, man to man, without any advantage by one over the other, may frankly and fairly state their side of a dispute and endeavor to settle their trouble.

Why, then, the bitter opposition which has been directed against the bill? If we will study the situation a little we shall see that the real objection is not what is expressly stated by the opponents of the bill. Read the history of railroad labor disputes since the enactment of the transportation act. Read the hearings before the committee of the United States Senate, examine the documents introduced in evidence before the Senate committee, and if you are impartially seeking the truth, you will see that the real objection is to dealing with employees collectively through their representatives. Oh, I know that if we were to accept fully the statements of the railroads we might reasonably suppose that they had decided to join with their employees in a society of brotherly love, but if you study the facts carefully, their real purpose becomes clear.

They do not, of course, begin by telling their workmen that they do not believe in labor unions and that they do not want to settle labor conditions with organizations of workmen. The representatives of the railroads are far too clever to start in that way. They understand the human mind too well to speak so bluntly. Oh, no; they usually assure their men that they believe them to be first-rate fellows and that organizations of such men as they are good things with which the companies would be only too glad to deal. They therefore encourage their men to form organizations of their own so that they can cooperate with the management, as they tell us, like "one large family." Their plan is to encourage this process until other groups and the men of other companies have been induced to separate from the national organizations, until the national organizations shall have been completely destroyed. Then comes the change of attitude on the part of the manager members of the society of brotherly love.

The workmen can be told then that business is business and that if they do not like the terms of employment proposed to them the employer can get other experienced men from other parts of the country, from other roads. The men then must either accept the terms, however objectionable or unfair, or beg the men who offer to take their places to join a national defensive organization, and it is generally too late to do that effectively.

In short, the men who may have been induced to divide into small organizations upon the plea that the companies are anxious to have independent unions of their own employees, and that they would be glad to deal with them, are, after the small organizations have taken the place of the big ones, told by the companies that every man must deal with the companies separately because the managers do not believe in collective bargaining. I do not charge that the managers are actuated by evil motives.

Their environment and the mental atmosphere of the employers cause them to believe that because they, by chance, have come into control of the material things which the workman must use in order to make his skill of value, they, the managers, have a right to dictate absolutely the terms and conditions of the workman's service. I do not say that the men who are induced to separate from their established organizations and persuaded to enter organizations nursed by their employers—I do not claim that these men are governed by evil motives. I know that they are doing what is easiest for the immediate moment and I realize that they have not seen the end from the beginning. They have simply failed to see that they have been victims of a process of separating them first into small groups and that finally they will be told that the employers insist upon the right to deal with them in the smallest possible "group" and that is "a group" consisting, so to speak, of one.

These confiding fellows have simply forgotten the old saying: "If we don't hang together, we shall hang separately."

Now, my friends, that explains the real objection to the bill. That explains the constant tirade of the railroads' representatives against the clause of the bill providing that nominations shall be made by the nationally organized crafts.

I realize that there are men who sincerely believe in a compulsory method of fixing wages and working conditions, and they can not appreciate the idea of settlement by negotiation. If, however, they will consider the matter carefully, they will see that any plan which involves arbitrary means of fixing the rates of compensation and working conditions, constitutes slavery, and I am sure that few, if any, wish to admit that they now believe in that doctrine.

The representatives of the railroads insist, however, that there are no company-created unions, and that we are unjust in saying that there are such. Let me call your attention to some evidence on that point produced at the hearings before the Senate committee. First of all let me read from the opinion of the Railway Labor Board in case 2130. I quote the following language:

> The employees had the right to select their organization, the Order of Railroad Telegraphers, to represent them in all negotiations with the carrier, but the carrier by absolute compulsion prevented the exercise of this right.
>
> The carrier assumed charge and control of the employees' election, formulated the ballot and the accompanying instructions over the protest of the employees' representatives, and proceeded to hold the election in accordance with its own arbitrary policy.

On pages 209 and 210 of the Senate hearings will be found a list of some 20 carriers who maintain organizations which the companies mentioned require their employees to join, and in many cases the company deducts the men's dues from their wages. For example, the Santa Fe road deducts from the pay of the men the dues which they owe to their company-created associations. The Rock Island system requires its men to join company unions and deducts their dues from their pay, and so it is with many other companies.

On page 211 of the hearings appears a letter from the general manager of the Missouri Pacific system to the chief master mechanics, superintendents, and other superior servants. I quote from the opinion this language:

> Explain to and urge upon any new employees or men who went out on strike and returned to work the plan of the association and the advantages of being in a position to deal with the management without regard to outside influence. * * *
>
> To accomplish the above and maintain interest in the association, please arrange for superintendents, shop superintendents, and master mechanics and their subordinate officers to keep in close touch with chairmen, committeemen, other association officers, and the men themselves. * * *
>
> Master mechanics will assist chairmen in maintaining lists of employees of each craft who are and are not members of the association; * * * * * * *
>
> The division and local mechanical department supervisory officers will arrange to be invited to attend association meetings of the men whom they supervise and should avail themselves of the opportunity. * * *
>
> Superintendents will talk regularly to master mechanics, foremen, committeemen, and other craftsmen with a view to keeping up interest in this association, knowing the number of members, and those eligible for membership, and ascertain the reason eligible employees are not members of the association.

In the case which arose between the Pennsylvania Railroad Co. and the Shop Craft Association, the testimony of the general manager of the Pennsylvania Railroad in regard to the employee associations promoted by the company, showed that the company had paid the salaries of the representatives, whom the men had elected as officers of the union, that they helped write their constitution, printed their constitution and by-laws, furnished them with officers and leaves of absence, and arranged conventions at which they were entertained.

Even the statements of representatives of so-called independent labor organizations who appeared at the hearing, apparently had been prepared by the management. For example, Mr. C. E. Anderson, who claimed to represent many independent organizations, said in his testimony concerning the preparation of his statement: "Suggestions came from different ones on the management side." This statement appears on page 282 of the Senate hearings. I could cite many more instances similar to those which I have just mentioned, but to those who are open-minded the facts already given will be sufficient to convince them as to the frequent adoption of such methods. Those who are not open-minded and not open to conviction, would not be persuaded if we were to produce tons of evidence uncontradicted.

Mr. Speaker, no one more than myself desires a cessation of industrial strife. To me it is not a fundamental remedy for the unjust distribution of wealth. I believe more could be accomplished in that respect by giving free play to the natural laws by destroying the monopoly of the earth and its resources exercised by the few to the disadvantage of the many, and by this means removing the cause which drives unreasonable numbers of men into competition for the same job and thus enables the man who has the employment to offer an exceedingly unfair advantage in the matter of determining the compensation to be paid.

I realize, however, the difficulty in getting men to consider fundemental remedies for any of the ills which beset society. For that reason, I consider it proper to support the best methods of collective dealing. It is the only way at present generally understood by which reasonable justice can be enforced. We must have independence and self-respect developed among the people of this country in general. That is more important to me than the particular wage which may be paid at this time, for when men are freed from fear and a feeling that they may be penalized if they offend their employers, they will then secure a reasonable return for their service. In short, it will establish a race of men who are really freemen, and that is far more important than the question as to how many dollars any member of society happens to have. There is not a man, whether or not he be the possessor of a vast amount of property and opposed to labor organizations, or, on the other hand, is a so-called workingman himself, who will not see that it is much more important that they leave to their posterity a society established on principles of justice, where every man has moral courage and self-respect to such an extent that he cringes before no man. It is far better, I say, that we leave that sort of legacy to our children than that we bequeath them material wealth equal to that of Crœsus. It is therefore for the benefit not only of the men who are members of the organization but ultimately for the benefit of the whole Nation that autocracy in the industrial world be opposed as much as we oppose it in the political world.

Mr. HOWARD of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for one minute, and to extend my remarks in the RECORD upon the subject of one Gary, and one Nicholas Murray Butler.

The SPEAKER. Is there objection?

Mr. HILL of Maryland. Mr. Speaker, reserving the right to object, I shall not object if the House will grant me the privilege of printing the speech of Nicholas Murray Butler in the RECORD.

Mr. HOWARD of Nebraska. But these are my own remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOWARD of Nebraska. Mr. Speaker, it is high time for the American people to get awake to the danger of the violent propaganda now being uttered by the great financial captains of the country—propaganda which clearly has for its object the subordinating of the power of the United States Congress to the will of the Chief Executive.

The chiefest promoter of this propaganda has been the United States Chamber of Commerce, an organization controlled as absolutely by the predatory interests as a schoolboy controls his own aggie. Recently the Literary Digest, the most dangerous agent of near-criminal wealth in all the world, specially presented the violent views of certain captains of industry who believe Congress has served its day, and that it is now time to either do away with the Congress altogether, or permit the Congress to consider only such legislative program as might meet the advance approval of the President.

In seeming effort to be absolutely fair and impartial in presentation of public opinions, the Literary Digest now requests several Congressmen to write their impressions regarding the sentiments uttered by Judge Gary, grand master of Steel Trust, and Nicholas Murray Butler, master of the predatory kennels, in which are confined the literary hounds of big business. I am one of the Congressmen selected by the Literary Digest to give my view of Gary, Butler, and other spokesmen for that element of our citizenship which is so desperately trying to pave the way for the subordination of the Congress to the will of the President. Accepting the invitation extended by the editor of the Literary Digest, I have made the following statement:

I am so very new in the Congress, in no sense a large figure here. But, while walking my quiet way among the Representatives and Senators of the people, I have not neglected to take measure of the men and their merits. Since boyhood days I have studied the lives and works of the men of mark in the Congress of the Nation, and instantly now, based upon that study in other days and upon my personal touch in these days, I am bold to express belief that at no time in our history has the Congress held upon its rolls the names of more true and faithful legislators than appear upon the rolls of the two Houses of the Congress now in session.

In capacity as a juror I have been frequently commanded by the court to be the judge of the credibility of witnesses and the weight of their evidence. Under such an instruction, while passing upon the testimony of Judge Gary, who has consigned the American Congress to the hottest corner of tradition's hottest hell, I fear I should feel it my duty to utterly reject the testimony of Judge Gary for two good reasons: First, that he is an overly interested party to the litigation now before the Digest court, and second, because his competency to testify on the subject of the merits of the Congress has in no sense been established.

Suppose I might now say that "the most un-American association of men in any legitimate American industry is the association of steel magnates." Well, perhaps the better thought of America might instantly accept that declaration as true, upon the theory that Judge Gary is a type of the average man among the magnates in the steel industry. But I hopefully deny that Judge Gary is a fair type of the average steel magnate. My own estimate of him beholds him as the most dangerous of all enemies of our American institutions. I regard him as an honest man, doubly dangerous because of his honesty. He honestly believes, as do all professional and profiteering patriots, that the hour is ripe for a change in our system of government. If he and his type might have their way they would instantly dissolve the Congress and confer exclusive and original jurisdiction upon the Chief Executive in all matters of legislation. Viewed from his standpoint as a nonbeliever in the plan of the fathers for three separate but coordinate branches of government, Judge Gary will be justified in saying that the present Congress is an evil body.

Only to-day a Member of the Congress told me a recent dream. In the dream he clearly beheld Madam Defarge. She was knitting. He dreamed again. She was unraveling her knitting and revealing the names of the enemies of our dear Republic. He dreamed again, and in the honor place among those enemy names he beheld the name of a professional patriot. He dreamed again. Now he saw the tumbrils rolling through the street, and in one of the tumbrils he saw and recognized the faces of many whose names had appeared in the unraveled knitting. The streets through which the tumbrils passed were lined with multitudes of the better part of American manhood and womanhood. Vast was the silence. Not a voice of protest was heard, not a cry for mercy raised in behalf of those who had presumed too far in their efforts to destroy the Republic by demanding that the Congress shall surrender its inalienable rights and privileges to the executive branch of the Government.

Suppose any average American citizen should to-day write or speak as viciously of the Supreme Court as Gary and Butler write and speak about the Congress. What would happen? Why, instantly such citizen would be branded by the big-business press as a dangerous radical, an I. W. W., and possibly an anarchist, and all the machinery of the law would quickly get in action to throw such a citizen into a Federal prison.

But why should the judicial arm of the Republic be regarded as more sacred than the legislative arm of our Government? The fathers built the Republic upon a foundation composed of three different stones—the legislative, the executive, and the judicial. In those building days each of those three separate and distinct branches of the Government was declared to be equal and all three coordinate. What has happened to lead to the assumption that the legislative branch of the Government should no longer perform its own functions, but should permit the executive and the judicial branches to perform the duties and exercise the prerogatives of that legislative branch which the fathers of the Republic so wisely provided? If it be a mark of bad citizenship to criticize the judicial or the executive branch of our Government, why shall it not be a mark of evil citizenship to criticize the legislative branch of Government?

For my part, I favor granting to every citizen full right of free speech in criticizing all three branches of our Government. In my capacity as a Member of the greatest legislative body in the world, acting specially for the people of my home district and generally for all the people of the Republic, I crave approval of my course when it shall meet approval of my fellow citizens, and I shall not fear criticism of my course. If it shall be a good course, criticism will not harm. If it be a bad course, then it ought to be criticized and condemned.

Once again referring to the scientific propaganda now being uttered by the predatory interests in their effort to subordinate the Congress to the will of the President, let me plead with all citizens upon whom my pleading may fall to awake to the danger of the hour. That danger lies in the possible success of the propagandists. And if their efforts shall succeed, and if the plan of the fathers of the Republic for three separate and distinct branches of government—separate, but always coordinate—shall be so changed as to remove the right of separate and distinct prerogatives in the legislative branch alone—

well, if that shall be accomplished, then the day of a dictator in Washington will dawn as certainly as ever dawned a dictator's day in Mexico.

Men who love the Republic ought to awake to the danger. It is not as difficult to keep a governmental dictator out of power as it is to throw him out after he shall have established himself in power.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed the following concurrent resolutions:

Senate Concurrent Resolution 21

*Resolved by the Senate (the House of Representatives concurring)*, That the President of the United States be requested to return to the House of Representatives the enrolled bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes.

Senate Concurrent Resolution 3

*Resolved by the Senate (the House of Representatives concurring)*, That the report of the United States Coal Commission relative to the anthracite and bituminous coal industry, with accompanying papers, charts, diagrams, and illustrations (including not to exceed one supplemental volume), be printed as a Senate document, with contents and index, and that 5,000 additional copies be printed, of which 1,100 copies shall be for the use of the Senate Document Room, 100 copies for the use of the Committee on Mines and Mining of the Senate, 3,500 copies for the use of the House Document Room, and 300 copies for the use of the House Committee on Interstate and Foreign Commerce.

The message also announced that the Senate had further insisted upon its amendments to the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, had requested a further conference with the House thereon, and had appointed Mr. PHIPPS, Mr. JONES of Washington, and Mr. BALL as the conferees on the part of the Senate.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House of Representatives to the bill (S. 1898) reclassifying the salaries of postmasters and employees of the Postal Service and readjusting their salaries and compensation on an equitable basis, and for other purposes.

WHAT POLITICAL PARTY SHOULD THE WOMEN CHOOSE

Mr. McKEOWN. Mr. Speaker, I ask unanimous consent to

The SPEAKER. Is there objection?

There was no objection.

Mr. McKEOWN. Mr. Speaker, through political parties is the only way a citizen can render service to one's country. This is the readiest and most effective means. The people do their political work through the agency of political parties; then it follows that political parties are the potent factors in developing political career.

Men, as a rule, inherit to a large measure their politics from their father or grandfather, but not so with the women of to-day. The voting job was suddenly awarded her, and the first thing that women desire to know when permitted to enter the political arena is "how to vote right."

Therefore the women of the Nation should affiliate with the party of their choice and exercise their political activity in and through some political party. An understanding of what the differences are between the political parties should determine with which one to be aligned with and support.

The Democratic Party should appeal to the women of the country on account of its unwavering stand for the rights of humanity. Every great humanitarian law written upon the statute books of the United States has been first championed by the Democratic Party and in nearly every instance written into the law by the hands of its lawmakers.

The great task of the Democratic Party is to develop and maintain a high quality of citizenship, and in this task it appeals to the women of America, who have always been strenuous and constant champions of good morals and good government.

Women, who are broad and unselfish in their love for the human race, are more susceptible to the attractions of the principles of the Democratic Party.

The Democratic Party appeals to the women of America because it stands for those things in public life which require unselfishness, courage, vision, and cleanness on the part of its public officers. It is opposed to special privileges; it is opposed to extravagant expenditures of money; it favors all those beneficent laws for the uplift and the betterment of unfortunate human beings and for the education and well-being of the whole of the American people.

Of course Adam blamed all his troubles on Eve, but it is some consolation to the women of the world that Eve did not eat the apple because it was good to look upon and pleasant to the eye but because it would make her wise. It evidently did make her wise, and she has transmitted that wisdom on down to her daughters through the ages, because ever since that time Adam has performed with great docility and uncomplainingly whatever task she has set him at, and no doubt this was one of the reasons that man postponed so long the granting of political rights to the women of the country.

One of the characteristics of the woman in politics is that she believes that political officeholders and political parties ought to stand for what they say they stand for, and for that reason women should require that the political party of her choice should show a history of unchanging principles and faithful discharge of public duties.

Therefore the women of our country, who are moved by unselfishness and who have contributed so much to the world, and whose vision is not circumscribed by a little ward or precient but looking to the general welfare of the great masses of 110,000,000 people, must be moved and induced to affiliate and support enthusiastically the party that stands for such principles.

The Republican Party through its Congress placed upon the statute books of our country a tariff law known as the "Fordney-McCumber Act," which hits women harder than men by declaring everything they wear a luxury and taxing everything they wear as though it was a sin for a woman to wear things of modest beauty. Women's wearing apparel is taxed under that law from 60 to 90 per cent. The tax on ginghams has been doubled, and imported dresses that cost a small sum in the foreign markets can not be purchased here except by the wealthy and very well to do. This tariff bars the beautiful handmade articles of wear which can be bought initially at a low cost but are increased five times by this measure.

One would not complain because only the rich are able to buy if the poor women in the foreign sweatshops were getting a part even of this increase, but such is not the case. The wealthy manufacturers of this country receive the money into their treasuries on account of this tariff.

The women of America, who bear the sons of the Nation upon whom fall the duty to bear the arms of defense, are entitled to first consideration in the matter of policies promoting peace.

The present Republican Congress has set aside the work of the disarmament conference held by President Harding. After we wasted $700,000,000 of good American money by scrapping warships in the process of construction, the present House of Representatives passed a bill to build $146,000,000 of new warships. This is done at the insistence of the war crowd. When they want money for the Army or the Navy they start a lot of war-scare stories in the papers and call every man a pacifist who dares even to call the attention of the American people to the amount of money spent on the Army or the Navy.

I want my country to be honest and sincere in its efforts to secure a reduction of armaments on land, sea, and air, and genuine peace in the world, that the sound of tramping soldiers to martial music, and the roar of guns in sanguinary conflict between nations will belong to a past and forgotten civilization.

LEAVES OF ABSENCE

By unanimous consent, leave of absence was granted to—

Mr. CELLER, indefinitely, on account of illness.

Mr. BURTON, for Friday and Saturday, on account of death in family.

Mr. HUDSPETH, for balance of the session, on account of important business.

WITHDRAWAL OF PAPERS

By unanimous consent, Mr. LEHLBACH was granted leave to withdraw from the files papers filed in support of H. R. 11256 of the Sixty-seventh Congress, no adverse report having been made thereon.

Also papers filed in support of H. R. 10174 of the Sixty-seventh Congress, no adverse report having been made thereon.

ORDER OF BUSINESS

Mr. CAREW. Mr. Speaker, when the House meets at 8 o'clock to-night do I understand that it is to take up the Consent Calendar?

The SPEAKER. The Consent Calendar and any business that may come over from the Senate, but no suspension of the rules.

HOUR OF MEETING TO-MORROW

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. Is there objection?

There was no objection.

Mr. HULL of Iowa. Mr. Speaker, if the gentleman from Ohio will yield, are there any conference reports to come up to-night; and if so, what?

Mr. LONGWORTH. There may be some important business come over from the Senate. I can not tell.

RECESS

The SPEAKER. Under the order of the House heretofore made the House will stand in recess until 8 o'clock this evening.

Accordingly (at 6 o'clock p. m.) the House stood in recess.

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## EVENING SESSION

The recess having expired, the House was called to order at 8 o'clock by the Speaker.

The SPEAKER. The Clerk will call the Consent Calendar beginning where we left off last night.

THE NORWEGIAN STEAMSHIP "HASSEL"

The first business on the Consent Calendar was the bill (H. R. 7558) to authorize the payment of an indemnity to the Government of Norway on account of losses sustained by the owners of the Norwegian steamship *Hassel* as the result of a collision between that steamship and the American steamship *Ausable*.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

*Be it enacted, etc.*, That there is hereby authorized to be paid to the Government of Norway, out of any money in the Treasury not otherwise appropriated, as a matter of grace and without reference to the question of liability therefor, as full indemnity for the losses sustained by the owners of the Norwegian steamship *Hassel* as the result of a collision on August 24, 1918, between that steamship and the American steamship *Ausable*, operated by the War Department, the sum of $164,169.23, as recommended by the President in his message to Congress of February 25, 1924, printed as Senate Document No. 52, Sixty-eighth Congress, first session.

The committee amendment was read, as follows:

Page 1, line 8, after the word "*Hassel*" insert the words "or any other parties pecuniarily interested."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

TO QUIET TITLE TO LANDS WITHIN PUEBLO INDIAN LAND GRANTS

The next business on the Consent Calendar was the bill (S. 2932) to quiet the title to lands within Pueblo Indian land grants, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

*Be it enacted, etc.*, That in order to quiet title to various lots, parcels, and tracts of land in the State of New Mexico for which claim shall be made by or on behalf of the Pueblo Indians of said State as hereinafter provided, the United States of America, in its sovereign capacity as guardians of said Pueblo Indians, shall, by its attorney general, file in the District Court of the United States for the district of New Mexico, its bill or bills of complaint with a prayer for discovery of the nature of any claim or claims of any kind whatsoever adverse to the claim of said Pueblo Indians, as hereinafter determined.

SEC. 2. That there shall be, and hereby is, established a board to be known as "Pueblo Lands Board" to consist of the Secretary of the Interior, the Attorney General, each of whom may act through an assistant in all hearings, investigations, and deliberations in New Mexico, and a third member to be appointed by the President of the United States. The board shall be provided with suitable quarters in the city of Santa Fe, N. Mex., and shall have power to require the presence of witnesses and the production of documents by subpœna, to employ a clerk who shall be empowered to administer oaths and take acknowledgments, shall employ such clerical assistance, interpreters, and stenographers with such compensation as the Attorney General shall deem adequate, and it shall be provided with such necessary supplies and equipment as it may require on requisitions to the Department of Justice. The compensation and allowance for travel and expenses of the member appointed by the President shall be fixed by the Attorney General.

It shall be the duty of said board to investigate, determine, and report and set forth by metes and bounds, illustrated where necessary by field notes and plats, the lands within the exterior boundaries of any land granted or confirmed to the Pueblo Indians of New Mexico by any authority of the United States of America, or any prior sovereignty, or acquired by said Indians as a community by purchase or otherwise, title to which the said board shall find not to have been extinguished in accordance with the provisions of this act, and the board shall not include in their report any claims of non-Indian claimants who, in the opinion of said board after investigation, hold and occupy such claims of which they have had adverse possession, in accordance with the provisions of section 4 of this act: *Provided, however*, That the board shall be unanimous in all decisions whereby it shall be determined that the Indian title has been extinguished.

The board shall report upon each pueblo as a separate unit, and upon the completion of each report one copy shall be filed with the United States District Court for the District of New Mexico, one with the Attorney General of the United States, one with the Secretary of the Interior, and one with the Board of Indian Commissioners.

SEC. 3. That upon the filing of each report by the said board, the Attorney General shall forthwith cause to be filed in the United States District Court for the District of New Mexico, as provided in section 1 of this act, a suit to quiet title to the lands described in said report as Indian lands, the Indian title to which is determined by said report not to have been extinguished.

SEC. 4. That all persons claiming title to or ownership of any lands involved in any such suit or suits may, in addition to any other legal or equitable defenses which they may have or have had under the laws of the Territory and State of New Mexico, plead limitation of action, as follows, to wit:

(a) That in themselves, their ancestors, grantors, privies, or predecessors in interest or claim of interest, they have had open, notorious, actual, exclusive, continuous, adverse possession of the premises claimed, under color of title from the 6th day of January, 1902, to the date of the passage of this act, and have paid the taxes lawfully assessed and levied thereon to the extent required by the statutes of limitation, or adverse possession of the Territory or of the State of New Mexico, since the 6th day of January, 1902, to the date of the passage of this act, except where the claimant was exempted or entitled to be exempted from such tax payment.

(b) That in themselves, their ancestors, grantors, privies, or predecessors in interest or claim of interest, they have had open, notorious, actual, exclusive, continuous, adverse possession of the premises claimed with claim of ownership but without color of title from the 16th day of March, 1889, to the date of the passage of this act, and have paid the taxes lawfully assessed and levied thereon to the extent required by the statutes of limitation or adverse possession of the Territory or of the State of New Mexico, from the 16th day of March, 1899, to the date of the passage of this act, except where the claimant was exempted or entitled to be exempted from such tax payment.

Nothing in this act contained shall be construed to impair or destroy any existing right of the Pueblo Indians of New Mexico to assert and maintain unaffected by the provisions of this act their title and right to any land by original proceedings, either in law or equity, in any court of competent jurisdiction and any such right may be asserted at any time prior to the filing of the field notes and plats as provided in section 13 hereof, and jurisdiction with respect to any such original proceedings is hereby conferred upon the United States District Court for the District of New Mexico with right of review as in other cases: *Provided, however*, That any contract entered into with any attorney or attorneys by the Pueblo Indians of New Mexico to carry on such litigation shall be subject to and in accordance with existing laws of the United States.

SEC. 5. The plea of such limitations, successfully maintained, shall entitle the claimants so pleading to a decree in favor of them, their heirs, executors, successors, and assigns for the premises so claimed by them, respectively, or so much thereof as may be established, which shall have the effect of a deed of quitclaim as against the United States and said Indians, and a decree in favor of claimants upon any other ground shall have a like effect.

The United States may plead in favor of the pueblo, or any individual Indian thereof, as the case might be, the said limitations hereinbefore defined.

SEC. 6. It shall be the further duty of the board to separately report in respect of each such pueblo—

(a) The area and character of any tract or tracts of land within the exterior boundaries of any land granted or confirmed to the Pueblo Indians of New Mexico and the extent, source, and character of any water right appurtenant thereto in possession of non-Indian claimants

at the time of filing such report, which are not claimed for said Indians by any report of the board.

(b) Whether or not such tract or tracts of land or such water rights could be or could have been at any time recovered for said Indians by the United States by reasonable prosecution of any right of the United States or of said Indians. Seasonable prosecution is defined to mean prosecution by the United States within the same period of time as that within which suits to recover real property could have been brought under the limitation statutes of the Territory and State of New Mexico.

(c) The fair market value of said water rights and of said tract or tracts of land (exclusive of any improvements made therein or placed thereon by non-Indian claimants) whenever the board shall determine that such tract or tracts of land or such water rights could be or could have been at any time recovered for said Indians by the United States by seasonable prosecution of any right of the United States or of said Indians, and the amount of loss, if any, suffered by said Indians through failure of the United States seasonably to prosecute any such right.

The United States shall be liable, and the board shall award compensation, to the pueblo within the exterior boundaries of whose lands such tract or tracts of land shall be situated or to which such water rights shall have been appurtenant to the extent of any loss suffered by said Indians through failure of the United States seasonably to prosecute any right of the United States or of said Indians, subject to review as herein provided. Such report and award shall have the force and effect of a judicial finding and final judgment upon the question and amount of compensation due to the Pueblo Indians from the United States for such losses. Such report shall be filed simultaneously with and in like manner as the reports hereinbefore provided to be made and filed in section 2 of this act.

At any time within 60 days after the filing of said report with the United States District Court for the District of New Mexico, as herein provided, the United States or any pueblo or Indians concerned therein or affected thereby may, in respect of any report upon liability or of any finding of amount or award of compensation set forth in such report, petition said court for judicial review of said report, specifying the portions thereof in which review is desired. Said court shall thereupon have jurisdiction to review, and shall review, such report, finding, or award in like manner as in the case of proceedings in equity. In any such proceeding the report of the board shall be prima facie evidence of the facts, the values, and the liability therein set forth, subject, however, to be rebutted by competent evidence. Any party in interest may offer evidence in support or in opposition to the findings in said report in any respect. Said court shall after hearing render its decision so soon as practicable, confirming, modifying, or rejecting said report or any part thereof. At any time within 30 days after such decision is rendered said court shall, upon petition of any party aggrieved, certify the portions of such report, review of which has been sought, together with the record in connection therewith, to the United States Circuit Court of Appeals for the Eighth Circuit, which shall have jurisdiction to consider, review, and decide all questions arising upon such report and record in like manner as in the case of appeals in equity, and its decision thereon shall be final.

Petition for review of any specific finding or award of compensation in any report shall not affect the finality of any findings nor delay the payment of any award set forth in such report, review of which shall not have been so sought, nor in any proceeding for review in any court under the provisions of this section shall costs be awarded against any party.

SEC. 7. It shall be the further duty of the board to investigate, ascertain, and report to the Secretary of the Interior who shall report to the Congress of the United States, together with his recommendation, the fair market value of lands, improvements appurtenant thereto, and water rights of non-Indian claimants who, in person or through their predecessors in title prior to January 6, 1912, in good faith and for a valuable consideration purchased and entered upon Indian lands under a claim of right based upon a deed or document purporting to convey title to the land claimed or upon a grant, or license from the governing body of a pueblo to said land, but fail to sustain such claim under the provisions of this act, together with a statement of the loss in money value thereby suffered by such non-Indian claimants. Any lands lying within the exterior boundaries of the pueblo of Nambe land grant, which were conveyed to any holder or occupant thereof or his predecessor or predecessors in interest by the governing authorities of said pueblo, in writing, prior to January 6, 1912, shall unless found by said board to have been obtained through fraud or deception, be recognized as constituting valid claims by said board and by said court, and disposed of in such manner as lands the Indian title to which has been determined to have been extinguished pursuant to the provisions of this act: *Provided*, That nothing in this section contained with reference to the said Nambe Pueblo Indians shall be construed as depriving the said Indians of the right to impeach any such deed or conveyance for fraud or to have mistakes therein corrected through a suit in behalf of said pueblo or of an individual Indian under the provisions of this act.

SEC. 8. It shall be the further duty of the board to investigate, ascertain, and report to the Secretary of the Interior the area and the value of the lands and improvements appurtenant thereto of non-Indian claimants within or adjacent to Pueblo Indian settlements or towns in New Mexico, title to which in such non-Indian claimants is valid and indefeasible, said report to include a finding as to the benefit to the Indians in anywise of the removal of such non-Indian claimants by purchase of their lands and improvements and the transfer of the same to the Indians, and the Secretary of the Interior shall report to Congress the facts with his recommendations in the premises.

SEC. 9. That all lands, the title to which is determined in said suit or suits, shall, where necessary, be surveyed and mapped under the direction of the Secretary of the Interior, at the expense of the United States, but such survey shall be subject to the approval of the judge of the United States District Court for the District of New Mexico, and if approved by said judge shall be filed in said court and become a part of the decree or decrees entered in said district court.

SEC. 10. That necessary costs in all original proceedings under this act, to be determined by the court, shall be taxed against the United States, and any party aggrieved by any final judgment or decree shall have the right to a review thereof by appeal or writ of error or other process, as in other cases, but upon such appeal being taken each party shall pay his own costs.

SEC. 11. That in the sense in which used in this act the word "purchase" shall be taken to mean the acquisition of community lands by the Indians other than by grant or donation from a sovereign.

SEC. 12. That any person claiming any interest in the premises involved but not impleaded in any such action may be made a party defendant thereto or may intervene in such action, setting up his claim in usual form.

SEC. 13. That as to all lands within the exterior boundaries of any lands granted or confirmed to the Pueblo Indians of New Mexico, by any authority of the United States of America or any prior sovereignty, or acquired by said Indians as a community by purchase or otherwise and which have not been claimed for said Indians by court proceedings then pending or the findings and report of the board as herein provided, the Secretary of the Interior at any time after two years after the filing of said reports of the board shall file field notes and plat for each pueblo in the office of the surveyor general of New Mexico at Santa Fe, N. Mex., showing the lands to which the Indian title has been extinguished as in said report set out, but excluding therefrom lands claimed by or for the Indians in court proceedings then pending, and copies of said plat and field notes certified by the surveyor general of New Mexico as true and correct copies shall be accepted in any court as competent and conclusive evidence of the extinguishment of all the right, title, and interest of the Indians in and to the lands so described in said plat and field notes and of any claim of the United States in or to the same. And the Secretary of the Interior within 30 days after the Indians' right to bring independent suits under this act shall have expired, shall cause notice to be published in some newspaper or newspapers of general circulation issued, if any there be, in the county wherein lie such lands claimed by non-Indian claimants, respectively, or wherein some part of such lands are situated, otherwise in some newspaper or newspapers of general circulation published nearest to such lands, once a week for five consecutive weeks, setting forth as nearly as may be the names of such non-Indian claimants of land holdings not claimed by or for the Indians as herein provided, with a description of such several holdings, as shown by a survey of Pueblo Indian lands heretofore made under the direction of the Secretary of the Interior and commonly known as the "Joy Survey," or as may be otherwise shown or defined by authority of the Secretary of the Interior, and requiring that any person or persons claiming such described parcel or parcels of land or any part thereof, adversely to the apparent claimant or claimants so named as aforesaid, or their heirs or assigns, shall, on or before the thirtieth day after the last publication of such notice, file his or their adverse claim in the United States Land Office in the land district wherein such parcel or parcels of land are situate, in the nature of a contest, stating the character and basis of such adverse claim, and notice of such contest shall be served upon the claimant or claimants named in the said notice, in the same manner as in cases of contest of homestead entries. If no such contest is instituted as aforesaid, the Secretary of the Interior shall issue to the claimant or claimants, or their heirs or assigns, a patent or other certificate of title for the parcel or parcels of land so described in said notice; but if a contest be filed it shall proceed and be heard and decided as contests of homestead entries are heard and decided under the rules and regulations of the General Land Office pertinent thereto. Upon such contest either party may claim the benefit of the provisions of section 4 of this act to the same extent as if he were a party to a suit to quiet title brought under the provisions of this act, and the successful party shall receive a patent or certificate of title for the land as to which he is successful in such proceeding. Any patent or certificate of title issued under the provisions of this act shall have the effect only of a relinquishment by the United States of America and the said Indians.

If after such notice more than one person or group of persons united in interest makes claim in such land office adverse to the claimant or claimants named in the said notice, or to any other person or group of persons who may have filed such contest, each contestant shall be required to set forth the basis and nature of his respective claim, and thereupon the said claims shall be heard and decided as upon an original contest or intervention.

And in all cases any person or persons whose right to a given parcel or parcels of land has become fixed either by the action of the said board or the said court or in such contest may apply to the Commissioner of the General Land Office for a patent or certificate of title and receive the same without cost or charge.

SEC. 14. That if any non-Indian party to any such suit shall assert against the Indian title a claim based upon a Spanish or Mexican grant, and if the court should finally find that such claim by the non-Indian is superior to that of the Indian claim, no final decree or judgment of ouster of the said Indians shall be entered or writ of possession or assistance shall be allowed against said Indians, or any of them, or against the United States of America acting in their behalf. In such case the court shall ascertain the area and value of the land thus held by any non-Indian claimant under such superior title, excluding therefrom the area and value of lots or parcels of land the title to which has been found to be in other persons under the provisions of this act: *Provided, however,* That any findings by the court under the provisions of this section may be reviewed on appeal or writ of error at the instance of any party aggrieved thereby, in the same manner, to the same extent, and with like effect as if such findings were a final judgment or decree. When such finding adverse to the Indian claim has become final the Secretary of the Interior shall report to Congress the facts, including the area and value of the land so adjudged against the Indian claim, with his recommendations in the premises.

SEC. 15. That when any claimant, other than the United States for said Indians not covered by the report provided for in section 7 of this act, fails to sustain his claim to any parcel of land within any Pueblo Indian grant, purchase, or donation under the provisions of this act, but has held and occupied any such parcel in good faith, claiming the same as his own, and the same has been improved, the value of the improvements upon the said parcel of land shall be found by the court and reported by the Secretary of the Interior to Congress, with his recommendations in the premises.

SEC. 16. That if any land adjudged by the court or said lands board against any claimant be situate among lands adjudicated or otherwise determined in favor of non-Indian claimants and apart from the main body of the Indian land, and the Secretary of the Interior deems it to be for the best interest of the Indians that such parcels so adjudged against the non-Indian claimant be sold, he may, with the consent of the governing authorities of the pueblo, order the sale thereof, under such regulations as he may make, to the highest bidder for cash, and if the buyer thereof be other than the losing claimant, the purchase price shall be used in paying to such losing claimant the adjudicated value of the improvements aforesaid, if found under the provisions of section 15 hereof, and the balance thereof, if any, shall be paid over to the proper officer, or officers, of the Indian community, but if the buyer be the losing claimant, and the value of his improvements has been adjudicated as aforesaid, such buyer shall be entitled to have credit upon his bid for the value of such improvements so adjudicated.

SEC. 17. No right, title, or interest in or to the lands of the Pueblo Indians of New Mexico to which their title has not been extinguished as hereinbefore determined shall hereafter be acquired or initiated by virtue of the laws of the State of New Mexico, or in any other manner except as may hereafter be provided by Congress, and no sale, grant, lease of any character, or other conveyance of lands, or any title or claim thereto, made by any pueblo as a community, or any Pueblo Indian living in a community of Pueblo Indians, in the State of New Mexico, shall be of any validity in law or in equity unless the same be first approved by the Secretary of the Interior.

SEC. 18. That the pleading, practice, procedure, and rules of evidence shall be the same in all causes arising under this act as in other civil causes in the Federal courts, except as otherwise herein provided.

SEC. 19. That all sums of money which may hereafter be appropriated by the Congress of the United States for the purpose of paying in whole or in part any liability found or decreed under this act from the United States to any pueblo or to any of the Indians of any pueblo, shall be paid over to the Bureau of Indian Affairs, which bureau, under the direction of the Secretary of the Interior, shall use such moneys at such times and in such amounts as may seem wise and proper for the purpose of the purchase of lands and water rights to replace those which have been lost to said pueblo or to said Indians, or for purchase or construction of reservoirs, irrigation works, or the making of other permanent improvements upon, or for the benefit of lands held by said pueblo or said Indians.

The bill was ordered to be read a third time, was read the third time, and passed.

RAILROAD ACROSS THE SOUTHWESTERLY PORTION OF FORT LOGAN MILITARY RESERVATION, COLO.

The next business on the Consent Calendar was the bill (H. R. 7909) granting the consent of Congress to the construction, maintenance, and operation by the Denver & Rio Grande Western Railroad Co., its successors and assigns, of a line of railroad across the southwesterly portion of the Fort Logan Military Reservation, in the State of Colorado.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. GRAHAM of Illinois). Is there objection?

Mr. TILSON. Mr. Speaker, reserving the right to object, what need is there for the passage of this bill? It certainly does not appear anywhere in the report.

Mr. VAILE. I am sorry the bill was not more fully reported. I will say, however, that it is not a bill for a commercial railroad. This is not a bill for the benefit of the Denver & Rio Grande Western Railroad at all. It is to construct a short spur track of about a quarter of a mile to enable the city of Denver to construct a filtration plant on the Platt River, and it will be used only for the purpose of taking material and construction crews to that plant.

Mr. TILSON. To what extent, if any, does it interfere with the use of that reservation for military purposes?

Mr. VAILE. Not in the slightest degree. The railroad already runs into the reservation grounds to furnish supplies for the reservation, and this carries it about a quarter of a mile farther.

Mr. McKENZIE. If the gentleman will yield to me, I will state to the gentleman from Connecticut that we investigated this matter very carefully before the committee, and we were convinced that this was not only an accommodation to the people out at the post but absolutely in no way injures the reservation, and the committee voted unanimously to report it, and I am sorry Mr. FISHER did not make a fuller report.

Mr. TILSON. I want to say that if it were the committee asking the passage of it, I doubt if the House would allow it to be passed upon this report; but since the committee is not concerned, but an individual Member is, I will not object.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. VAILE. Mr. Speaker, I ask unanimous consent to consider the Senate bill instead of the House bill. An identical bill has been passed by the Senate.

The SPEAKER pro tempore. The gentleman from Colorado asks unanimous consent that a Senate bill of similar purport be considered in lieu of the House bill. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the Senate bill.

The Clerk read as follows:

An act (S. 3420) granting the consent of Congress to the construction, maintenance, and operation by the Denver & Rio Grande Western Railroad Co., its successors and assigns, of a line of railroad across the southwesterly portion of the Fort Logan Military Reservation in the State of Colorado

*Be it enacted, etc.*, That the Secretary of War is hereby authorized to grant to the Denver & Rio Grande Western Railroad Co., a corporation organized under the laws of the State of Delaware, its successors and assigns, a permit to locate, construct, maintain, and operate a line of railroad across the southwesterly portion of the Fort Logan Military Reservation in the State of Colorado upon such location and under such regulations and conditions as shall be approved by the Secretary of War.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read the third time, was read the third time, and passed.

The bill H. R. 7909 was laid upon the table.

PROBATION SYSTEM IN UNITED STATES COURTS

The next business on the Consent Calendar was the bill (H. R. 5195) to provide for the establishment of a probation system in the United States courts, except in the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLFF. Mr. Speaker, I object.

Mr. GRAHAM of Pennsylvania. May I ask the gentleman to listen to a word of explanation, to see if the objection can not be removed? I would like to suggest to the gentleman that this bill ought to be passed. We have probation in every State in the Union at this time, and there is a bill on the Speaker's desk, unanimously passed by the Senate, covering

identically the same provisions. All the judges—I would not say all, but a large number of judges, district attorneys, and public opinion has been expressed in a hundred ways, and there is a real demand for this legislation.

Mr. CRAMTON. If the gentleman from Pennsylvania will yield, if the gentleman will permit——

Mr. WOLFF. I am going to say to the gentleman from Pennsylvania there is an old adage that starts out something like this: "Do unto others as you would have others do unto you." There is another old adage that "chickens come home to roost."

Mr. CRAMTON. Will the gentleman yield?

Mr. WOLFF. I will yield.

Mr. CRAMTON. In order to exemplify another adage, "Do unto others as you would have them do unto you." I have a letter from a very good friend of mine at Detroit, Mich., which letter I desire to place in the RECORD.

The letter is as follows:

DETROIT, MICH., *June 3, 1924.*

Hon. LOUIS C. CRAMTON,
*House of Representatives, Washington, D. C.*

MY DEAR CONGRESSMAN: I am informed that H. R. 5195 has been reported favorably by the Judiciary Committee of the House, but has not yet received consideration in Committee of the Whole. As you doubtless know, this is the bill giving Federal courts authority to place prisoners on probation, which power they do not now possess. Should Congress adjourn, as is now expected, at the end of this week, undoubtedly this bill will never be acted upon by this Congress. In the event that Congress should prolong its sessions this bill is one which should receive favorable action. My experience as judge of a criminal court convinces me that the most hopeful aspect of our present efforts to deal effectively with crime is the power which all judges should possess of placing prisoners on probation in certain cases.

Trusting this may receive your favorable attention, I remain.

Respectfully yours,

PLINY W. MARSH.

I ought to object, so far as some things go, but I feel that this legislation is desirable and worthy, and that no personal consideration should be permitted to interfere.

The SPEAKER pro tempore. Is there objection?

Mr. WOLFF. I object.

The SPEAKER pro tempore. Objection is heard. The Clerk will report the next bill.

GALLUP-DURANGO HIGHWAY ACROSS THE NAVAJO RESERVATION

The next business on the Consent Calendar was the bill (S. 2139) authorizing annual appropriations for the maintenance of that portion of Gallup-Durango highway across the Navajo Indian Reservation and providing reimbursement therefor.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. BEGG. Reserving the right to object, Mr. Speaker, why is it necessary to appropriate $20,000 a year for this highway separately? How many miles long is it?

Mr. MORROW. I have not the exact mileage.

Mr. BEGG. Well, approximately.

Mr. TAYLOR of Colorado. This Navajo Indian Reservation road is quite an old road. The appropriations made by Congress heretofore aggregate about $80,000. The road is 90 miles long. This bill has been heartily approved by Secretary Work and Secretary Fall and Secretary Lane, and by the Indian reservation. It is to enable the Navajo Indians to get down to the Santa Fe Railroad at the town of Gallup.

Mr. BEGG. This makes an appropriation of $20,000 a year for the next thousand years. Unless changed, I shall not agree to anything like that, I will say to the gentleman. I will object absolutely unless you put a time limit on it. I will let it go by at five years.

Mr. TAYLOR of Colorado. Let me make this statement to the gentleman. They have just been discovering oil on this Navajo Indian Reservation so that the Indians have funds enough to do this.

Mr. BEGG. Does this come out of the tribal funds?

Mr. TAYLOR of Colorado. Yes. It does not cost the Federal Treasury a dollar.

Mr. BEGG. I withdraw my reservation of an objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That there is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, the sum of $20,000, or so much thereof as may be necessary for each fiscal year, to be expended under the direction of the Secretary of the Interior, for maintenance of that portion of the Federal-aid highway from Gallup, N. Mex., to Shiprock, N. Mex., across the Navajo Indian Reservation, reimbursable from the tribal funds of the Indians of said reservation: *Provided*, That Indian labor shall be employed as far as practicable: *Provided further*, That if no funds are available, no expenditure shall be made.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

UNALLOTTED LANDS OF THE OMAHA INDIAN RESERVATION, NEBR.

The next business on the Consent Calendar was the bill (H. R. 6541) to amend an act entitled "An act to provide for the disposal of the unallotted lands on the Omaha Indian Reservation, in the State of Nebraska."

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That the act approved May 11, 1912 (37 Stat. L. p. 111), entitled "An act to provide for the disposal of the unallotted lands on the Omaha Indian Reservation, in the State of Nebraska," is hereby amended by striking out all after the enacting clause and inserting the following:

"That the Secretary of the Interior be, and he is hereby, authorized to cause to be surveyed, if necessary, and appraised in such manner as he may direct, in tracts of 40 acres each or as nearly thereto as the Secretary may deem practicable, and after such survey and appraisement to sell and convey in quantities not to exceed 160 acres to any one purchaser, all the unallotted lands on the Omaha Indian Reservation in the State of Nebraska except such tracts as are hereinafter specifically reserved: *Provided*, That the said land shall be sold to the highest bidder under such regulations as the Secretary of the Interior may prescribe, but no part of said land shall be sold at less than the appraised value thereof: *Provided further*, That the use of the underground rights of the unallotted lands be, and the same are hereby, reserved for the benefit of the children who are entitled to participate in said lands under the act of May 11, 1912, supra.

"SEC. 2. That the Secretary of the Interior is hereby directed to reserve from sale under the terms of this act the following tracts of land in townships 24, 25, and 26 north, range 9 east of the sixth principal meridian in Nebraska for the purposes designated: Sixty acres of the land now used for agency purposes described as the southeast quarter of the northwest quarter and the south half of the northeast quarter of the northwest quarter of section 25 be reserved for agency and school purposes for so long as the need thereof exists; and 40 acres for use as a tribal cemetery, described as the southwest quarter of the southwest quarter of section 24, including the tract now used for that purpose: *Provided*, That 2½ acres thereof may be reserved for the use of the Presbyterian Church now located thereon so long as needed for religious or educational purposes; and 230 acres, more or less, described as the east half of the northeast quarter of section 26, and the west half of the northwest quarter, and the north half of the northeast quarter of the northwest quarter of section 25, and that portion of the southeast quarter of the northwest quarter of section 25 lying south and west of a certain irrigation ditch, consisting of approximately 10 acres, and the southeast quarter of the southwest quarter of section 24, for the special and specific use of the Omaha Tribe, to be used for fair purposes, camping grounds, race track, and other tribal needs, the same to be held in reserve from the sale authorized by this act until such time as the Secretary of the Interior may determine that reserves are no longer needed.

"SEC. 3. That the proceeds of such sale, after paying all the expenses incident to and necessary for carrying out the provisions of this act, and after reimbursing the general trust fund of the tribe for any assessment paid therefrom for protecting the unalloted tribal lands from overflow, shall be divided pro rata among the children of the Omaha Tribe living on May 11, 1912, who have not received allotments of land under the acts of August 7, 1882 (22 Stat. L. p. 341), and March 3, 1893 (28 Stat. L. p. 630), and shall be expended for the benefit of said Indians when and in such manner as in the opinion of the Secretary of the Interior shall be to their best interests, and pending such expenditure by the said Secretary the sums due the respective Indians shall be placed to the credit of the said Indians in the Treasury of the United States, and shall bear interest at the rate of 5 per cent per annum, but in the event of the death of any such Indian while there remains in the Treasury to his credit any part of the sum so deposited the said sum shall be paid at once to his heirs, who shall be determined by the Secretary of the Interior in accordance with the laws of descent in force in the State of Ne-

braska, and the action of the Secretary of the Interior in determining the legal heirs of any deceased Indian, as provided herein, shall in all respects be conclusive and final.

"SEC. 4. That for the purpose of carrying out the provisions of this act, there is appropriated the sum of $1,000, or so much thereof as may be necessary, to be reimbursable out of the funds arising from the sale of said lands.

"SEC. 5. That sections 1, 3, and 4 of this act shall not become operative so long as the need thereof exists of maintaining an agency and school for the Omaha Tribe of Indians residing on the Omaha Indian Reservation in the State of Nebraska."

With committee amendments, as follows:

Page 2, line 12, after the word "underground," insert the word "mineral."

Page 3, line 17, after the word "that," strike out the word "reserves" and insert "such lands."

Page 3, line 18, after the word "needed," insert the words "for such purposes."

Page 4, line 20, after the word "is," where it occurs the second time, insert the words "hereby authorized to be."

Mr. TILSON. Mr. Speaker, on page 12, in lines 18 and 19, there is recommended the insertion of the words "in townships."

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 18, after the word "in," strike out the word "townships" and insert in lieu thereof the word "sections," and in the same line, after the figures "26" insert the words "in township 25."

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

DESIGNATION OF CROATAN INDIANS AS CHEROKEES

The next business on the Consent Calendar was the bill (H. R. 8083) to designate the Croatan Indians of Robeson County and adjoining counties in North Carolina as Cherokee Indians.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, this bill refers to the fact that this act will not be construed to give these Indians any right to lands or moneys belonging to the Eastern band of Cherokee Indians, or Western Cherokees, or the tribes in Oklahoma. Is not the purpose of it to give them a chance at the money in the Treasury for free schooling? If so, I think it must be pretty clearly justified or I shall have to object.

Mr. WEAVER. Mr. Speaker, I will say to the gentleman that this bill was introduced by my colleague, Mr. LYON, of North Carolina. The only purpose of this legislation, as I understand it, is to give them a status or designation.

Mr. CRAMTON. Is not the only thing to be accomplished by giving them that status to give them the right to attend the United States Indian schools?

Mr. WEAVER. I am not sure about that.

Mr. CRAMTON. For the present——

Mr. WEAVER. I think some provision has already been made by the Indian Department for these Indians, and I do not understand that this is to confer any monetary advantage.

Mr. CRAMTON. I object, Mr. Speaker.

The SPEAKER pro tempore. Objection is made. The Clerk will report the next bill.

PROTECTION OF GAME ANIMALS AND BIRDS

The next business on the Consent Calendar was the bill (S. 2761) to authorize the withdrawal of lands for the protection of antelope and other game animals and birds.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That, subject to valid existing rights and entries heretofore initiated under the public land laws, any or all of the following-described land in Government ownership may be withdrawn from entry and disposition by proclamation of the President for the purpose of protecting and propagating antelope and other game animals and birds: National-forest lands—Township 18 north, range 7 east, Black Hills meridian, section 24, south half, and south half north half; section 25, all; township 18 north, range 8 east, sections 17 to 20, inclusive; section 21, west half; sections 29 to 32, inclusive. Public lands—Township 18 north, range 7 east, sections 5 to 9, inclusive; sections 13 to 23, inclusive; section 24, north half north half; sections 26 to 36, inclusive; and those parts of sections 3, 4, 10, and 11 lying south and west of the Riva Road: *Provided*, That the withdrawal of the lands herein authorized shall not affect existing withdrawals for national-forest purposes.

SEC. 2. That the State of South Dakota is hereby authorized and permitted to erect and maintain a good, substantial fence inclosing in whole or in part such areas as may be designated and set aside by the President under the authority of section 1 hereof. The State shall erect and maintain such gates in this fence as may be required by the authorized agents of the Federal Government in the administration of the national-forest lands embraced therein, or to provide ingress and egress to persons occupying lands within said inclosure. The right of the State to maintain said fence shall continue so long as the area designated by the President shall be given protection by the laws of the State of South Dakota as a game refuge.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

CLAIMS OF CHOCTAW AND CHICKASAW INDIANS

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to present a concurrent resolution.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to present a concurrent resolution. The Clerk will report it.

The Clerk read as follows:

Senate Concurrent Resolution 21

*Resolved by the Senate (the House of Representatives concurring)*, That the President of the United States is requested to return to the House of Representatives the enrolled bill H. R. 5325, conferring jurisdiction on the Court of Claims to hear, examine, adjudicate, and enter judgment in any claim which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of this resolution?

There was no objection.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

ACQUIREMENT OF LANDS WITHIN TAOS COUNTY, N. MEX.

The next business on the Consent Calendar was the bill (S. 1762) providing for the acquirement by the United States of privately owned lands within Taos County, N. Mex., known as the Santa Barbara grant, by exchanging therefor timber, or lands and timber, within the exterior boundaries of any national forest situated within the State of New Mexico.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. I object.

ACQUIREMENT OF LANDS WITHIN RIO ARRIBA AND TAOS COUNTIES, N. MEX.

The next business on the Consent Calendar was the bill (S. 3024) providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber within the exterior boundaries of any national forest situated within the State of New Mexico.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, reserving the right to object, I understand the gentleman from New Mexico [Mr. MORROW] desires to make a statement in connection with this bill, and I will withhold my objection in order that he may make such statement.

Mr. MORROW. Mr. Speaker, referring to these bills for the exchange of certain timberlands for other lands, this is a policy that has been pursued by the department for several years. The law permits it and it is absolutely under the jurisdiction of the Interior Department and the Department of Agriculture. These lands are examined and determined and the exchange of timber is made in conformity with the supervision of the department. It is a policy that has been carried out by the Government and the departments are absolutely in sympathy with this action. It is an exchange of lands for the protection of

the watershed and for the timber. There can be no disadvantage to the Government.

If there are any questions that gentlemen desire to ask, I will be glad to answer them.

Mr. BEGG. This bill is similar to a number of others where the Government of the United States is being authorized to give away cut-over lands to private interests so that they can take lands that are uncut and get good timber out of them. Now, I may be converted to that proposition being a good thing, but certainly it will be impossible to-night unless we stop everything else, and that would be unfair to the other bills.

Mr. MORROW. Will the gentleman hear me further?

Mr. BEGG. Yes.

Mr. MORROW. When these bills were presented I took them up with the Governor of the State of New Mexico. He made an investigation and he reported back to me, and I have his letter in which he states that this is a proper exchange for the conservation of the moisture of the State of New Mexico, and that this land is well-timbered land and has not been cut over. The department desires this as a protection to the forest reserves.

Mr. BEGG. I will say to the gentleman from New Mexico that it is not very long until another session of Congress. In the meantime I will investigate that policy; and if I can be shown the wisdom of it, I may be converted. But I can not see any good business in it.

Mr. MORROW. Will the gentleman hear me further?

Mr. BEGG. Yes.

Mr. MORROW. I think if the State authorities of the State of New Mexico have made an investigation of this and recommend that it is to the advantage of the State and to the Government it should be admitted that they have a better knowledge of the matter, and I call the gentleman's attention to the fact that the Department of the Interior and the Department of Agriculture are in sympathy with this action.

Mr. WATKINS. Will the gentleman yield?

Mr. MORROW. Yes.

Mr. WATKINS. As a matter of fact, these bills have the approval of the Secretary of the Interior and Colonel Greeley, of the Forest Service.

Mr. MORROW. Absolutely.

Mr. WATKINS. And this action not only has the advantage of giving the Government land where it affects the watershed, but it puts this land in one block?

Mr. MORROW. Yes.

The SPEAKER pro tempore. The time of the gentleman from New Mexico has expired. Is there objection?

Mr. BEGG. Mr. Speaker, I am going to withdraw my last objection. In the meantime I will investigate the rest of them.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Interior be, and he hereby is, authorized, in his discretion, to accept on behalf of the United States title to all or any part of privately owned lands situated within the Las Trampas grant, located within the counties of Rio Arriba and Taos, State of New Mexico, if in the opinion of the Secretary of Agriculture public interests will be benefited thereby and the lands are chiefly valuable for national-forest purposes, and in exchange therefor the Secretary of Agriculture may authorize the grantor to cut and remove an equal value of timber within the national forests of the same State, the values in each case to be determined by the Secretary of Agriculture and acceptable to the grantor as a fair compensation. Timber given in exchange shall be cut and removed under the laws and regulations relating to the national forests, and under the direction and supervision and in accordance with the requirements of the Secretary of Agriculture.

SEC. 2. That lands offered for exchange hereunder and not covered by public-land surveys shall be identified by metes and bounds surveys, and that such surveys and the plats and field notes thereof shall be made by employees of the United States Forest Service and approved by the United States Surveyor General.

SEC. 3. That any lands conveyed to the United States under the provisions of this act shall, upon acceptance of the conveyance thereof, become and be a part of Carson National Forest.

SEC. 4. That before any exchange of lands for timber as above provided is effected, notice of such exchange proposal, describing the lands involved therein, shall be published once each week for four consecutive weeks in some newspaper of general circulation in the county in which such lands so to be conveyed to the United States are situated.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word. I think our colleague from New Mexico [Mr. MORROW] deserves a great deal of credit for the efficient manner in which he has pushed this bill through to passage in that he has done considerable work over here in getting objections out of the way. I think he should have great credit for it. [Applause.]

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

AMENDMENT OF THE JUDICIAL CODE

The next business on the Consent Calendar was the bill (H. R. 9314) to amend section 98 of the Judicial Code.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MORTON D. HULL. Mr. Speaker, reserving the right to object, let us have an explanation of this bill.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, this bill merely provides that hereafter the terms of the United States District Court for the Eastern District of North Carolina shall be held at Fayetteville instead of Laurinburg. The bill has the approval of the Department of Justice, the district judge, and the district attorney for the district involved, and it appears that the change will entail no additional expense to the Government.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That section 98 of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, as amended, is hereby amended to read as follows:

"SEC. 98. The State of North Carolina is divided into two districts, to be known as the eastern and western districts of North Carolina. The eastern district shall include the territory embraced on the 1st day of July, 1910, in the counties of Beaufort, Bertie, Bladen, Brunswick, Camden, Chatham, Cumberland, Currituck, Craven, Columbus, Chowan, Carteret, Dare, Duplin, Durham, Edgecombe, Franklin, Gates, Granville, Greene, Halifax, Harnett, Hertford, Hyde, Johnston, Jones, Lenoir, Lee, Martin, Moore, Nash, New Hanover, Northampton, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Person, Pitt, Robeson, Richmond, Sampson, Scotland, Tyrrell, Vance, Wake, Warren, Washington, Wayne, and Wilson. Terms of the district court for the eastern district shall be held at Fayetteville on the Monday before the last Mondays in March and September; at Wilson on the first Mondays in April and October; at Elizabeth City on the second Mondays in April and October; at Washington on the third Mondays in April and October; at Newbern on the fourth Mondays in April and October; at Wilmington on the second Monday after the fourth Mondays in April and October; and at Raleigh on the fourth Monday after the fourth Mondays in April and October; and in addition for the trial of civil cases on the first Mondays in March and September: *Provided*, That the city of Fayetteville and the city of Wilson shall each provide and furnish at its own expense a suitable and convenient place for holding the district court at Fayetteville and at Wilson until a courthouse shall be constructed by the United States. The clerk of the court for the eastern district shall maintain an office in charge of himself or a deputy at Raleigh, at Wilmington, at Newbern, at Elizabeth City, at Washington, at Fayetteville, and at Wilson, which shall be kept open at all times for the transaction of the business of the court.

"The western district shall include the territory embraced on the 1st day of July, 1910, in the counties of Alamance, Alexander, Ashe, Alleghany, Anson, Buncombe, Burke, Caswell, Cabarrus, Catawba, Cleveland, Caldwell, Clay, Cherokee, Davidson, Davie, Forsyth, Guilford, Gaston, Graham, Henderson, Haywood, Iredell, Jackson, Lincoln, Montgomery, Mecklenburg, Mitchell, McDowell, Madison, Macon, Orange, Polk, Randolph, Rockingham, Rowan, Rutherford, Stanly, Stokes, Surry, Swain, Transylvania, Union, Wilkes, Watauga, Yadkin, and Yancey. Terms of the district court for the western district shall be held in Greensboro on the first Mondays in June and December; at Statesville on the third Mondays in April and October; at Salisbury on the fourth Mondays in April and October; at Asheville on the first Mondays in May and November; at Charlotte on the first Mondays in April and October; and at Wilkesboro on the fourth Mondays in May and November. The clerk of the court for the western district shall maintain an office in charge of himself or a deputy at Greensboro, at Asheville, at Statesville, and at Wilkesboro, which shall be kept open at all times for the transaction of the business of the court."

SEC. 2. That the act entitled "An act providing for the establishment of two additional terms of the District Court for the Eastern District of North Carolina at Raleigh, N. C.," approved April 27, 1916, is hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DAVIS of Minnesota. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8839)

making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and move to further insist on the amendment of the House to the amendment of the Senate No. 1, and further insist on the disagreement of the House to the remaining Senate amendments and agree to the conference asked for by the Senate.

Mr. BLANTON. Mr. Speaker, reserving the right to object, it was understood there were not to be any conference reports taken up to-night.

Mr. MADDEN. No; that was not understood at all. It was understood that anything that came from the Senate was to be acted on. This is simply to agree to a further conference. This is not a conference report. We are just asking to go to conference.

Mr. CRAMTON. It was announced before the recess that anything coming from the Senate should have consideration.

The SPEAKER pro tempore. The gentleman from Minnesota asks unanimous consent to further insist on the amendment of the House to the Senate amendment No. 1 and further insist on the disagreement of the House to the remaining Senate amendments and agree to the conference. Is there objection?

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair will appoint the following conferees:

Mr. DAVIS of Minnesota, Mr. FUNK, Mr. MADDEN, Mr. AYRES, and Mr. BYRNS of Tennessee.

### CUSTOMS EMPLOYEES AT THE PORT OF PHILADELPHIA

The next business on the Consent Calendar was the bill (H. R. 2858) for the relief of certain customs employees at the port of Philadelphia who served as acting customs guards during the war emergency.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. I reserve the right to object, Mr. Speaker. I would like to ask the gentleman a question or two. Why should these particular employees in Philadelphia be singled out and paid an extra compensation not authorized by law?

Mr. WATSON. Because they were recommended by the Secretary of the Treasury when Mr. Wilson was in power, and therefore I presume the Democratic Party approved it.

Mr. BLANTON. There were a lot of things recommended then——

Mr. WATSON. Just wait until I get through. During the war it was impossible for the collector of the port to find a sufficient number of men to guard the incoming and outgoing vessels at the port of Philadelphia, and therefore the collector of the port was obliged to obtain laborers and inspectors. The laborers and inspectors were only paid their wages as laborers, and it is only fair and just that these men who were called out day and night and Sundays and holidays should be paid for their services as customs guards. It is only a little over $4,000.

Mr. BLANTON. No; it is over $5,000.

Mr. WATSON. No; $4,600.

Mr. BLANTON. The gentleman has not read his bill.

Mr. WATSON. Oh, yes; I have read it very carefully.

Mr. BLANTON. If the gentleman will look on line 5 of page 2, he will see that the amount is $5,500. Does the gentleman know whether these men worked in the daytime somewhere else?

Mr. WATSON. No. I admit the bill calls for $5,500. The appropriation needed is about $4,600, as stated.

Mr. BLANTON. Lots of them did do that during the war and made double wages.

Mr. WATSON. The Secretary of the Treasury would never have approved the payment of these men's wages if they had worked elsewhere.

Mr. BLANTON. And with regard to what was recommended under the Woodrow Wilson administration, there were lots of bureau chiefs, some of them probably Republicans, who made lots of recommendations that ought not to have been adopted.

Mr. WATSON. That is perhaps true; but I think these men should be paid as approved by the Secretary.

Mr. BLANTON. We ought to have general laws to pay employees of all these services. I object.

Mr. WATSON. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice and retain its place on the calendar.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

### PURCHASE OF PUBLIC LANDS

The next business on the Consent Calendar was the bill (H. R. 8522) granting to certain claimants the preference right to purchase unappropriated public lands.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MORTON D. HULL. Reserving the right to object, I would like to have the bill explained.

Mr. BROWNE of Wisconsin. Mr. Speaker, this bill was introduced by my colleague, the gentleman from Wisconsin [Mr. PEAVEY], who has been called home on account of sickness, and I represent him.

This bill provides that where there was an error in the Government survey and certain land was meandered the Secretary of the Interior shall have the right to sell the lands that were erroneously meandered and placed on the map as watered, and the bill also provides that the land shall be sold to the highest bidder by the Secretary and gives the people who have made improvements on the land the preference.

Such laws have been passed in regard to other States, but this applies to Wisconsin. I understand my friend from Louisiana wants to amend it so as to have it apply to Louisiana.

The SPEAKER pro tempore. Is there objection?

Mr. SANDLIN. Reserving the right to object, will the gentleman object to having this amended so as to include Louisiana?

Mr. BROWNE of Wisconsin. I am willing to have it amended so that the same law will apply to Louisiana.

Mr. BEGG. That is subject to a point of order.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Without objection the Clerk will report the amendment instead of the original bill.

There was no objection.

The Clerk read the committee amendment as follows:

That the Secretary of the Interior, in his judgment and discretion, is hereby authorized to sell, in the manner hereinafter provided, any of those lands situated in the State of Wisconsin which were originally erroneously meandered and shown upon the official plats as water-covered areas, and which are not lawfully appropriated by a qualified settler or entryman claiming under the public land laws.

SEC. 2. That any citizen of the United States who in good faith under color of title or claiming as a riparian owner has, prior to this act, placed valuable improvements upon or reduced to cultivation any of the lands subject to the operation of the act, shall have a preferred right to file in the office of the register and receiver of the United States land office of the district in which the lands are situated an application to purchase the lands thus improved by them at any time within 90 days from the date of the passage of this act if the lands have been surveyed and plats filed in the United States land office; otherwise within 90 days from the filing of such plats. Every such application must be accompanied with satisfactory proof that the applicant is entitled to such preference right and that the lands which he applies to purchase are not in the legal possession of an adverse claimant.

SEC. 3. That upon the filing of an application to purchase any lands subject to the operation of this act, together with the required proof, the Secretary of the Interior shall cause the lands described in said application to be appraised, said appraisal to be on the basis of the value of such lands at the date of appraisal, exclusive of any increased value resulting from the development or improvement thereof for agricultural purposes by the applicant or his predecessor in interest, but inclusive of the stumpage value of any timber cut or removed by the applicant or his predecessor in interest.

SEC. 4. That an applicant who applies to purchase lands under the provisions of this act, in order to be entitled to receive a patent, must within 30 days from receipt of notice of appraisal by the Secretary of the Interior pay to the receiver of the United States land office of the district in which the lands are situated the appraised price of the lands, and thereupon a patent shall issue to said applicant for such lands as the Secretary of the Interior shall determine that such applicant is entitled to purchase under this act. The proceeds derived by the Government from the sale of lands hereunder shall be covered into the United States Treasury and applied as provided by law for the disposal of the proceeds from the sale of public lands.

SEC. 5. That the Secretary of the Interior is hereby authorized to prescribe all necessary rules and regulations for administering the provisions of this act and determining conflicting claims arising hereunder.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

DAM ACROSS THE POTEAU RIVER

The next business on the Consent Calendar was the bill (H. R. 9459) granting the consent of Congress to the city of Fort Smith, Sebastian County, Ark., and the Fort Smith waterworks district of said city to construct, maintain, and operate a dam across the Poteau River.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, is this a municipal waterworks?

Mr. CARTER. Mr. Speaker, I regret that I am obliged to object.

FORT REVERE RESERVATION, HULL, MASS.

The next business on the Consent Calendar was the bill (H. R. 6995) to authorize the Secretary of War to sell real property, to wit, a portion of the Fort Revere Reservation, at Hull, Mass.

The SPEAKER pro tempore. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, I want to inquire what the nature of this property is.

Mr. McKENZIE. It is an old military reservation. The bill was introduced by the gentleman from Massachusetts [Mr. GIFFORD], and it is to permit a small strip to be sold for cemetery purposes.

Mr. LAGUARDIA. It does not apply to the whole reservation?

Mr. McKENZIE. No; only a little strip for cemetery purposes. The bill is all right.

Mr. BLANTON. Reserving the right to object, I want to ask a question. How much land is there in this reservation?

Mr. GIFFORD. About 78 acres, and they are asking for only 3 acres for cemetery purposes.

Mr. BLANTON. It is to be used by the city?

Mr. GIFFORD. The town of Hull desires to add to the present cemetery about 3 acres. It has been carefully considered by the War Department, and the War Department has no objection.

Mr. BLANTON. Why does not the town buy 3 acres?

Mr. GIFFORD. It seeks to add to their cemetery by buying these 3 acres. Hull is a very small town. If the gentleman will read the report, he will see that the department says that there is no objection.

Mr. BLANTON. That is what makes me suspicious. The report is about 3 fingers wide and gives no information whatever. It does not tell anything about the necessity of it, the character of the land or the scope of it, or the value of the land, or anything at all. Whenever I see a report like that I get suspicious. Is the land contiguous to the cemetery?

Mr. GIFFORD. It is.

Mr. BLANTON. And they can not get 3 acres anywhere else?

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of War be, and he hereby is, authorized to sell to the town of Hull, Mass., at private sale upon terms and conditions deemed advisable by him, a section of land situated in the town of Hull, Mass., and included in the Fort Revere Reservation, comprising an area of approximately 125,780 square feet, to be added by the town of Hull to its present cemetery, to which said land is adjacent; and to execute and deliver in the name of the United States and in its behalf any and all deeds or other instruments necessary to effect such sale.

SEC. 2. That all moneys received as the proceeds of such sale, after deducting the necessary expenses connected therewith, shall be deposited in the Treasury of the United States to the credit of miscellaneous receipts.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

TO AUTHORIZE THE ACCOUNTING OFFICERS OF THE TREASURY TO PAY TO CERTAIN SUPPLY OFFICERS OF THE REGULAR NAVY AND NAVAL RESERVE FORCE THE PAY AND ALLOWANCES OF THEIR RANKS FOR SERVICE PERFORMED PRIOR TO THE APPROVAL OF THEIR BONDS

The next business on the Consent Calendar was the bill (H. R. 8263) to authorize the accounting officers of the Treasury to pay to certain supply officers of the regular Navy and Naval Reserve Force the pay and allowances of their ranks for service performed prior to the approval of their bonds.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I object.

TOWN SITE OF SANISH, N. DAK.

The next business on the Consent Calendar was the bill (H. R. 3387) authorizing repayment of excess amounts paid by purchasers of certain lots in the town site of Sanish, former Fort Berthold Indian Reservation, N. Dak.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Interior is hereby authorized to certify to the Secretary of the Treasury the difference between the amounts paid by purchasers of the lots in the town site of Sanish, within the former Fort Berthold Indian Reservation, N. Dak., and the price fixed as result of reappraisal by the Secretary of the Interior of August 11, 1922, in all cases whether patents had or had not issued at the time of the reappraisal of the lots: *Provided*, That the purchasers or their legal representatives apply for repayment of such amounts within two years from the passage of this act.

SEC. 2. Upon receipt of the certificate from the Secretary of the Interior, the Secretary of the Treasury is hereby authorized and directed to make payment to such purchasers out of the funds held in trust for the Fort Berthold Indians under the act of Congress approved June 1, 1910, and issue his warrant in settlement thereof.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

TOWN SITE OF BOWDOIN, MONT.

The next business on the Consent Calendar was the bill H. R. 7522, to authorize and direct issuance of patents to purchasers of lots in the town site of Bowdoin, Mont.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Interior is hereby authorized and directed to issue patents to purchasers of lots in the town site of Bowdoin, Mont., who have made payments of at least $50 for each lot by virtue of land contracts previously entered into.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the Secretary of the Interior is hereby authorized to reappraise the lots in the town site of Bowdoin, Mont., whether sold or unsold, and to issue patent, if not already issued, in those cases where the amount paid is in excess of the value appraised thereunder. In cases where the amount paid is not equal to the new appraisement the purchaser may receive patent upon making payment in accordance with the new appraisal, either in cash or by installments, in conformity with the terms of existing law. Lots not heretofore sold likewise may be sold at the new appraised value in accordance with existing law."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

WAR MEMORIAL IN POTOMAC PARK, DISTRICT OF COLUMBIA

The next business on the Consent Calendar was the Senate Joint Resolution 73, providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States who served in the Great War.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate joint resolution?

Mr. CONNALLY of Texas. Reserving the right to object, who is to pay the expense of this?

Mr. LUCE. Mr. Speaker, the money for this memorial is to be raised by subscription. No expense whatever is to attach to the Federal Government.

Mr. BLANTON. It is distinctly understood that the commissioners shall receive no salary or compensation?

Mr. LUCE. Absolutely.

Mr. BLANTON. And that all subscriptions are to be raised in the District, and that there is to be no charge on the Federal Treasury?

Mr. LUCE. No charge whatever.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

*Resolved, etc.*, That a commission to be composed of Charles A. Baker, Edward F. Colladay, John Joy Edson, Mrs. William Corcoran Eustis, Isaac Gans, E. Lester Jones, Arthur D. Marks, Frank B. Noyes, Anton Stephan, J. R. McDonald, Gist Blair, and any other person who with the approval of a majority of the commission is added thereto or substituted for any member thereof, is hereby created, to be known as the District of Columbia Memorial Commission, for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the military and naval forces of the United States

from the District of Columbia who served their country in the Great War. Such memorial shall be of artistic design suitable for military music and shall take the place of the present wooden band stand in Potomac Park.

SEC. 2. That the Chief of Engineers of the United States Army is hereby authorized and directed to select the site for the memorial and to grant permission for the erection of said memorial thereon: *Provided*, That the site, design, and plans for the memorial shall have been approved by the Joint Committee on the Library acting with the advice of the Commission of Fine Arts: *Provided further*, That the memorial shall be erected under the supervision of the said Chief of Engineers and that no part of the cost of erection shall be borne by the United States.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

BRIDGE ACROSS PEARL RIVER, MISS.

The next business on the Consent Calendar was the bill (H. R. 9077) granting the consent of Congress to the board of supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COLLIER. Mr. Speaker, I ask unanimous consent to substitute for the bill the Senate bill, S. 3244, identical in character, which has already passed the Senate.

The SPEAKER pro tempore. The gentleman from Mississippi asks unanimous consent to substitute the Senate bill of like purport for the House bill. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the Senate bill.

The Clerk read the Senate bill, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the board of supervisors of Hinds County, Miss., to construct, maintain, and operate a bridge and approaches thereto across the Pearl River, at a point suitable to the interests of navigation, at the city of Jackson, State of Mississippi, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed.

The bill H. R. 9077 was ordered to lie on the table.

RELIEF OF OMAHA INDIANS OF NEBRASKA

The next business on the Consent Calendar was the bill (H. R. 8965) for the relief of the Omaha Indians of Nebraska.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I ask the gentleman from Nebraska [Mr. HOWARD] to have this bill passed over without prejudice. It involves several hundred thousand dollars' worth of interests, and it ought not to be passed here in a minute and a half. Will not the gentleman kindly consent to have the bill passed over without prejudice?

Mr. HOWARD of Nebraska. Surely.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent that the bill be passed over without prejudice. Is there objection?

Mr. HOWARD of Nebraska. Mr. Speaker, I do not know what that passing means; but I guess it is all right.

The SPEAKER pro tempore. Is there objection?

There was no objection.

PATENT TO CERTAIN LANDS AT REDLANDS, CALIF.

The next business on the Consent Calendar was the bill (H. R. 166) authorizing the Secretary of the Interior to issue patent to the city of Redlands, Calif., for certain lands, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Interior be, and he hereby is, authorized and directed to issue patent to the city of Redlands (a duly organized and existing municipal corporation of the State of California, a body corporate and politic, with full power to hold and own real estate), of California, for the following tract of public land, to wit: The south half of the southeast quarter of section 14, township 1 south, range 2 west, San Bernardino base and meridian, in the State of California, upon payment therefor to the Secretary of the Interior for the Government of the United States the full sum of $1.25 per acre, which patent shall be issued upon the express condition that the city of Redlands shall use said tract of land for the purpose of water conservation for public benefit: *Provided*, That whenever said lands cease to be used by said city for said purposes or are attempted to be sold or conveyed, then, in that event, title to said lands and the whole thereof shall revert to the United States: *Provided further*, That such patent shall contain a reservation to the United States of all gas, oil, coal, and other mineral deposits that may be found in such land, and the right to the use of the land for extracting the same.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

DEPUTY DISBURSING AGENT, DEPARTMENT OF AGRICULTURE

The next business on the Consent Calendar was the bill (H. R. 8372) to authorize the designation of deputy fiscal or disbursing agents in the Department of Agriculture stationed outside of Washington.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object——

Mr. CLARKE of New York. Reserving the right to object, I would like to have a little explanation.

Mr. CRAMTON. Mr. Speaker, reserving the right to object——

Mr. BLANTON. Mr. Speaker, I object.

AMERICAN ACADEMY IN ROME

The next business on the Consent Calendar was the bill (S. 2834) an act relating to the American Academy in Rome.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate bill?

Mr. PARKS of Arkansas. Mr. Speaker, reserving the right to object, I would like to ask just what this is?

Mr. LUCE. Mr. Speaker, the American Academy at Rome sprang out of an association of sculptors at the World's Fair, and the outcome was the development of a very admirable, useful institution in Rome where artists from this country are able to study art to the best advantage. It has been developed entirely by private subscription, and the intention and expectation is that other funds will be raised in the same way by the friends of art who desire to make it possible for young Americans who otherwise could not study art to have these facilities. The whole purpose of the bill is a routine purpose of extending the limit to which they may have holdings of property.

Mr. PARKS of Arkansas. I have no objection; I just wanted to know what it was.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That the act entitled "An act to permit the American Academy in Rome to enlarge its purposes, and for other pusposes," approved June 6, 1912, is amended by striking out "$3,000,000" and inserting in lieu thereof "$10,000,000."

SEC. 2. That section 3 of the act entitled "An act to incorporate the American Academy in Rome," approved March 3, 1905, as amended, is hereby repealed.

The bill was ordered to be read the third time, was read the third time, and passed.

SALARY OF WARDEN, UNITED STATES PENITENTIARY, M'NEIL ISLAND, WASH.

The next business on the Consent Calendar was the bill (H. R. 1468) to increase the salary of the warden of the United States penitentiary at McNeil Island, Wash.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. WATKINS. Mr. Speaker, reserving the right to object, I would like to ask the gentleman in charge of the bill the amount of increase to this warden?

Mr. GRAHAM of Pennsylvania. I should be very glad to answer the gentleman. That salary was fixed in 1909, and the Department of Justice reports that the growth of the McNeil Island institution in the past 10 years has been such that the present salary of $2,000 per annum is not at all commensurate with the increased duties and responsibilities

of that office. It is increased $1,000. The wardens at the other penitentiaries get $4,000.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, if the gentleman will yield, we have under way a reclassification in the field service. Now, assuming that this will be affected by that, this salary will be equalized, and is there any reason why this particular one should be selected out of a hundred thousand or more for immediate consideration?

Mr. GRAHAM of Pennsylvania. The gentleman from Washington can answer that question.

Mr. JOHNSON of Washington. This bill was introduced at the beginning of the session and has taken the ordinary course.

Mr. CRAMTON. Could the gentleman answer that question—why should not this particular person use the reclassification of the field service——

Mr. JOHNSON of Washington. For the reason there are only three Federal penitentiaries and the one at this place is paid a great deal less than the other wardens. The business of the penitentiary has trebled in the last few years, and he is the executive officer——

Mr. CRAMTON. There are many inequalities in the service——

Mr. CLARKE of New York. There are not as many in the penitentiary as there ought to be.

Mr. CRAMTON. I desire to say to the gentleman from Washington I shall not object; I will not face the consequences. [Laughter.]

The SPEAKER pro tempore. Is there objection?

Mr. UNDERHILL. Mr. Speaker, reserving the right to object, is there any danger of this gentleman resigning and it being impossible to fill his place?

Mr. JOHNSON of Washington. Yes, sir; both. This man has been offered a position of agent of the Quinaiult Agency, and declined the position because of his desire to build up this penitentiary.

Mr. UNDERHILL. Would it not be a kindness to relieve him from that responsibility and let him fill the other job?

Mr. CLARKE of New York. Let him come down to Washington and practice a little while.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That from and after the approval of this act the Attorney General is authorized and directed to pay to the warden of the United States Penitentiary at McNeil Island, Wash., a salary at the rate of $3,000 per annum in lieu of that he is now receiving.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RAILROAD ACROSS FORT MACARTHUR MILITARY RESERVATION, CALIF.

The next business on the Consent Calendar was the bill (H. R. 6852) to authorize the city of Los Angeles, in the State of California, to construct and operate a line of railroad across the Fort MacArthur Military Reservation, in the State of California.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

The was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of War is hereby authorized to grant to the city of Los Angeles, in the State of California, a municipal corporation, its successors and assigns, a permit to locate, construct, maintain, and operate a line of railroad across the tidelands, ceded by the State of California to the United States, fronting on the lower military reservation at Fort MacArthur, in the State of California, upon such location and under such regulations and conditions as shall be approved by the Secretary of War.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With committee amendments, as follows:

Page 1, after line 6, insert "and a permit to construct and maintain a public highway."

Page 2, line 2, after the word "War," insert "*Provided*, That nothing contained in this act shall be permitted to infringe on the waterfront rights held by the United States on this reservation."

Mr. CRAMTON. Mr. Speaker, I offer an amendment to the second committee amendment, which I send to the Clerk's desk, to perfect the text.

The SPEAKER pro tempore. The question is on the first committee amendment.

The first committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Michigan to the second committee amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON to the second committee amendment: "Strike out the words in line 3, page 2, "permitted to infringe" and insert in lieu thereof the words "held to authorize any infringement."

The SPEAKER pro tempore. The question is on agreeing to the amendment offered by the gentleman from Michigan to the committee amendment.

The amendment to the committee amendment was agreed to.

The SPEAKER pro tempore. The question now is on the second committee amendment as amended.

The second committee amendment as amended was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

AMENDMENT OF VETERANS' BUREAU ACT

The SPEAKER pro tempore. The Chair is informed that No. 375 on the Consent Calendar, the bill (H. R. 8869) to amend an act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act," approved August 9, 1921, and to amend and modify the war risk insurance act, and to amend the vocational rehabilitation act, has already passed. The Clerk will report the next bill.

THE HEIGHT OF BUILDINGS IN THE DISTRICT OF COLUMBIA

The next business on the Consent Calendar was the bill (S. 3269) to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. UNDERHILL. Reserving the right to object, Mr. Speaker, I would like to ask the gentleman if it is going to be the practice of the Committee on the District of Columbia to change the law every time and any time somebody wants to put another story on top of a building in the residential district? If we are going to have a zoning system in the city, it seems to me we ought to keep it. If we are not going to have it, we ought to abolish it and not make these exceptions from time to time. Can the gentleman give me a good reason for this?

Mr. BLANTON. I can give you a good reason for the bill. I have no personal interest in it at all. The District Commissioners have recommended it. The gentleman will remember the case. It is the Harrington Hotel.

Mr. UNDERHILL. I remember.

Mr. BLANTON. They want permission to put the same height on that hotel as that of other hotels in the vicinity. It has the approval of the District Commissioners, and the approval of everyone concerned. I know of no reason why it should not be passed. I submit it to the gentleman for his own judgment.

Mr. UNDERHILL. I am not going to object to this bill, but I give notice now that if the zoning system is to stay the next time I shall object.

Mr. SPROUL of Illinois. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

Mr. BLANTON. I hope the gentleman will not do that. I have no interest in it at all except that the commissioners want it.

CONFERENCE REPORT ON THE BILL (S. 2257) TO AMEND THE VETERANS' BUREAU ACT

Mr. JOHNSON of South Dakota. Mr. Speaker, I submit for printing, under the rule, a conference report on the bill S. 2257.

The SPEAKER pro tempore. The gentleman from South Dakota submits a conference report for printing under the rule.

The Clerk will report it by title.

Conference report on the bill (S. 2257) to amend an act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act," approved August 9, 1921, and to amend and modify the war risk insurance act, and to amend the vocational rehabilitation act.

The SPEAKER pro tempore. Ordered to be printed under the rule. The Clerk will report the next bill.

Mr. REECE. Mr. Speaker, can the gentleman from South Dakota give us some information about that?

Mr. JOHNSON of South Dakota. That is the reason I have presented it to-night, so that it will be in the RECORD in the morning and available to the Members.

The SPEAKER pro tempore. The Clerk will report the next bill.

AMENDMENT OF NATIONAL DEFENSE ACT RELATIVE TO RETIREMENT

The next business on the Consent Calendar was the bill (H. R. 5084) to amend the national defense act approved June 13, 1916, as amended by the act of June 4, 1920, relating to retirement, and for other purposes.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. McKENZIE. Mr. Speaker, this is a bill that ought to be given very careful consideration, which can not be done in this manner of passing bills, and therefore I object.

The SPEAKER pro tempore. Objection is heard. The Clerk will report the next bill.

MILITARY STATUS TO RUSSIAN SERVICE CORPS

The next business on the Consent Calendar was the bill (S. 1557) to give military status and discharge to the members of the Russian Railway Service Corps, organized by the War Department under authority of the President of the United States for service during the war with Germany.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CONNALLY of Texas. I want to ask the gentleman from South Carolina [Mr. McSWAIN] a question. Will this bill make all these people eligible for the pension and the bonus?

Mr. McSWAIN. It will make them eligible for the bonus and give them a right to war insurance. As to pensions, that is a matter of legislation conferring pensions upon them.

Mr. CONNALLY of Texas. If it is conferred on soldiers, the general language would give them a pensionable status. How many are there in there?

Mr. McSWAIN. One hundred and sixty-three.

Mr. UNDERHILL. Are they all citizens of the United States?

Mr. McSWAIN. Oh, yes.

Mr. STENGLE. And they all did war work?

Mr. McSWAIN. Yes; and this service was accepted in lieu of their military service.

Mr. O'CONNELL of New York. Did the gentleman say how many are included?

Mr. McSWAIN. One hundred and sixty-three.

The SPEAKER pro tempore. Is there objection?

Mr. BEGG. I object.

WILD LIFE AND FISH REFUGE

The next business on the Consent Calendar was the bill (H. R. 4088) to establish the upper Mississippi River wild life and fish refuge.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That this act may be cited as "The upper Mississippi River wild life and fish refuge act."

SEC. 2. The Secretary of Agriculture is authorized and directed to acquire, by purchase, gift, or lease, such areas of land, or of land and water, situated between Rock Island, Ill., and Wabasha, Minn., on either side of or upon islands in the Mississippi River which are subject to overflow by such river and which are not used for agricultural purposes, as he determines suitable for the purposes of this act.

SEC. 3. Any such area, when acquired in accordance with the provisions of this act, shall become a part of the upper Mississippi River wild life and fish refuge (hereinafter in this act referred to as the "refuge"). The refuge shall be established and maintained (a) as a refuge and breeding place for migratory birds included in the terms of the convention between the United States and Great Britain for the protection of migratory birds, concluded August 16, 1916, and (b) to such extent as the Secretary of Agriculture may by regulations prescribe as a refuge and breeding place for other wild birds, game animals, fur-bearing animals, and for the conservation of wild flowers and aquatic plants, and (c) to such extent as the Secretary of Commerce may by regulations prescribe as a refuge and breeding place for fish and other aquatic animal life.

SEC. 4. (a) No such area shall be acquired by the Secretary of Agriculture until the legislature of the State in which such area lies has consented to its acquisition by the United States for the purposes of this act, and, except in the case of a lease, no payment shall be made by the United States for any such area until title thereto is satisfactory to the Attorney General and is vested in the United States.

(b) The existence of a right of way, easement, or other reservation or exception in respect of such area shall not be a bar to its acquisition (1) if the Secretary of Agriculture determines that any such reservation or exception will in no manner interfere with the use of the area for the purposes of this act, or (2) if in the deed or other conveyance it is stipulated that any reservation or exception in respect of such area, in favor of the person from whom the United States receives title, shall be subject to regulations prescribed under authority of this act.

SEC. 5. Except where it is specifically provided otherwise, the Secretary of Agriculture and the Secretary of Commerce shall jointly prescribe such regulations, exercise such functions, and perform such duties as may be necessary to carry out the purposes of this act.

SEC. 6. No person shall, except in accordance with regulations prescribed by the Secretary of Agriculture in respect of wild birds, game animals, fur-bearing animals, wild flowers, and aquatic plants, or by the Secretary of Commerce in respect of fish and other aquatic-animal life—

(a) Enter the refuge for any purpose; or

(b) Disturb, injure, kill, or remove, or attempt to disturb, injure, kill, or remove, any wild bird, game animal, fur-bearing animal, fish, or other aquatic-animal life on the refuge; or

(c) Remove from the refuge or injure or destroy thereon any flower, plant, tree, or natural growth, or the nest or egg of any wild bird; or

(d) Injure or destroy any notice, signboard, fence, building, or other property of the United States thereon.

SEC. 7. Commercial fishing may be conducted in the waters of this refuge under regulation by the Secretary of Commerce.

SEC. 8. (a) Any employee of the Department of Agriculture so authorized by the Secretary of Agriculture, and any employee of the Department of Commerce so authorized by the Secretary of Commerce, (1) shall have power, without warrant, to arrest any person committing in the presence of such employee a violation of this act or of any regulation made pursuant to this act, and to take such person immediately for examination or trial before an officer or court of competent jurisdiction, (2) shall have power to execute any warrant or other process issued by an officer or court of competent jurisdiction to enforce the provisions of this act or regulations made pursuant thereto, and (3) shall have authority, with a search warrant issued by an officer or court of competent jurisdiction, to make a search in accordance with the terms of such warrant. Any judge of a court established under the laws of the United States or any United States commissioner may, within his respective jurisdiction, upon proper oath or affirmation showing probable cause, issue warrants in all such cases.

(b) All birds, animals, fish, or parts thereof captured, injured, or killed, and all flowers, plants, trees, and other natural growths, and nests and eggs of birds removed, and all implements or paraphernalia, including guns, fishing equipment, and boats used or attempted to be used contrary to the provisions of this act or any regulations made pursuant thereto, shall, when found by such employee or by any marshal or deputy marshal, be summarily seized by him and placed in the custody of such persons as the Secretary of Agriculture and the Secretary of Commerce may jointly by regulation prescribe.

(c) A report of the seizure shall be made to the United States attorney for the judicial district in which the seizure is made, for forfeiture either (1) upon conviction of the offender under section 11, or (2) by proceedings by libel in rem. Such libel proceedings shall conform as near as may be to civil suits in admiralty, except that either party may demand trial by jury upon any issue of fact when the value in controversy exceeds $20. In case of a jury trial the verdict of the jury shall have the same effect as the finding of the court upon the facts. Libel proceedings shall be at the suit and in the name of the United States. If such forfeiture proceedings are not instituted within a reasonable time, the United States attorney shall give notice thereof, and the custodian shall thereupon release the articles seized.

SEC. 9. (a) The Secretary of Agriculture and the Secretary of Commerce are authorized to make such expenditures for construction, equipment, maintenance, repairs, and improvements, including expenditures for personal services at the seat of government and elsewhere, as may be necessary to execute the functions imposed upon them by this act and as may be provided for by Congress from time to time.

(b) For such expenditures there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $300,000, to be available until June 30, 1925, $100,000 of such sum to be available for expenditures by the Secretary of Agriculture and $200,000 by the Secretary of Commerce.

SEC. 10. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and to be available until expended, the sum of $3,000,000, or so much thereof as may be necessary for the acquisition of any areas authorized by this act to be acquired for such refuge and for all necessary expense incident to the acquisition of such areas.

SEC. 11. Any person who shall violate or fail to comply with any provision of or any regulation made pursuant to this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $500 or be imprisoned not more than six months, or both.

SEC. 12. As used in this act the term "person" includes an individual, partnership, association, or corporation.

With the following committee amendments:

Page 2, strike out lines 17 and 18 and insert in lieu thereof "Secretary of Agriculture until the legislature of each State in which is situated any part of the areas to be acquired under this act consented to the acquisition of such part by the."

Page 4, strike out the words "so authorized by the Secretary of Agriculture," in lines 10 and 11, and insert in lieu thereof "authorized by the Secretary of Agriculture to enforce the provisions of this act."

Page 6, strike out lines 14 to 17, inclusive, and insert in lieu thereof "otherwise appropriated, the sum of $50,000, to be available until expended, $25,000 of such sum to be available for expenditure by the Secretary of Agriculture and $25,000 by the Secretary of Commerce."

Page 6, strike out line 25 and insert "$1,560,000, or so much thereof as may be necessary for."

Page 7, line 4, after the word "areas," insert "but no money shall be available for the acquisition of any area until the Secretary of Agriculture has ascertained that all of the areas to be acquired under this act will be acquired within the amounts appropriated or authorized to be appropriated therefor, and at an average price not in excess of $5 per acre, and not in excess of the average selling price, during the years 1921, 1922, and 1923, of comparable lands within the vicinity of such areas."

Page 7, after line 19, insert a new section, as follows:

"SEC. 13. Nothing in this act shall be construed as exempting any portion of the Mississippi River from the provisions of Federal laws for the improvement, preservation, and protection of navigable waters, nor as authorizing any interference with the operations of the War Department in carrying out any project now or hereafter adopted for the improvement of said river."

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. CHINDBLOM. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent to address the House for one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. CHINDBLOM. Mr. Speaker, I want to take this opportunity merely for the purpose of congratulating the House of Representatives upon the unanimous passage of this bill and to call attention to the very appropriate circumstance that the House at this moment is presided over by the distinguished gentleman who at the present moment represents the district in which is situated the city of Rock Island, where this game and fish refuge is to begin on the south. I refer to the gentleman from Illinois [Mr. GRAHAM]. [Applause.]

PROMOTION OF PEACE AND EQUALIZATION OF THE BURDENS OF WAR

The next business on the Consent Calendar was House Joint Resolution 128, to promote peace and to equalize the burdens and to minify the profits of war.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. MORTON D. HULL. I object, Mr. Speaker.

INCORPORATED TOWN OF JUNEAU, ALASKA

The next business on the Consent Calendar was the bill (H. R. 5558) to authorize the incorporated town of Juneau, Alaska, to issue bonds in any sum not exceeding $200,000 for the purpose of improving the street and sewerage system of the town.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, reserving the right to object, who is interested in this bill?

Mr. CRAMTON. The gentleman from Aalska [Mr. SUTHERLAND] is interested, but he does not seem to be present.

Mr. BEGG. The query I would like to have answered is this: Is it not entirely beyond reason to bond a town to the extent of $60 per capita for a single enterprise? It seems to me this means bankruptcy.

Mr. CRAMTON. I notice that the gentleman from Alaska is now present.

Mr. BEGG. Does not the gentleman think that $60 per capita of bonded indebtedness for a single bond issue is clear beyond all reason?

Mr. SUTHERLAND. In every one of these bond issues in Alaska they have been taken locally, the people assuming the bonds themselves. In this particular case it is possible that they may be taken by brokers, so the interest is fixed at 6 per cent.

Mr. BEGG. I am not talking about the rate of interest. I am talking about a bond issue of $200,000 for one issue on 3,500 people. I never heard of anything like that in my country.

Mr. SUTHERLAND. I will say to the gentleman that is not at all unusual in Alaska.

Mr. CRAMTON. If the gentleman will yield, this may have some bearing. I have in mind to offer an amendment similar to the one I offered last night requiring the vote of 60 per cent instead of a majority in order to authorize the issuance of the bonds.

Mr. SUTHERLAND. I have had other bond bills and there was a little controversy in those cases so I dropped them entirely, but in this case the people of that town are practically unanimous for it. The gentleman from Michigan proposes an amendment providing for a 60 per cent vote of the people, which I understand is usual in some of the States, and I accept that.

Mr. BEGG. I shall not object.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the incorporated town of Juneau, Alaska, is hereby authorized and empowered to issue bonds in any sum not exceeding $200,000 for the purpose of improving the street and sewerage system of the town.

SEC. 2. That before said bonds shall be issued a special election shall be ordered by the common council of the town of Juneau, at which election the question of whether such bonds shall be issued shall be submitted to the qualified electors of said town of Juneau whose names appear on the last assessment roll of said town for municipal taxation. Thirty days' notice of such election shall be given by publication thereof in a newspaper printed and published and of general circulation in said town before the day fixed for such election.

SEC. 3. That the registration for such election, the manner of conducting the same, and the canvass of the returns of said election shall be, as near as practicable, in accordance with the requirements of law in general or special elections in said municipality, and said bonds shall be issued only upon condition that a majority of the votes cast at such election in said town shall be in favor of issuing said bonds.

SEC. 4. That the bonds above specified, when authorized to be issued as hereinbefore provided, shall bear interest at a rate to be fixed by the common council of Juneau, not to exceed 7 per cent per annum, payable semiannually, and shall not be sold for less than their par value, with accrued interest, and shall be in denominations not exceeding $1,000 each, the principal to be due in 20 years from date thereof: *Provided, however*, That the common council of the said town of Juneau may reserve the right to pay off such bonds in their numerical order at the rate of $5,000 thereof per annum from and after the expiration of five years from their date. Principal and interest shall be payable in lawful money of the United States of America at the office of the town treasurer or at such bank in the city of New York, in the State of New York, or such place as may be designated by the common council of the town of Juneau, the place of payment to be mentioned in the bonds: *And provided further*, That each and every bond shall have the written signature of the mayor and clerk of the said town of Juneau and also bear the seal of said town.

SEC. 5. That no part of the funds arising from the sale of said bonds shall be used for any purpose other than specified in this act. Said bonds shall be sold only in such amounts as the common council shall direct, and the proceeds thereof shall be disbursed for the purposes hereinbefore mentioned and under the order and direction of said common council from time to time as the same may be required for said purpose.

With the following committee amendments:

Page 2, line 17, strike out the figure "7" and insert the figure "6."

Page 2, line 23, strike out "$5,000" and insert "$10,000." Line 25, strike out "five" and insert "four."

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. CRAMTON. Mr. Speaker, I offer an amendment. On page 2, line 12, strike out the words "a majority" and insert "60 per cent."

The SPEAKER pro tempore. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: On page 2, line 12, strike out the words "a majority" and insert in lieu thereof "60 per cent."

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. CRAMTON) there were—ayes 44, noes 4.

So the amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

HEIGHT OF BUILDINGS IN THE DISTRICT OF COLUMBIA

Mr. ZIHLMAN. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman from Maryland rise?

Mr. ZIHLMAN. Mr. Speaker, I rise to ask unanimous consent that we return to Calendar No. 376, Senate bill 3269, to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent to return to Senate bill 3269. Is there objection?

There was no objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That an act entitled "An act to regulate the height of buildings in the District of Columbia," approved June 1, 1910, be, and it is hereby, amended by adding at the end of paragraph 5 of said act the following proviso:

"*And provided further*, That a building be permitted to be erected to a height not to exceed 130 feet on lots 15, 804, and 805, square 322, located on the southeast corner of Twelfth and E Streets northwest, said building to conform in height and to be used as an addition to the hotel building located to the east thereof on lot 18, square 322."

The SPEAKER pro tempore. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

MAIL EQUIPMENT SHOPS

The next business on the Consent Calendar was the bill (H. R. 6353) to authorize the Postmaster General to grant sick leave to employees of the mail equipment shops.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Reserving the right to object, Mr. Speaker, these are not postal employees.

Mr. KELLY. Mr. Speaker, these employees are a part of the postal establishment.

Mr. BLANTON. No; they are commercial employees engaged in preparing equipment.

Mr. LaGUARDIA. Oh, no.

Mr. KELLY. They are under the post-office establishment, and there are some 200 of them who have been left outside the provision with reference to sick leave which all the other employees of the Post Office Department receive.

Mr. BLANTON. They have nothing to do with the distribution or the delivery of mail.

Mr. KELLY. But they have a very vital connection with the equipment, mail bags, locks, and so forth.

Mr. LaGUARDIA. They are Government employees?

Mr. KELLY. Yes.

Mr. BLANTON. I think we are simply extending and extending all the time, and I shall have to object.

AIR MAIL SERVICE OF THE POST OFFICE DEPARTMENT

The next business on the Consent Calendar was the bill (S. 1051) to authorize and provide for the payment of the amounts expended in the construction of hangars and the maintenance of flying fields for the use of the Air Mail Service of the Post Office Department.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LEATHERWOOD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice and retain its place on the calendar.

The SPEAKER pro tempore. Is there objection?

There was no objection.

AMERICAN WAR MOTHERS

The next business on the Consent Calendar was the bill (H. R. 9095) to incorporate the American War Mothers.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TREADWAY. Mr. Speaker, reserving the right to object, I would like to inquire whether a bill put on the Consent Calendar on June 3 can be considered, three days not having elapsed since it was put on the calendar?

The SPEAKER pro tempore. It certainly can be considered, unless a point of order is made against it. The House can consider it under unanimous consent.

Mr. BEGG. Mr. Speaker, I am going to make a point of order on bills that have not been on the calendar three days, particularly the bills that were objected to last night and put back on the calendar to-day, and I want to add further that yesterday there were 28 bills put on the calendar.

This House, as such, has not had an opportunity to know anything about any of those bills that there was any question about. Nobody else has had any opportunity to find out about them, because everything has been under stress and everybody has been working hard and we did not have the time. I think it is unfair unless the men who have put the bills on are perfectly willing to be good-natured and stand for an objection when there is any doubt at all from a single person; otherwise I am going to insist on the point of order.

Mr. NEWTON of Minnesota. I hope the gentleman will not object to these bridge bills.

Mr. BEGG. I will not object to any of them except as I have indicated.

Mr. TREADWAY. Mr. Speaker, it seems to me there should be a ruling on this particular point as to whether or not a bill having been put on the calendar on June 3 must be objected to in order to conform to the statement of the gentleman from Ohio or whether the Speaker will rule that such bills may or may not be considered at this time, because from here on the calendar is filled with bills dated June 3 and June 4. I think it would be very advisable to have the Speaker rule on that point.

Mr. ROGERS of Massachusetts. I would like to call the attention of the Chair to the language of the rule, with particular reference to bills which were formerly on the calendar but which have been stricken from the calendar at the objection of one Member and thereafter replaced. The rule states:

Should objection be made to the consideration of any bill so called it shall immediately be stricken from such calendar, but such bill may be restored to the calendar at the instance of the Member, and if again objected to by three or more Members it shall be immediately stricken from such calendar, and shall not thereafter be placed thereon.

The rule also states that the Clerk shall call the bills which have been for three days upon the Consent Calendar. Any bills which have been on the calendar perhaps a week or a fortnight or a month or more and were objected to yesterday and were replaced to-day have certainly been on the calendar more than the requisite three days.

It has been the rule in the past, very often under similar language. As far as the three-day provision was concerned, the bill had to be on the calendar three days in order to be considered under the rule. But the purpose of that rule, the reason for that rule, would be that there ought to be, as the gentleman from Ohio has said, an opportunity for Members to become familiar with the bill so that the matter should not be brought up by surprise. These bills, such as those taken up yesterday and objected to for the first time by one Member, are bills that have been on the Calendar for some days, and every Member of the House has had an opportunity to consider them. The reason for that rule disappears when they are replaced and called a second time. Therefore I submit that even if the point of order should be made and sustained that the bills have not been on the calendar three days, that point of order should not be held to lie against bills restored to the calendar which have been upon the calendar three days in the past and objected to and again restored.

Mr. LONGWORTH. I think there is merit in the contention of the gentleman from Ohio that these bills of a general char-

acter, not having been on the calendar long enough to give Members an opportunity to examine their merits, ought not to be called in their order. It would be possible to pick out any bill by unanimous consent, but perhaps we could solve this difficulty in this way. I ask unanimous consent that all bills on the calendar placed there since day before yesterday and not in order under the rule—all bridge bills—be called up in their order and disposed of. I exclude all except bridge bills.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent that all bridge bills on the calendar be called up in their order as they appear. Is there objection?

Mr. MOORE of Virginia. Reserving the right to object, I would like to say to the gentleman that some of his colleagues have bills of great simplicity and just as unobjectionable as bridge bills to which nobody would make a point of order. I have in mind a bill in charge of the gentleman from New Jersey which has passed the Senate, and I think probably all would agree that it is a bill that ought to go through. I do not see why that bill should be excluded.

Mr. LONGWORTH. I am only asking to call bills in their order. I have no objection to taking up bills out of order by unanimous consent. That might be done, but I think it would be a mistake. I think there is much reason in the rule that these bills should be on the calendar three days.

Mr. MOORE of Virginia. I have heard it stated—I do not know how true it is—that under conditions prevailing now a different course has been pursued, that all bills have been called and considered without reference to the three-day provision, it being assumed that we are acting under unanimous-consent agreement.

Mr. CRAMTON. Mr. Speaker, let me make this suggestion: The purpose of working late last night and to-night was to go through the calendar so that bills to which there is no objection may be disposed of and thereby relieve the pressure on the Speaker to suspend the rules. Where a bill has been on the Unanimous Consent Calendar three days the rule permits the Speaker to entertain a motion to suspend the rules and pass the bill, and therefore the reason seems to justify the calling of those bills to-night. It is not necessarily a violation of the rules. I would like to suggest, and I would like to ask unanimous consent, that the Clerk may call bills now on the calendar regardless of when they were placed there. If there is any objection it is easy to dispose of them.

Mr. BEGG. Will the gentleman yield?

Mr. CRAMTON. Certainly.

Mr. BEGG. Will the gentleman modify his request so that one objection will keep the bill off?

Mr. LONGWORTH. That would be the effect anyway because this is the last chance.

Mr. CRAMTON. That brings up what the gentleman from Massachusetts [Mr. ROGERS] said. I do not think there is any force in that. These bills, whether they have been on the calendar or not, the rule requires them to be on the calendar three days, and that means three days in connection with this time on the calendar. If the gentleman from Ohio wants to have the request limited to include the provision that one objection will be sufficient, that is satisfactory to me.

Mr. LONGWORTH. After disposing of the bridge bills I will have no objection.

I think it would be wise under the circumstances, in the spirit of the rule, where the question of calling bills in their order is concerned, to let them be called with regard to the bridge bills, and I shall not object to the request of the gentleman after the bridge bills are called.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. CRAMTON. Mr. Speaker, I do not recognize that the only bill of importance in this Congress is a bridge bill.

Mr. BLANTON. Does not the gentleman recognize that a Member ought under the rule to have three days to investigate these bills?

Mr. LONGWORTH. Nobody has had an opportunity to do that.

Mr. BLANTON. We are passing bills here in a minute and a half that the gentleman from Michigan would want three days to investigate, I think.

Mr. LONGWORTH. I think we will save time if the gentleman from Michigan will not object to my suggestion. After that I think there will be no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio that the bridge bills remaining on the calendar be called in their order? [After a pause.] The Chair hears none, and the Clerk will report the first bridge bill.

BRIDGE ACROSS MISSISSIPPI RIVER AT AITKIN COUNTY, MINN.

The first bridge bill in order was the bill (H. R. 9380) granting the consent of Congress to the Board of County Commissioners of Aitkin County, Minn., to construct a bridge across the Mississippi River.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to Board of County Commissioners of Aitkin County, Minn., and their successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at a point suitable to the interests of navigation, at or near section 9, township 52 north, range 23 west, in the county of Aitkin, in the State of Minnesota, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE ACROSS THE RIO GRANDE

The next bridge bill in order was the bill (H. R. 9361) granting the consent of Congress to the construction of a bridge across the Rio Grande.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to C. M. Newman, his successors and assigns, to construct, maintain, and operate a steel vehicular and foot bridge, and approaches thereto, across the Rio Grande, at a point suitable to the interests of navigation, at or near the point known as Alamo Alto, on the American side of the river, 1,750 feet northwest from the El Paso and Hudspeth County line, in survey No. 51, El Paso County, Tex., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, such construction to be made only with the consent and approval of the Republic of Mexico.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 5, strike out the words "steel vehicular and foot."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE ACROSS OHIO RIVER AT PORTSMOUTH, OHIO

The next bridge bill in order was the bill (H. R. 9402) authorizing the construction of a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Fullerton & Portsmouth Bridge Co., a corporation organized and existing under the laws of the State of Kentucky, its successors and assigns, is hereby authorized to construct, maintain, and operate a bridge and approaches thereto across the Ohio River, at a point suitable to the interests of navigation, to a point in Greenup County, Ky., near the village of Fullerton, from a point near the central portion of the city of Portsmouth, county of Scioto, in the State of Ohio, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 3, after the word "that," insert the words "the consent of Congress is hereby granted to."

Page 1, line 6, strike out the words "is hereby authorized."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill granting the consent of Congress to the Fullerton & Portsmouth Bridge Co. to construct a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky."

SEISMOLOGICAL INVESTIGATIONS

Mr. CRAMTON. Mr. Speaker, for a variety in the proceedings I ask unanimous consent that we may return to Calendar No. 311 (H. R. 8308), authorizing the Coast and Geodetic Survey to make seismological investigations, and for other purposes, a bill introduced and reported by the gentleman from California [Mr. LEA], to which I objected last night in order that I might have opportunity to get further information. I have taken the matter up to-day with the Interior Department and the Coast and Geodetic Survey, and I have no further objection.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent to return to the bill H. R. 8308 and consider the same at this time. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, the gentleman from Michigan [Mr. CRAMTON] and the gentleman from Ohio [Mr. BEGG], when they let bills go by here like that one our friend from Missouri [Mr. HAWES] pulled over a while ago, which is going to cost a million and a half dollars to take care of a few bird eggs and have a game preserve——

Mr. CRAMTON. Oh, I was waiting for the gentleman from Texas to object to that.

Mr. BLANTON. I can not object to all of them. That one was a crime against the people of the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Coast and Geodetic Survey is hereby authorized to make investigations and reports in seismology, including such investigations as have been heretofore performed by the Weather Bureau.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE ACROSS ST. MARYS RIVER, FLA.

The next bridge bill in order was the bill (H. R. 9434) granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the States of Georgia and Florida, through their respective highway departments, and their successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Marys River, at a point suitable to the interests of navigation, at or near St. Marys, Camden County, Ga., known as the "Borrell Tract," and to the shore opposite thereto, known as "Roses Bluff," in the county of Nassau, in the State of Florida, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE ACROSS THE CUMBERLAND RIVER

The next business on the Consent Calendar was the bill (H. R. 9456) to grant the consent of Congress to the Cincinnati, New Orleans & Texas Pacific Railway Co. to construct, maintain, and operate a new bridge across the Cumberland River, in the county of Pulaski, State of Kentucky, near the town of Burnside.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the consideration of the bill? [After a pause.] The Chair hears none.

Mr. BARKLEY. Mr. Speaker, I ask unanimous consent that the bill (S. 3380) of the same tenor, just passed by the Senate, be taken from the Speaker's table and be substituted for this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none. The Clerk will report the Senate bill.

The Clerk read as follows:

A bill (S. 3380) to grant the consent of Congress to the Cincinnati, New Orleans & Texas Pacific Railway Co. to construct, maintain, and operate a new bridge across the Cumberland River, in the county of Pulaski, State of Kentucky, near the town of Burnside

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the Cincinnati, New Orleans & Texas Pacific Railway Co., lessee of the Cincinnati Southern Railway, and to its successors and assigns, to construct, maintain, and operate a new bridge and the approaches thereto across the Cumberland River, in the county of Pulaski, in the State of Kentucky, near the town of Burnside, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed.

Mr. BARKLEY. I move that the bill H. R. 9456 be laid on the table.

The motion was agreed to.

Mr. NEWTON of Minnesota. Mr. Speaker, I ask unanimous consent that No. 378 on the calendar, which was objected to, may retain its place without prejudice on the calendar.

The SPEAKER pro tempore. The gentleman from Minnesota asks unanimous consent that the bill referred to may retain its place on the calendar. Is there objection? [After a pause.] The Chair hears none.

INCORPORATION OF AMERICAN WAR MOTHERS

Mr. SCHAFER. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. SCHAFER. I ask unanimous consent to take up Calendar No. 386, a bill to incorporate the American War Mothers.

The SPEAKER pro tempore. The gentleman from Wisconsin asks unanimous consent to return to Calendar No. 386. Is there objection?

Mr. UNDERHILL. Mr. Speaker, reserving the right to object, I want to state to the House that these bills have in the past been referred to the District of Columbia Committee, and invariably the District of Columbia Committee has refused permission to incorporate various organizations. I have in mind one a short time ago before that committee to incorporate a Theodore Roosevelt Association, and the Grand Army of the Republic and others have asked for incorporation in the District of Columbia. Now, they can incorporate in New York or Pennsylvania or in the gentleman's own State, and I think it is a great mistake to throw open the doors to incorporation of these various societies. I am informed that the Shriners are coming here and ask for an incorporation in the District of Columbia, and the Ku-Klux Klan could come in here for the same purpose, or any other organization.

Mr. STENGLE. Will the gentleman yield?

Mr. UNDERHILL. I will.

Mr. STENGLE. I hope and trust and I almost pray that the gentleman will not mention the names of the American War Mothers in connection with the Ku-Klux Klan.

Mr. UNDERHILL. If the gentleman has any objection to my mentioning the Ku-Klux Klan and the War Mothers, I desire to say that the partner of my joys and sorrows is a war mother and I offer no insult when I mention these various organizations. I am simply using them as an illustration of my objection to considering this at this time.

The SPEAKER pro tempore. Objection is heard.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I ask that this bill retain its place on the calendar without prejudice.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent that the bill retain its place on the calendar witnout prejudice. Is there objection?

Mr. WATKINS. I ask the same with respect to Calendar No. 380.

Mr. RAGON. Mr. Speaker, what was the request of the gentleman from Pennsylvania?

The SPEAKER pro tempore. He asks unanimous consent that Calendar No. 386 may retain its place on the calendar without prejudice.

Mr. RAGON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RAGON. What would the attitude of this bill be tomorrow or the next day if the Consent Calendar should be called?

The SPEAKER pro tempore. It would probably be called when reached if it retains its place on the calendar where it can be called.

Mr. RAGON. I would like to ask the attitude of the gentleman from Massachusetts in regard to such contingency.

Mr. UNDERHILL. I maintain my position. I do not believe it is the right procedure.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. RAGON. Reserving the right to object, I would like to say this much: I introduced a bill here to incorporate the association which the gentleman from Massachusetts has mentioned, the Theodore Roosevelt Memorial Educational Association, in Little Rock, Ark. I would like to see the War Mothers' Organization incorporated here or elsewhere, as far as that is concerned, but since the District of Columbia Committee has seen fit to ban my bill to incorporate for educational purposes, I certainly would object to it and insist on the gentleman from Massachusetts doing so.

The SPEAKER pro tempore. Objection is heard.

Mr. RAGON. No; I do not object to its retaining its place.

The SPEAKER pro tempore. Without objection, it is so ordered.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RANKIN. I understood the gentleman from Ohio [Mr. LONGWORTH] obtained unanimous consent that these bridge bills would be in order first, and I want to know if it is not out of order even to recognize Members of the House to turn back and take up other bills not included in the unanimous-consent request?

The SPEAKER pro tempore. The Chair assumes, inasmuch as the request of the gentleman from Ohio was a unanimous-consent request, that at any time any Member of the House might prefer another unanimous-consent request, that would extend, repeal, or modify that.

Mr. RANKIN. Then his unanimous-consent request does not amount to anything if you are going to recognize Members to ask unanimous consent to take up these various and sundry other measures, regardless of the consent given.

The SPEAKER pro tempore. The Chair will state that what the House has done by unanimous consent it can undo by unanimous consent.

Mr. BLANTON. Mr. Speaker, I ask for the regular order.

The SPEAKER pro tempore. The regular order is demanded. The Clerk will report the next bridge bill.

BRIDGE ACROSS THE CHATTAHOOCHEE RIVER, ALA. AND GA.

The next bridge bill on the Consent Calendar was the bill (H. R. 9457) to authorize the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River, at or near Alaga, Ala., connecting Houston County, Ala., and Early County, Ga.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That the States of Alabama and Georgia, through their respective highway departments, be, and are hereby, authorized to construct and maintain a bridge and approaches thereto across the Chattahoochee River, at a point suitable to the interests of navigation, at or near Alaga, Ala., connecting Houston County, Ala., and Early County, Ga., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With committee amendments, as follows:

Page 1, line 3, after the word "that", insert the words "the consent of Congress is hereby granted to."

On page 1, line 5, after the word "Departments," strike out the words "be and are hereby authorized."

On page 2, amend the title.

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

BRIDGE ACROSS THE CANAL NEAR REHOBOTH, DEL.

The next bridge bill on the Consent Calendar was the bill (H. R. 9515) granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the canal near Rehoboth, Del.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report it.

The Clerk read as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the Delaware State Highway Department and its successors and assigns to construct, maintain, and operate a bridge and the approaches thereto across the canal between Rehoboth Bay and the Delaware Bay, being a part of an inland waterway, partly natural and partly artificial, from Chincoteague Bay to Delaware Bay, at a point suitable to the interests of navigation, at or near Rehoboth, in the county of Sussex, in the State of Delaware, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

With a committee amendment, as follows:

Page 2, line 3, after the figures "1906," insert: "*Provided*, That the Secretary of War is hereby authorized, upon the recommendation of the Chief of Engineers, United States Army, to grant permission to the said Delaware State Highway Department, its successors and assigns, under such terms and conditions as the said Secretary may deem equitable and fair to the public, to cross and occupy such public lands pertinent to the United States Canal as may be necessary for the bridge and approaches thereto.

"SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved."

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

BRIDGE ACROSS THE MISSOURI RIVER

The next bridge bill on the Consent Calendar was the bill (H. R. 9516) to authorize the city of South Sioux City, in the State of Nebraska, to construct a bridge across the Missouri River between the States of Nebraska and Iowa.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report it.

The Clerk read as follows:

*Be it enacted, etc.*, That the city of South Sioux City, in the county of Dakota and State of Nebraska, a municipal corporation organized under the laws of the State of Nebraska, be, and it is hereby, authorized to construct, maintain, and operate a bridge, and approaches thereto, across the Missouri River, at a point suitable to the interests of navigation, at or near South Sioux City, in the county of Dakota, in the State of Nebraska, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With committee amendments, as follows:

Page 1, line 3, after the word "that," insert the words "the consent of Congress is hereby granted to."

On page 1, line 6, after the word "Nebraska," strike out the words "be, and it is hereby, authorized."

Amend the title.

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next one.

BRIDGE ACROSS THE RED RIVER

The next bridge bill on the Consent Calendar was the bill (H. R. 9517) granting the consent of Congress to the Texas & Oklahoma Red River Bridge Co. (Inc.), St. Jo, Tex., a corporation organized under the laws of the State of Texas, to construct a toll bridge across the Red River in the vicinity of Illinois Bend, Tex.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the Texas & Oklahoma Red River Bridge Co. (Inc.), of St. Jo, Tex., to construct a toll bridge across the Red River in the vicinity of Illinois Bend, Tex., under specifications complying with all laws, rules, and regulations governing such, and their successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Red River at a point suitable to the interests of navigation, at or near Illinois Bend, Tex., in the county of Montague, in the State of Texas, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With committee amendments as follows:

Page 1, line 3, strike out the words "Texas & Oklahoma Red River Bridge" and insert "North Texas."

On page 1, line 5, strike out the word "incorporated."

On page 1, line 5, strike out the word "toll."

On page 2, amend the title so as to read: "A bill granting the consent of Congress to the North Texas Co., of St. Jo, Tex., a corporation organized under the laws of the State of Texas, to construct a toll bridge across the Red River in the vicinity of Illinois Bend, Tex."

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE ACROSS THE COOSA RIVER

The next business on the Consent Calendar was the bill (H. R. 9518) to authorize the State of Alabama, through its highway department, to construct and maintain a bridge across the Coosa River, at or near Leesburg, Ala., connecting Leesburg, Ala., and Center, Ala., on the primary road system of the State.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the State of Alabama, through its highway department, is hereby authorized to construct and maintain a bridge and approaches thereto across the Coosa River, at a point suitable to the interests of navigation, at or near Leesburg, Ala., connecting Leesburg, Ala., and Center, Ala., on the primary road system of the State, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 4, after the word "department" strike out the words "is hereby authorized."

Page 1, line 8, strike out the words "connecting Leesburg, Ala., and Center, Ala-" and in line 1, page 2, strike out "bama, on the primary road system of the State."

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended to read as follows: "A bill granting the consent of Congress to the State of Alabama, through its highway department, to construct and maintain a bridge across the Coosa River at or near Leesburg, Ala."

BRIDGE ACROSS PEEDEE RIVER

The next business on the Consent Calendar was the bill (S. 3355) granting the consent of Congress to the counties of Marion and Florence in the State of South Carolina, to construct a bridge across the Peedee River at or near Savage Landing, S. C.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the counties of Marion and Florence, in the State of South Carolina, or their assigns, to construct, maintain, and operate a bridge and approaches thereto across the Peedee River at a point suitable to the interests of navigation, at or near a point known as Savage Landing, S. C., in accordance wih the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed.

BRIDGE ACROSS TOMBIGBEE RIVER

The next business on the Consent Calendar was the bill (H. R. 9610) granting the consent of Congress to the Board of Supervisors of Lowndes County, Miss., to construct a bridge across Tombigbee River.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the Board of Supervisors of Lowndes County, Miss., and their successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Tombigbee River at a point suitable to the interests of navigation, at or near Columbus, in the county of Lowndes, in the State of Mississippi, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

WAR MINERALS RELIEF ACT

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that we may return to No. 285 on the Consent Calendar. In connection with that I will say that this is a bill to which I objected last night in order that I might have an opportunity to consult with the Secretary of the Interior concerning it.

Mr. BEGG. Mr. Speaker, I object.

Mr. CRAMTON. Will the gentleman withhold his objection?

Mr. BLANTON. Mr. Speaker, I make a point of order against the request. It is against the rules.

Mr. CRAMTON. Of course, the gentleman can object, but as a matter of courtesy I ask him to withhold his objection.

Mr. BLANTON. There was an understanding that these bridge bills were to be finished.

Mr. CRAMTON. We have finished the bridge bills. I ask unanimous consent to make a statement, and then if the gentleman wants to make an objection that is his privilege. Last night I objected because the report of the Secretary of the Interior did not assume responsibility for the action here proposed. I have a letter from the Secretary, and I want the gentleman from Ohio [Mr. BEGG] to read a paragraph of it, and then I want to put the whole letter in the RECORD.

Mr. BEGG. I will say to the gentleman that I have read the letter.

Mr. CRAMTON. I will then ask unanimous consent, if the gentleman is going to insist on his objection, to put the letter in the RECORD.

Mr. BEGG. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BEGG. The letter which the gentleman has in his hand from Secretary Work says that the department is not interested in this bill. If the gentleman will cut out the appropriation and simply release the limitation that is in the law so that they can use the money they now have, I will not object.

Mr. CRAMTON. I was just going to call attention to what the Secretary says about that. I have redrafted the bill in the last few minutes in that form, but I do not know that it is satisfactory to the other gentlemen, and I am going to ask unanimous consent to extend my remarks if the gentleman is going to insist on his objection.

Mr. BEGG. I shall insist unless the bill provides what I have suggested.

Mr. CRAMTON. This is a bill in which many of the Members are interested. I am going to ask unanimous consent to

extend my remarks by putting in the RECORD the March report of the Secretary of the Interior, the letter of to-day, and a suggested amendment to conform to the present recommendation of the Secretary, so that Members interested in the bill can judge whether that will meet their wants or not.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent to revise and extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Speaker, I reserve the right to object so I can ask the gentleman a question. The gentleman from Michigan knows that this embraces a claim of at least $2,500,000.

Mr. CRAMTON. That remains to be seen.

Mr. BLANTON. The gentleman knows that, does he not?

Mr. CRAMTON. No; I do not. I say that depends.

Mr. BLANTON. The gentleman is not as well posted as I gave him credit for being.

Mr. VAILE. Not a claim, but a great many claims.

Mr. CRAMTON. It all depends on what the United States Supreme Court decides. I opposed the original act, but we passed it and I submit it is not fair to pay one claim and reject another one just like it. The Secretary of the Interior in the letter I am going to put in says they have probably enough money to pay existing claims unless the decision of the Court of Appeals is sustained by the Supreme Court of the United States. In that event, a further appropriation will be needed, but he says he does not even need the authorization for the appropriation, but he wants the limitation removed. I have modified the bill but have not consulted with the friends of the bill. I do not know whether I am a friend of the bill or not, but I have not consulted with those most interested to know if my amendment will meet their wishes, so I am asking to put it all in the RECORD so everybody can read it in the morning and then determine what they want to do.

The SPEAKER pro tempore. Is there objection?

Mr. BEGG. Reserving the right to object——

Mr. WATKINS. Will the gentleman from Michigan yield?

Mr. CRAMTON. I yield.

Mr. WATKINS. As a matter of fact, about 65 per cent of the claims have already been paid, being those in the larger amounts, and there are many small claims throughout the various States that remain unpaid, and this condition has been brought about by virtue of the latest decision of the District Court of Appeals.

Mr. CRAMTON. The statement of Secretary Work, which I want to put in the RECORD, is very clear. The gentleman from Ohio, I think, intends to object anyway to-night, and I thought I would save time by putting the information in the RECORD and letting everybody know the situation.

Mr. BEGG. The gentleman from Michigan has used considerable time, and I would like sufficient time to make a statement as to why I shall object. A number of men around here are interested in this matter, and I do not particularly like the position of setting up my judgment against all these requests, but here is what Secretary Work says:

> The Government has appealed to the Supreme Court on the question of interest and payment for the investment. The Supreme Court has set the case for November 10. If the Supreme Court decides adversely, there is money enough.

There is not anybody in this House who knows whether the Supreme Court will decide adversely or otherwise, and the only reason they can not pay it out now is because of the action of the litigants in tying it up in court.

Mr. OLDFIELD. Will the gentleman yield?

Mr. BEGG. Let me finish this statement and then I will yield for any question. The Secretary goes on further and says, "We are not interested." That is the language; that the department is not interested in the appropriation, and the only thing they want at all is release from the restriction; and I submit we make ourselves ridiculous to appropriate $2,500,000 and then have it turned back into the Treasury because it is not needed, in the face of a court action set for November 10. Now I will yield to the gentleman from Arkansas.

Mr. OLDFIELD. The Secretary also states in that letter that if the Supreme Court reverses the decision of the court of appeals, none of the money which is appropriated in this bill will be used.

Mr. BEGG. Certainly. How could they use it? There is nothing to use it for.

Mr. CRAMTON. And, further, what has most reassured me and pleased me is that the Secretary says that the case will be taken to the Supreme Court of the United States so that no rights of the Government are going to be given away.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. CRAMTON. Yes.

Mr. BLANTON. The point that is bothering me more than anything else is, even if we pass the bill, would there be this much money left in the Treasury to pay it?

Mr. CRAMTON. Let me read what I am suggesting as an amendment.

Mr. BLACK of New York. I ask for the regular order, Mr. Speaker.

The SPEAKER pro tempore. The question is, Is there objection to the request of the gentleman from Michigan?

Mr. BEGG. What is the request, Mr. Speaker?

Mr. ROBSION of Kentucky. I am the chairman of the Committee on Mines and Mining——

The SPEAKER pro tempore. Let the Chair state the situation. The gentleman from Michigan [Mr. CRAMTON] has asked unanimous consent to return to this bill.

Mr. BEGG. That is what I am objecting to.

Mr. ROBSION of Kentucky. Will the gentleman reserve it?

Mr. BEGG. I reserve it.

Mr. WATKINS. I ask unanimous consent, Mr. Speaker, to extend my remarks in the RECORD in this matter.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. WATKINS. Mr. Speaker, this bill is bottomed on a moral obligation of the Government to hundreds of red-blooded American citizens who answered the call of their country in the time of its dire distress. Prior to the World War this country secured its war materials from foreign countries. When we were hurled into that holocaust and finally had to face the German submarine at a time when all boats were needed for transporting troops to Europe, a call was issued to mining men and the mining industry to produce the necessary minerals. Cooperation and protection were guaranteed on the part of the Government to those who answered the call.

Hundreds of our citizens responded, invested large sums of money, produced the required minerals, and were continuing so to produce when suddenly the enemies of civilization capitulated and that never-to-be-forgotten day in November, 1918, was reached and as suddenly as the war had started did it end.

Suddenly and savagely, so to speak, all embargoes upon the importation of the minerals being produced were removed, and instead of cooperation the American citizen got competition, piracy instead of protection, for immediately peon and coolie produced war minerals, flooded the country, and bankrupted the American patriot.

In March, 1919, Congress recognized the wrong perpetrated against these domestic producers and enacted an act for their relief. The adjudication of the claims was assigned to the Secretary of the Interior, who later appointed a war minerals commission to hear said claims. Procrastination, inaction, vacillation, and inefficiency became the order of the day, and for over five long years these men have gone without relief. The situation has become distressingly acute with many of the claimants who were hurled into financial difficulties simply because they responded to the call of their country. This is now their day in court, and it will be more than a pity—it will be a tragedy—to deny them relief. I earnestly urge favorable consideration; I hope no one will object.

Over 60 per cent of the total claims have been adjudicated and paid, and the remaining claimants have been held up in the payment of their losses because the Secretary of the Interior states that he can not proceed with the payment of awards, as he is restrained by the relief act, and amendment thereto, of November 23, 1921, from exceeding the original appropriation of $8,500,000, which is now insufficient to reimburse the total net losses of claimants, since the courts have held that losses incurred in the purchase of war-minerals properties and leases and interest on borrow capital are legitimate items for reimbursement under the relief act.

The Senate has passed this measure. The House Committee on Mines and Mining has acted favorably and unanimously. It now remains for us to make good the word of the Government given in 1917, and by passing this bill liquidate the obligation entered into and incurred then and there in good faith; at least, do our part in making it possible for these men to secure in some measure the relief long since due.

Mr. ROBSION of Kentucky. Mr. Speaker, I want to make a brief statement. Some gentlemen were not Members of the House when the original legislation passed. The United States

Government during the war wanted certain minerals. These minerals could not be produced in this country at living wages. So Congress passed an act authorizing $50,000,000 to be appropriated to induce people to produce these minerals, and used this money to produce these minerals not only during the war but for two years following the war. In March, 1919, after the war, Congress thought it unwise to continue the proposition and they cut out the $50,000,000 or reduced it to eight and one-half million, and out of that these claims were to be settled. Now, under that provision hundreds of claims were filed. A commission was created by that act and these men passed on the claims and could have paid all of the claims according to their ruling to the men, but they would not allow interest on the investment; they would not allow the money that was put into the buying of land, and so forth. The courts have decided that the interest on the money paid out for land must be considered in the estimate of the amount of loss. Now, these men could not get the money they lost while producing the minerals for the Government during the war.

Mr. BEGG. There would have been ample money appropriated if the gentleman's statement was true. The claimants brought suit for the original investment plus the interest, and hence there is going to be a shortage.

Mr. ROBSION of Kentucky. The gentleman is only partly correct. Some of the claimants have entered suit and claimed the interest on the investment was a part of the loss, that is true.

Mr. WINGO. Will the gentleman yield?

Mr. ROBSION of Kentucky. Mr. Speaker, there is some money available, and if you count that interest on the investment and go according to the rulings of the court we lack about two and a half million dollars to pay it. Two-thirds of the claimants have been paid. The big claimants have got their money and got away. There are hundreds of little fellows that lost money, that your commission said lost money, and have not been paid.

The claimants have come in with their proof and spent half as much proving their claims as they will get. Mr. Speaker, I ask unanimous consent to return to this bill. If this authorization is made and if the money is not required it goes back into the Treasury. This money is being held up for the men who are broken up and waiting for the money.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. ROBSION of Kentucky. Yes.

Mr. CLARKE of New York. Who constitutes this commission? What is the personnel of the commission?

Mr. ROBSION of Kentucky. I think there were three ex-United States Senators.

Mr. CLARKE of New York. That does not cut any ice with me.

Mr. WINGO. Mr. Speaker, I want to direct the attention of the gentleman from Ohio to one fact I think he has overlooked. I feel like I ought to say it because I am responsible for cutting this down to eight and one-half million dollars. The gentleman from Massachusetts, Mr. Walsh, and myself had the matter up and we were trying to reduce appropriations, to cut out that which was not needed. We estimated and we made a mistake—we estimated that eight and a half million dollars would be sufficient. There were $50,000,000 appropriated, and if we had not insisted and turned it back there would have been money available according to the decision of the courts. There is no question that the meritorious old claims are those being held up. I have no interest except that I was responsible for cutting it down to eight and a half million dollars.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan to return to this bill?

Mr. BEGG. I reserve the right to object.

Mr. BLANTON. I ask unanimous consent that the gentleman from Kentucky may proceed for 10 minutes more.

Mr. BEGG. We are trying to work out an amendment, and I am willing to have it reported.

Mr. CRAMTON. But first let us return to the bill. [Cries of "Regular order!"]

The SPEAKER pro tempore. The regular order is, Is there objection to the request to return to this bill?

Mr. BEGG. Mr. Speaker, if the request is granted to return, does that request include taking up and passing the bill?

The SPEAKER pro tempore. The Chair thinks so.

Mr. BEGG. Then I am going to ask unanimous consent that the amendment may be offered for information.

Mr. BLANTON. Mr. Speaker, I am going to object.

The SPEAKER pro tempore. The gentleman from Texas objects.

Mr. CRAMTON. Mr. Speaker, I have made a request which has not been quite correctly stated by the Chair. I do not request that the bill be passed. I simply request that we return to it. Having returned to it, it will still be subject to every objection that it would be in the first place.

The SPEAKER pro tempore. That is true of course, but the Chair understands that the gentleman from Texas objects to returning to it.

Mr. BLANTON. Until November 19.

The SPEAKER pro tempore. Objection is heard.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent that the bill may retain its place on the calendar.

The SPEAKER pro tempore. The gentleman from Kentucky asks unanimous consent that the bill may retain its place on the calendar. Is there objection.

Mr. VAILE. Mr. Speaker, I object.

Mr. CRAMTON. Mr. Speaker, under the consent given me to extend my remarks on No. 285, Consent Calendar, S. 2797, I insert herewith the letters of the Secretary of the Interior, March 15, 1924, and June 5, 1924. I also insert the text of the proposed bill, showing the amendment I suggest, which seems to me to put the bill in accord with the Secretary's recommendation and to fully meet the situation:

DEPARTMENT OF THE INTERIOR,
*Washington, March 15, 1924.*

Hon. TASKER L. ODDIE,
*Chairman Committee on Mines and Mining,*
*United States Senate.*

MY DEAR SENATOR ODDIE: I am in receipt of your request for report upon S. 2797, entitled "A bill to authorize the payment of claims under the provisions of the so-called war minerals relief act," which bill proposes to appropriate out of the Treasury such sums, not exceeding $2,500,000, as may be necessary to satisfy such claims as shall be approved and certified for payment by the Secretary of the Interior.

If claims, or parts of claims, heretofore denied by the Secretary of the Interior are not reversed as a result of litigation now pending in the courts, the money still remaining available in the appropriation will be sufficient, or nearly sufficient, to pay the remaining unadjusted claims. If, as a result of pending litigation, items for property losses and for interest, etc., must ultimately be paid, I point out that because these items have never been allowed for payment no statistics are available on which to predicate a statement as to the per cent of the claims likely to prevail, but it is believed, from as careful an analysis of the claims as can be made, that the additional appropriation proposed of $2,500,000 will be sufficient to take care of all claims. Whether legislation making provision for an increased appropriation largely to take care of claims now in litigation should be enacted at this time is a question which, I think, Congress and not this department should determine.

Sincerely yours,

HUBERT WORK.

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DEPARTMENT OF THE INTERIOR,
*Washington, June 5, 1924.*

Hon. LOUIS C. CRAMTON,
*House of Representatives, Washington, D. C.*

MY DEAR MR. CRAMTON: In further response to your inquiry of yesterday over the telephone in relation to S. 2797, I am submitting herein a brief statement which I believe furnishes the information you desire.

In the settlement of war minerals claims it has been held from the beginning that the act did not contemplate reimbursement for the purchase price of property or interest on borrowed capital. Mandamus proceedings were begun to compel such payments, and the Supreme Court and the Court of Appeals of the District of Columbia have sustained the relators. The Government has appealed to the Supreme Court of the United States in both cases, and the latter court has set November 10, next, as a date for hearing on the question of purchase of property. Upon advice that the lower courts had ruled favorable to the relators, the Secretary of the Interior suspended payment of awards because the present law contains an express provision that in the administration of the act the appropriation in no event shall be exceeded; and to make further payments would have been a violation of the law, as a deficiency is certain under the lower courts' findings.

Suspension of payments was ordered last October, but the work of adjusting claims went on and is still going on, no money being paid to claimants. The present situation is that while approximately a million and three-quarters dollars are still in the war minerals fund, not a cent can lawfully be paid to claimants unless the limitation provision of the law be repealed. S. 2797 repeals the limitation, and, if passed, will permit adjustment and payment of all remaining claims, a practical completion of the entire work under present

practice by the time the Supreme Court of the United States shall pass upon the appeals as to purchase price of property and interest on borrowed capital. This explains why the passage of the bill is desired now, when none of the money appropriated by it will be used unless the Supreme Court should hold adversely to the Government.

As to the number of claimants who would be benefited by the passage of S. 2797 and the extent to which they are interested, I may state that since last October, when payments were stopped, to the present time, net loss has been found in 164 claims, and the total amount which would be paid to these 164 claimants through the passage of S. 2797 is $325,233.48. In addition, awards could be paid in any and all of the 91 claims which are still to be examined wherein it shall be found that a net loss was suffered.

You will see by the foregoing that the department is not concerned about the appropriation of the $2,500,000 now. That money would not be needed unless the Supreme Court should compel repayment of purchase price or property or interest on borrowed capital, or both. But it is desirable that the limitation of the present law as to extending the appropriation be repealed, and, unfortunately, the repeal is linked with the appropriation of the $2,500,000 in the bill before you.

A further brief statement as to war-minerals work during the last 13 months may be of interest to you.

On May 1, 1923, there were 537 claims awaiting adjustment, and since that date 19 other claims have been resurrected, making a total of 556 claims to be considered. In the 13 months which have passed, 465 of these claims have been adjusted, and only 91 remain unadjusted.

I am placing this communication in the hands of the Commissioner of War Minerals Relief, Mr. Briar, for personal delivery to you. He will be glad to talk with you upon any phase of the matter.

Very truly yours,

HUBERT WORK.

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"Amended form proposed by Mr. CRAMTON:

"An act (S. 2797) to authorize the payment of claims under the provisions of the so-called War Minerals Relief Act.

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That, to enable the Secretary of the Interior to lawfully pay adjudicated claims arising under the provisions of the so-called War Minerals Relief Act, ~~there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated such sum or sums, not exceeding $2,500,000, as may be necessary to satisfy such of said claims as shall be approved and certified for payment by the said Secretary of the Interior, under the provisions of~~ an Act entitled, 'An Act to provide relief in cases of contracts connected with the prosecution of the war, and for other purposes,' approved March 2, 1919, as amended, ~~and that~~ the limitation in said Act, ~~as amended,~~ on the aggregate amount to be disbursed thereunder in the payment of said claims is hereby repealed."

DEPUTY FISCAL AGENTS IN DEPARTMENT OF AGRICULTURE

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent to return to Calendar No. 371.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent to return to No. 371 on the calendar. The Clerk will report the title of the bill.

Mr. BLANTON. Mr. Speaker, I reserve the right to object. I want to find out what the bill is.

The Clerk read as follows:

A bill (H. R. 8372) to authorize the designation of deputy fiscal or disbursing agents in the Department of Agriculture stationed outside of Washington.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I object. We have too many deputies now.

Mr. HAUGEN. Mr. Speaker, will the gentleman withhold his objection?

Mr. BLANTON. Mr. Speaker, I am going to object.

DESIGNATING STATE OF NEW MEXICO AS JUDICIAL DISTRICT

Mr. MORROW. Mr. Speaker, I ask unanimous consent to return to Calendar No. 250, which was objected to last evening. The objection has been withdrawn, and at the same time I ask unanimous consent to take from the Speaker's table the Senate bill 3023, a similar bill, and substitute it for the House bill, H. R. 7523.

Mr. CLARKE of New York. Mr. Speaker, may I ask the nature of the bill?

The SPEAKER pro tempore. The gentleman from New Mexico asks unanimous consent to return to Calendar No. 250 for consideration. Is there objection?

Mr. CLARKE of New York. Mr. Speaker, reserving the right to object, I want an explanation of what the bill is.

The SPEAKER pro tempore. The Clerk will report the title of the bill.

The Clerk read as follows:

A bill (H. R. 7523) designating the State of New Mexico as a judicial district, fixing the time and place for holding terms of court therein, and for other purposes.

Mr. CLARKE of New York. Mr. Speaker, I object.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask the gentleman from New York to withdraw his objection. I think the gentleman will not have objection when he understands.

Mr. CLARKE of New York. Mr. Speaker, I withdraw my objection.

The SPEAKER pro tempore. The gentleman from New Mexico calls up a bill which the Clerk has reported and asks unanimous consent to substitute the Senate bill, 3023, for the House bill and to consider the same. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the Senate bill.

The Clerk read the Senate bill, as follows:

An act (S. 3023) designating the State of New Mexico as a judicial district, fixing the time and place for holding terms of court therein, and for other purposes

*Be it enacted, etc.*, That the State of New Mexico shall constitute one judicial district, to be known as the district of New Mexico.

Terms of the district court shall be held at Santa Fe on the first Monday in March and September, at Albuquerque on the first Monday in June and December, at Roswell on the first Monday in May and October, at Las Cruces on the first Monday in November, at Silver City on the first Monday in January, at Las Vegas on the first Monday in February, and at Raton on the first Monday in April: *Provided*, That if at the time of the holding of the terms of said court in any year in the cities or towns of Las Vegas, Las Cruces, Silver City, or Raton there is insufficient business to justify the holding of any such term the same may be adjourned or continued by order of the judge of said court made at any place in the district: *And provided further*, That terms of court at Silver City, town of Las Vegas, and Raton shall not be held unless facilities therefor are furnished by the county of Grant at Silver City, the county of San Miguel at town of Las Vegas, and the county of Colfax at Raton, without cost and expense to the United States, until such time as court rooms and other necessary facilities have been constructed by the United States.

Causes, civil and criminal, may be transferred by the court or either judge thereof from any of the aforesaid places where court shall be held in said district to any of the places herein above mentioned in said district whenever in the opinion of the court or judge the convenience of the parties or the ends of justice would be promoted by the transfer.

That the marshal and clerk of said court shall each, respectively, appoint at least one deputy to reside at and who shall maintain an office at each of the cities of Albuquerque and Roswell, and the marshal and the clerk of said court may each, respectively, with the approval of the Attorney General, appoint one deputy at each of the cities of Las Cruces, Silver City, Raton, and the town of Las Vegas: *Provided*, That upon completion of the Federal building in the city of Las Vegas, the court shall be transferred to and held in the city of Las Vegas instead of the town of Las Vegas and court at the latter place discontinued.

The bill was ordered to be read a third time, was read the third time, and passed.

The bill H. R. 7523 was ordered to lie on the table.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution of the following title, when the Speaker signed the same:

S. J. Res. 142. Joint resolution providing for the United States Government to have representation at the celebration of the centennial of the first meeting of the Legislative Council of the Territory of Florida.

ORDER OF BUSINESS

Mr. BEGG. Mr. Speaker, I rise to prefer a unanimous consent request, to see if we can get some order out of this. The floor leader, the gentleman from Ohio [Mr. LONGWORTH], just advised me that it is going to be necessary for us to stay here for an hour and 10 minutes yet, and perhaps longer, so as to be here if something comes up in the Senate.

Mr. BLANTON. Mr. Speaker, then the floor leader better get a quorum if he is going to do that, because the understanding was that we were going to work here until 11 o'clock.

Mr. BEGG. I suggest to the gentleman from Texas that the purpose of staying here late to-night is to be here so as to assist in getting work cleaned up so that we may adjourn.

Mr. BLANTON. Mr. Speaker, the floor leader is a reasonable man and he is not going to work this little handful of men here all night when others are off in their beds asleep.

He better go out and wake them up and bring them in and have a new shift.

Mr. BEGG. I will say to the gentleman from Texas that that always happens.

Mr. BLANTON. I know, and we have been working all day and I have been up since 6 o'clock this morning.

Mr. BEGG. Mr. Speaker, I ask unanimous consent that we begin at the beginning of the calendar and go through those bills, in order, that have been objected to once before.

Mr. BLANTON. Mr. Speaker, I object.

Mr. SCOTT. Mr. Speaker, I ask unanimous consent that we proceed with the call of the calendar where we left off when they took up the bridge bills. I have been waiting here all evening.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent that the House proceed to call up the bills on the calendar, beginning at the point where we stopped on account of the unanimous consent request of the gentleman from Ohio [Mr. LONGWORTH].

Mr. BEGG. Mr. Speaker, reserving the right to object——

The SPEAKER pro tempore. Is there objection?

Mr. BRIGGS. Mr. Speaker, I object.

Mr. LUCE. Mr. Speaker, I ask unanimous consent to take up Calendar No. 415.

The SPEAKER pro tempore. The gentleman from Massachusetts asks unanimous consent to take up Calendar No. 415. Is there objection?

Mr. CLAGUE. Mr. Speaker, I object.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I ask unanimous consent to take up Calendar No. 389. This is a Senate bill which was passed and reported favorably by the Committee on the Judiciary, and is a very simple proposition.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent to take up Calendar No. 389. Is there objection?

Mr. WOLFF. Mr. Speaker, I object.

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to take up the next number on the order of bills, Calendar No. 391.

Mr. CLARKE of New York. Mr. Speaker, reserving the right to object, does the gentleman expect to remain here the rest of the evening and help us?

Mr. SCOTT. Yes; I expect to remain here.

CALENDAR NO. 391

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent to take up Calendar No. 391. Is there objection?

Mr. BLANTON. I ask to have the bill reported.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 4482) providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. BRIGGS. Reserving the right to object——

Mr. SCOTT. If the House will consent to the consideration of this bill I shall ask unanimous consent that the Senate bill, which was unanimously reported and adopted unanimously by the Senate, be substituted for the House bill. This represents only about 200 acres of land occupied by a number of people who lived on it for 40 or 50 years, and paid taxes and made improvements, and had a conveyance from the State of Michigan, to which the land was conveyed by the United States Government, and then later it was discovered that the Government had made an erroneous survey. Now, the only way they can remedy the mistake is by an act of the Congress of the United States.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the Senate bill.

The Clerk read as follows:

An act (S. 697) providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes

*Be it enacted, etc.*, That upon the survey of any public lands erroneously omitted from the original survey found to exist within the area heretofore surveyed and represented upon the official plat of township 35 north, range 4 west, Michigan meridian, Michigan, approved February 9, 1841, on file in the General Land Office as a meandered lake, and said lake now appearing as two lakes, locally known as Crooked Lake and Pickerel Lake, in sections 20, 21, 22, 27, 28, and 29, the owners of adjacent lands shall have a preference right to purchase such lands so surveyed for a period of 90 days after the filing of the approved plat of such survey in the United States land office at Marquette, Mich., to be appraised at not less than $1.25 per acre, and that the State of Michigan be allowed to select such of the lands as may have inured to the State under the act of September 28, 1850 (9 Stat. L. p. 519): *Provided*, That nothing herein contained shall have the effect of defeating the rights of any person or the State of Michigan which may have attached to such lands or any part thereof.

SEC. 2. That the Secretary of the Interior is authorized to make all necessary regulations to carry out the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed.

The bill (H. R. 4482) was laid on the table.

CALL OF THE HOUSE—NO QUORUM

Mr. GALLIVAN. Mr. Speaker, I ask unanimous consent to call up calendar No. 415.

The SPEAKER pro tempore. The gentleman from Massachusetts asks unanimous consent to call up Calendar No. 415. Is there objection?

Mr. BEGG. If the gentleman will withhold that for a moment, I desire to make a unanimous-consent request, and that is to begin where we left off and finish the calendar.

Mr. BLANTON. Mr. Speaker, I make the point of order we have no quorum.

The SPEAKER pro tempore. The gentleman from Texas makes the point of order of no quorum.

Mr. BLANTON. We have reached the hour of 11 o'clock, when it was understood we would quit.

Mr. BEGG. Will the gentleman withhold it to allow me to ask unanimous consent that we take a recess for 30 minutes, in which no business be transacted, and then we will know——

Mr. BLANTON. I make the point of order we have no quorum.

Mr. BEGG. There will be no business, and the gentleman can go home. I guarantee there will be no business transacted.

Mr. BLANTON. We can put it off until morning. I insist on my point of order.

The SPEAKER pro tempore. Obviously there is no quorum present.

Mr. BLANTON. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The gentleman from Texas moves that the House do now adjourn.

Mr. BLANTON. I will withhold the motion if the gentleman wants to work all night.

Mr. WINGO. Mr. Speaker, I move a call of the House.

The question was taken; and the Speaker pro tempore announced that the ayes seemed to have it.

On a division (demanded by Mr. BEGG) there were—ayes 32, noes 62.

Mr. WINGO. Mr. Speaker, I ask for tellers.

Mr. BLANTON. I insist on the point of no quorum.

The SPEAKER pro tempore. The gentleman from Arkansas demands tellers. Fifty-six gentlemen have arisen, a sufficient number, and tellers are ordered.

The House again divided; and the tellers (Mr. WINGO and Mr. SANDERS of Indiana) reported that there were—ayes 4, noes 76.

So the call of the House was refused.

TAXATION

Mr. LANKFORD. Mr. Speaker and gentlemen of the House, on June 7 this session of Congress with a Republican majority will probably adjourn. The Democrats here have made a splendid showing in spite of great difficulties and have prevented the passage of hundreds of bad bills by defeating many and improving others. Much that is bad passed in spite of us. I will not at this time go into the full history of the session. The best example of what the Democrats have done is the so-called Mellon tax bill, which, when finally passed, was more Democratic than Republican, giving relief from millions of taxes, principally to the little taxpayers, but fair to all. The friends of the farmers were able to prevent finally a tax which would have crippled the new tobacco industry in my section and were able by hard work to improve the bill in many ways. The speeches of Democrats assailing the original bill were carried by the press of the Nation and helped largely to overcome the enormous sentiment caused by propaganda. I wish to thank the numerous papers of the country which carried in full my paraphrase of Don Lupton's poem on taxation. The Democrats need more publicity, putting before the country what we are really doing and striving to do. With the country informed of the ideals of the Democrats and of the failures and crimes of the Republicans there can be only victory for the Democrats at the next election.

ADJUSTED COMPENSATION

Mr. FISH. Mr. Speaker, my friends have asked me, as the sponsor for the 20-year endowment insurance bill recently enacted into law over the veto of the President, to review the

history of adjusted compensation in Congress and to answer the main objections raised by the opposition, which for the most part centers in the big metropolitan papers, ably abetted and supported by the big financial and industrial interests.

The bill has been enacted into law, and therefore what I propose to say is not propaganda but a simple statement of facts to prove without fear of contradiction that the paramount contention of the opponents of adjusted compensation that there could be no tax reduction if the adjusted compensation measure was passed to be wholly and totally false. The public was lead to believe from repeated statements in the press emanating from high sources that tax reduction was out of the question if Congress persisted in passing an adjusted compensation measure. By dint of constant repetition and intensive and extensive propaganda the taxpayer was forced to believe in the accuracy of these inspired articles. The Secretary of the Treasury gave out a statement to the effect that if the adjusted compensation bill passed that the price of Liberty bonds would go down, the rate of interest would go up, the price of market securities would fall off, and there could be no thought of tax reduction for another generation. In fact he went even as far as to threaten bankruptcy. A great many good citizens believed in this propaganda because it was served up to them daily in all forms and shapes.

It is a wonder to me that more people were not fooled into believing in the ruination of this country. It is a wonder to me that all the business men of the country did not see red over their morning newspapers. It is a wonder to me that not more taxpayers and business men were deceived by the prediction of financial disaster which was the incessant motif of these inspired articles.

The truth is, and can not be denied, that a few days after the enactment of the 20-year endowment insurance bill over the presidential veto and the passage of the Simmons tax reduction bill, reducing taxes $22,000,000 more than proposed under the Mellon program, the price of Liberty bonds recorded a new high for all times, the rate of interest remain the same, and the security market went up a few points. Now, after the enactment of both these bills, comes the astounding assurances from Senator SMOOT, chairman of the Senate Finance Committee, and Representative GREEN, chairman of the Ways and Means Committee, that there will be a surplus after all. Mr. GREEN puts the surplus for June 30, 1925, as high as $138,000,000 after making deductions for both these bills, and Senator SMOOT, who has always opposed adjusted compensation, admits there will be a surplus after all. What becomes of Secretary Mellon's prediction and his statement that if the adjusted compensation bill was passed there could be no tax reduction for another generation.

The Members of Congress who voted to override the presidential veto knew the facts, but the public, that defends for its information on the metropolitan press, did not have any means to know the truth, and are only just waking up to the fact that it has been purposely deceived, or, in well-known slang, bunkoed.

The fact is that the Members of Congress who voted for the adjusted compensation bill have been crucified on a cross of falsehoods and malicious propaganda for selfish purposes. The battle to keep the faith with our veterans has been won in spite of every kind of false and malicious propaganda. The people of America who were deceived by these attacks owe a debt of gratitude to the Members of Congress who stood by their guns in spite of all kinds of pressure and threats, and once again proved by their votes that this is a grateful Republic. Five years after the armistice, in spite of the promises and pledges made by the American people during and after the war, we were urged to plead poverty to escape an obligation that has been recognized and fulfilled by every one of the Allies during the World War, and partly with the money we loaned them. Both parties have pledged adjusted compensation to the veterans of the World War.

Former President Harding in a speech prior to his election stated that he was for adjusted compensation and he only vetoed the Fordney-McCumber bill for a reason which proved to be false. He was informed by Secretary Mellon that there would be a deficit of $600,000,000 in the Treasury on June 30, 1923, but it turned out instead that there was a surplus of $329,000,000. On June 30, 1924, according to Secretary Mellon himself, there will be a further surplus of $370,000,000 in the Treasury.

This bill is based on sound business and insurance principles, and without hampering business fulfills a pledge given during and after the war by the American people. It is nothing but a simple act of justice and recognition of the services of these men during the war. It is not a complete adjustment of compensation based on the difference of wages paid back home and the pay of the soldiers, as that would amount to $30,000,000,000. This bill will cost eventually about $2,000,000,000, or about half the cost of the Fordney-McCumber measure, which President Harding vetoed.

It carries out a continuous policy from Revolutionary days.

We adjusted the compensation of Washington, of Lafayette, of Steuben, and of all the soldiers and officers. It is an American policy; it is a sound policy; and it is a policy to which we have pledged ourselves individually and collectively.

Congress adjusted the payments of the war contractors, the railroads, and the munition makers, and in one day passed the Dent bill, appropriating $3,200,000,000 for the adjustment of business claims. I do not propose to discriminate in favor of everyone as against the soldiers, nor do I propose on this question to march up the hill and then down again. The whole trouble is that we did not meet it when we should have, five years ago, and given $300 to every soldier that was honorably discharged. We are now simply doing what we should have done five years ago by giving them partial adjusted compensation as the grateful act of a grateful Republic and the consummation of a debt of honor.

The bill is designed to be a simple act of justice built on solid insurance and business principles. It is brief, clear, and readily understandable to all who read, and should be acceptable to the veterans, the public, and to the taxpayers. Without desiring to go into the detailed merits of the bill I take this opportunity to state 14 points without fear of contradiction:

(1) No cash payment involved except under $50.

(2) Provides substantial insurance policies for living and for beneficiaries of those who have died since discharge.

(3) Appropriation spread over 20 years. Average, slightly over $100,000,000.

(4) Will not hamper business, harm economic stability, or effect price of Liberty bonds.

(5) Total cost less than cost to our Government of two months of war if it had continued based of General Staff figures of $44,000,000 a day.

(6) Reduction in annual naval appropriations resulting from Washington Limitation of Armaments Conference approximates $300,000,000, or almost three times the yearly cost of proposed 20-year endowment insurance.

(7) Forty-five per cent of cost estimated by President Coolidge of so-called Legion bill, without deducting 15 per cent estimated number who would not apply, which would reduce it to 39 per cent.

(8) Total yearly cost of $30,000,000 less than the annual interest being paid on English debt.

(9) Proposed reduction in Government expenditures in two and a half times the yearly cost of the bill. Reductions recommended by President Coolidge in recent Budget message amounts to $260,000,000—probable reduction by Congress much greater.

(10) Fulfillment of obligation and promises made during and immediately after the war, in recognition of services during the war.

(11) A proper adjustment of compensation.

(12) Insurance for national defense.

(13) Promotion of Americanization and national contentment.

(14) An expression of gratitude by a grateful Republic. The consummation of a debt of honor.

REVIEW OF THE HISTORY OF ADJUSTED COMPENSATION

1919

January to November: Nation's debt to ex-service man generally recognized. Fifty-six adjusted compensation bills introduced in Congress designed to right economic balance between man who fought and man who stayed at home and reaped rewards of war-time industry.

November 10–12: The American Legion, at its first national convention at Minneapolis, goes on record in favor of adjusted compensation, but "leaves with confidence to the Congress the discharge of this obligation"; that is, expresses no preference in favor of any of the 56 bills.

1920

February 10: National legislative committee of the Legion in special session declares that veterans feel themselves entitled to $50 a month, payable in Government bonds. Special committee is appointed to work out details of a bill, in response to requests from leaders in Congress desiring Legion to give some definite expression of veterans' desires, Congress being in a quandary with its 56 bills.

March 2: Legion's special committee, after canvass of veteran sentiment, decides that a bill which would meet approval

of a majority of veterans should give veteran option of taking his compensation in form of land settlement, home or farm aid, vocational training, or cash payable in bonds. The committee drafts such a bill.

March 19–22: National executive committee of Legion approves fourfold bill drafted along above lines. This bill is introduced in the House. Subsequently a fifth option is added, giving veterans an opportunity to take their compensation in the form of 20-year paid-up endowment insurance policies. Rate of compensation is fixed at $1 a day for home and $1.25 a day for foreign service, with maximums of $500 for all home and $625 for home and foreign service combined.

May 29: House of Representatives passes fivefold bill, 289 to 92. The bill is sent to the Senate and referred to the Finance Committee, where it remains when Congress adjourns a few weeks later. Large financial and industrial interests revealed as the principal opponents of the bill.

September 27–29: Fivefold bill indorsed by second national convention of the American Legion at Cleveland.

September 30: Senator Harding, a candidate for President, declares in favor of adjusted compensation, saying the bill before Congress should pass.

1921

June 20: Senate Finance Committee favorably reports fivefold bill.

July 5: By a vote of 46 to 4 the Senate makes the bill unfinished business, by which action the bill can not be displaced from the calendar without a record vote. This is a severe blow to the opposition, which works for delay.

July 6: Secretary of the Treasury Mellon sends the Senate a letter urging that the bill be beaten, asserting its passage would impose intolerable burdens on Treasury.

July 12: Mr. Mellon's letter does not have the effect intended. The compensation forces in the Senate stand firm, ready to pass the bill. Accordingly Mr. Harding appears before the Senate and asks them to send the bill back to the Finance Committee. His argument is that the Treasury can not stand the strain. The bill is recommitted by 47 to 29 votes, where it dies when Congress adjourns.

October 31–November 2: Adjusted compensation bill again indorsed by Third National Convention of the American Legion at Kansas City.

December 5: Congress reconvenes and five-fold bill is reintroduced.

1922

February 2: Secretary Mellon appears before House Ways and Means Committee and argues against the bill, saying its passage would embarrass the Treasury, because the Government was running at a loss and the deficit for the fiscal year of 1922 would be $24,000,000 and for the fiscal year of 1923 $167,000,000.

February: After a series of conferences between House leaders, Legion officials, and the President, to meet the President's wishes the cash feature of the bill is restricted to veterans who would be entitled to $50 or less. Arrangements are made for borrowing on the insurance certificates provided in the measure. Later the land-settlement provision is dropped from the bill. This leaves three options in the bill—home and farm aid, vocational training, paid-up insurance.

March 7: Secretary Mellon, Comptroller Crissinger, and Governor Harding of the Federal Reserve Board appear before the House Ways and Means Committee and urge defeat of the bill.

March 23: Bill passes House, 333 to 70. Fight for action in the Senate begins forthwith. The opposition strives to delay action.

June 30: Treasury statement at end of fiscal year shows surplus of $313,000,000 as against deficit of $24,000,000 predicted by Mr. Mellon in his arguments against the bill three months before. Amount of Mr. Mellon's incorrectness, $337,000,000.

August 31: Bill passes Senate, 47 to 22.

September 16: Bill goes to President.

September 18: Heads of 12 nationally known veterans' organizations, dating from Civil War down, call on President and urge him to sign bill.

September 19: President Harding vetoes bill, saying country can not afford it. In his veto message the President quotes Secretary Mellon's estimated deficit for fiscal year ending June 30, 1923, would be $650,000,000.

September 20: House of Representatives passes bill over President's veto, 258 to 54. Senate votes 44 to 28 to sustain veto; 4 short of the two-thirds required to nullify the President's action.

October 16–20: Fourth national convention of the American Legion at New Orleans again indorses adjusted compensation bill as vetoed by President and instructs newly elected national commander to fight for its enactment into law.

November 20, 1922, to March 4, 1923: Special session of Congress called to enact ship subsidy bill. This bill passes the House, but a filibuster develops against it in the Senate and holds up all legislation until ship subsidy is abandoned. This makes consideration of adjusted compensation a legislative impossibility.

1923

June 30: Annual Treasury report shows a surplus of $310,000,000 for fiscal year of 1923. To support President Harding's plea of national poverty the Secretary of the Treasury nine months before had predicted a deficit of $650,000,000. Amount of Mr. Mellon's incorrectness in this instance was $960,000,000.

March to October: Legion's national legislative committee lays plans for a finish fight in 1924. At the elections in November, 1922, a few weeks after Mr. Harding's veto, most of the candidates for the Senate and House who opposed adjusted compensation were defeated and most of those who favored it were elected. The friends of compensation have sufficient majorities in both Houses to pass a bill over a presidential veto. The opposition also lays its plans, which plans are carefully studied by the Legion. The fact that the opposition, actively supported by big business, would invoke the tax-reduction issue is anticipated.

October 15–19: Adjusted compensation bill again reindorsed by fifth national convention of the American Legion at San Francisco.

November 12: Secretary Mellon launches the campaign of the opposition, announcing that income taxes can be reduced if the adjusted compensation bill is beaten.

1924

November 12, 1923, to February 1, 1924: First phase of the final campaign opens. It is the opposition's inning. The most remarkable demonstration of organized propaganda Congress or the country has ever seen is unloosed by big business in favor of the Mellon plan, the slogan of which is "Bonus or tax reduction—which?" A barrage of letters and telegrams for the Mellon tax plan and against compensation all but smothers Congress. The anticompensationists are jubilant.

February: The Legion picks the psychological moment and launches its counterattack. The anticompensation propaganda is exposed as the manufactured clamor of the big interests. It is shown that employees of large firms were obliged to write their Congressmen to vote against adjusted compensation. It is shown that the Secretary of the Treasury has distorted figures. It is shown that Big Business is behind virtually every effort directed against the bill, denials notwithstanding. The Legion's case is so complete that President Coolidge himself, who early in the fight had come out against adjusted compensation, is moved to repudiate some of the methods of the anticompensationists which the Legion exposed. In a month the opposition's front, built up at a cost of millions of dollars, crumbles. House votes tax reduction.

March 18: Adjusted compensation bill passes House, 355 to 54. The vocational training and farm and home-aid options are eliminated, the insurance provision alone remaining, but provisions added calling for cash payments to deceased veterans' dependents.

April 23: Senate votes down cash option; passes insurance bill by vote of 67 to 17.

May 15: President Coolidge vetoes bill.

May 16: House repasses bill over veto, 313 to 78.

May 19: Senate repasses bill over veto, 59 to 26.

The victory is won.

NAVAL APPROPRIATION BILL FOR 1925

Mr. BLACK of New York. Mr. Speaker, the heaviest obligation on the Congress under all mandates of common sense as well as under the explicit directions of the Constitution is to provide adequately for the common defense.

At no time in our history has this obligation been more pressing than the present. We are rich at the expense of the armed world; we are torn with cross currents of racial, religious, and sectional prejudices; we are indulging a fetish of false economy that would knock the props from under government. Germany was charged with trying to influence American thought in Germany's favor in the war. English agencies in America are trying to divide American thought against Americans.

The disarmament conference of 1921 indicated the probable lines of the next war. It was thought that we should have an equality with England and a superiority over Japan. The

American people thought such was the result of the conference. The American representatives offered a plan of disarmament based on tonnage, with little regard to other features of naval strength. For instance, they gave no thought to the fact that England's Navy could fight us at its full strength, for the German Navy is no longer a menace to England, and the English fleet has been freed to attack. Our Navy would have to protect our tremendous coast lines of North and South America, if the Monroe doctrine is to carry other than a theoretical sanction.

It is useless just now to depend on international courts. The public thought of America is against our submitting to an international jurisdiction. When we are ready to accept such cooperation in the name of justice and peace we will be ready not only to accept the court but its physical accessories in the form of an international police superior in power to any nation. Nobody wants a court to give an academic decision; the great desideratum is not the decision but the action of the sheriff on on the decision. If your neighbor trespasses on your property, you do not want the court to say to him, "Mr. Jones, you ought to stay off Mr. Smith's property"; you want to have the court say, "Sheriff, if one John Doe Jones trespasses on the property of Richard Roe Smith, I order you to lock up said Jones." So all the talk of an international court without force in back of it would be childish, if it were not the expression of the knavery of international political deceit.

America's policy under present conditions had best be:

Love many—trust few;
Always paddle your own canoe.

The disarmament conference itself demonstrated the international bad feeling. All the delegates were maneuvering to secure war-time advantage for their respective countries. The nations avidly seized upon America's invitation to disarm, and they disarmed America. We were well on our way to lead the world in capital ships, and we agreed to cut down our capital ships to an equality tonnage basis with England. The following table indicates the comparative pre-conference and post-conference capital-ship strength of Great Britain, America, and Japan:

*Capital-ship strength*

| | Pre-conference | | Post-conference | |
|---|---|---|---|---|
| | Number | Tonnage | Number | Tonnage |
| United States | 33 | 1,118,650 | 18 | 500,650 |
| Great Britain | 26 | 752,450 | 22 | 580,450 |
| Japan | 16 | 545,278 | 10 | 301,320 |

Tonnage should not have been the basis of the reduction, for while we had been superior in tonnage England and Japan were left with certain advantages in the matter of speed:

*Speed of capital ships of United States, Great Britain, and Japanese navies*

| UNITED STATES | Knots |
|---|---|
| Florida | 22.08 |
| Maryland | 21.76 |
| New York | 21.47 |
| California | 21.46 |
| Idaho | 21.29 |
| Wyoming | 21.22 |
| Mississippi | 21.09 |
| New Mexico | 21.08 |
| Arkansas | 21.05 |
| Texas | 21.05 |
| Pennsylvania | 21.05 |
| Tennessee | 21.01 |
| West Virginia | 21.00 |
| Colorado | 21.00 |
| Arizona | 21.00 |
| Oklahoma | 20.58 |
| Nevada | 20.53 |
| Utah | 21.04 |
| GREAT BRITAIN | |
| Renown | 31.5 |
| Repulse | 31.5 |
| Hood | 31.0 |
| Tiger | 30.0 |
| Malaya | 25.0 |
| Valiant | 25.0 |
| Barham | 25.0 |
| Queen Elizabeth | 25.0 |
| Warspite | 25.0 |
| Royal Sovereign | 23.0 |
| Royal Oak | 23.0 |
| Revenge | 23.0 |
| Resolution | 23.0 |
| Ramillies | 23.0 |
| Benbow | 21.0 |
| Emperor of India | 21.0 |
| Iron Duke | 21.0 |
| Marlborough | 21.0 |
| Thunderer | 21.0 |
| King George V | 21.0 |
| Ajax | 21.0 |
| Centurion | 21.0 |
| JAPAN | |
| Kongo | 27.5 |
| Hiyei | 27.5 |
| Haruna | 27.5 |
| Kirishima | 27.5 |
| Mutsu | 23.0 |
| Nagato | 23.0 |
| Hulga | 23.0 |
| Ise | 23.0 |
| Yamashiro | 22.5 |
| Fu-So | 22.5 |

The only reason the other countries were ready to do business on disarmament reduction was because of our great tonnage. We reduced that and received no consideration in return except England's and Japan's agreement that in tonnage of capital ships they would not go beyond certain ratios. America had the money to keep up its capital ship strength and they did not. The total wealth of the United States as compared with the United Kingdom and Japan is shown in the following table, giving the pre-war and post-war figures:

*Pre-war and post-war money value of the wealth of the 5-5-3 nations*

| Nation | 1912 | 1922 |
|---|---|---|
| United States | $186,299,664,000 | $320,803,862,000 |
| United Kingdom | 70,500,000,000 | 120,000,000,000 |
| Japan | 11,700,000,000 | 22,500,000,000 |

Having agreed on capital ship reduction, on the reduction of the American Navy, the conference adjourned with little else to its credit.

Our representatives should have forced a general disarmament, for navies fight in aggregates, not in classes. Our battleship strength rests not only on the battleship strength of other countries but on their strength in auxiliary craft. Great harm was done America when the conference adjourned without providing for a general reduction. Were it not for the so-called American plan of tonnage reduction which we foolishly offered and the other nations wisely accepted we should not now be a second-class naval power. As Mr. Archibald Douglas Turnbull, writing in the Current History Magazine of March, 1924, states:

The United States, judged by its naval status, is to-day a second-class power. It has been pointed out by scores of authorities, both ancient and modern, that foreign trade is a vital essential of any nation's existence as a world power; it has been demonstrated that foreign trade can not live without an adequate navy; the inference is obvious. What, then, is the condition of the United States Navy to-day? It has abandoned its naval building program of capital ships; it has surrendered the command of the Pacific; and it has destroyed certain units of its fleet. This fleet now has its full international allowance of capital ships, but many of them not fully modernized. It has one-third of its destroyers. It has a fraction of its allowance of submarines and about one-half its aircraft. It has a percentage of its fuel supply for training its ships and its men. Its personnel is at about two-thirds of adequate strength. From all of which it seems that the United States, after lifting its voice to avert war, has been content to destroy the power which alone could make that voice carry.

That the spirit of the Disarmament Conference was not idealistic and altruistic, but was infernally practical and selfish, can best be proved by the action of Great Britain and Japan in taking advantage of the loopholes left by the conference. Comparative tables of the postconference and preconference cruiser and submarine strength indicated their cleverness. They wanted us to cut down battleships. England wanted to keep cruisers, and Japan to build submarines.

The evidence against Great Britain and Japan is found in these tables showing preconference and postconference strength of cruisers and submarines of United States, Great Britain, and Japan, as shown in an article by William Howard Gardiner in the American Review of Reviews, March, 1924.

*Cruisers*

| | United States | | Great Britain | | Japan | |
|---|---|---|---|---|---|---|
| | Number | Tonnage | Number | Tonnage | Number | Tonnage |
| Preconference | 10 | 75,000 | 52 | 274,020 | 21 | 106,680 |
| Postconference | None. | | None. | | 8 | 70,000 |
| Present total | 10 | 75,000 | 52 | 274,020 | 29 | 175,680 |

*Submarines*

| | United States | | Great Britain | | Japan | |
|---|---|---|---|---|---|---|
| | Number | Tonnage | Number | Tonnage | Number | Tonnage |
| Preconference | [1] 99 | 76,388 | 41 | 47,130 | 52 | 46,488 |
| Postconference | None. | | None. | | [2] 22 | 28,165 |
| Present total | 99 | 76,388 | 41 | 47,130 | 74 | 74,653 |

[1] Old type.
[2] Modern type.

Mr. Gardiner in this article, "Naval fleet ratios," states of the conference:

* * * The net result of all of this was that where the United States had sought a comprehensive limitation of fleets, it secured the limitation only of capital ships and of aircraft carriers, leaving all powers free to build as large a number and volume of cruisers, flotilla leaders, destroyers, submarines, etc., as each might choose. And this fraction of success, that involved the destruction of the better half of the American capital fleet, the United States was oblized to purchase by further agreeing to hold in their inadequate status quo our insular fortifications and naval bases west of the Hawaiian Islands and Alaska as by Article XIX of the naval treaty.

We are trying to build up our cruiser strength by the naval bill. We realize that the rules of the House require this preliminary legislation to the appropriation. It is to be regretted that parliamentary practice prevents our immediate building of warcraft, and I respectfully submit that a book of rules is a feeble defense against big guns. The naval bill does not build, but simply permits a subsequent Congress to appropriate for building.

Cruisers are very necessary to our growing merchant marine, which has effectively challenged England's commercial maritime supremacy. Speedy cruisers with long-range guns can best protect our investment on the high seas, which in due time will mean so much to America's prosperity.

Our crying need is coast-line protection, and in that we are sadly deficient. Submarines are needed. Japan is building 22 fleet submarines under German expert instruction. We have been building three fleet submarines since 1916—and the appropriation bill provides for a mine-laying submarine. There is a test of cruiser type submarine by the naval appropriation act under favorable conditions.

Submarines demonstrated their efficiency in the war. This is graphically pointed out in a statement given to the press on November 20, 1915, by the Hon. Claude Kitchin, as follows:

* * * England has a navy two and one-half times as strong as that of Germany. England and France has a fleet more than three times as strong as that of Germany. Take a map and you will see that the German seacoast on the North Sea is practically at the head of the English Channel, within less than 300 miles of London, and has several miles of seacoast along the Baltic. The bulk of the English and French fleet is now, and has been, within less than a day's run of the German coast. If England could bombard or land on the coast of Germany, on the North Sea or on the Baltic Sea, the war would end in 60 days. Germany would have to withdraw from France to protect her own soil. Why does not the fleet of the Allies, nearly four times as strong, go in and destroy the little fleet of Germany, bombard her seacoast at once, land an army, etc.? Certainly not because of a little German fleet already bottled up, one-fourth as large, but because of mines and submarines. Now, look at the map again and see how the Russian coast and the German coast compare and how they adjoin along the Baltic Sea. Germany has control of the Baltic, even against the fleet of the Allies. Germany has a fleet four times as large as that of Russia. What keeps Germany away from the Russian coast? Why doesn't Germany, with a fleet four times as strong, destroy the Russian fleet, bombard her seaport towns, and land an army? If she could do this the war would end in 60 days.

Russia would be forced to a separate peace in spite of her agreement with the Allies. Certainly it is not the little one-fourth size fleet she has but because of mines and submarines. If Germany, with her fleet not one-third as strong as that of the Allies, does not fear the bombardment of her coast or the landing of an army by the Allies, when within less than 200 miles, and if Russia, with her little fleet one-fourth as large as that of Germany, is not afraid of Germany bombarding her coast and landing an army on her shores, why in the name of common sense should any man, woman, or child in the United States fear that Germany or any other nation can ever get within gun reach of our shores or land an army on our coast, when they are over 3,000 miles away, provided we are equipped with mines and submarines?

But in this most powerful arm of defense, we have been weakened by parsimony and indecision. The House refused to accept my amendment for three more submarines to be built immediately. However, the Senate, under the inspiration of the Shearer articles in the New York Times, provided for the one mine-laying submarine under the 1916 authority.

The administration has scrapped our Navy not in the interests of peace but in the interest of politics. It destroyed our battleships by the conference and gives us a bill authorizing the building of eight cruisers at some future time. The chairman of the subcommittee in charge of naval appropriations admitted that our Navy needed auxiliary craft to maintain its relative strength, but also confessed that his subcommittee had not done all it could in this line under existing authority.

The Republican Executive sees that we scrap battleships while England and Japan is permitted to grow strong in craft that we have not, because the administration did not insist on a comprehensive disarmament conference. The Republican Congress, realizing our present deficiencies, think to satisfy this defect by legislation, and refuses to meet the situation by appropriation and construction.

THE REVENUE BILL

Mr. WEAVER. Mr. Speaker, the question of taxation is as old as organized society. It has vexed all governments in all civilized ages. Since the organization of society the question of a fair distribution of the burden of taxation has been difficult of solution. The Master Himself, on His way to Golgotha, was annoyed by His persecutors with the question, "Is it lawful to pay tribute to Cæsar?" At that time it is evident that the question upon whom the burden should rest was acute in the public mind.

I think that the very rich men of this country, those whose net incomes run into the hundreds of thousands and millions of dollars a year, who the gentleman from New York [Mr. MILLS] states have become inveterate tax dodgers, might well reflect upon the reply by the Master to this question by his tormentors. The gentleman from New York has told us bluntly that men who through the accumulation of their wealth have come into excessively large incomes have by every means found available eluded the payment of their taxes so necessary to take care of the great burden of indebtedness left from the war.

It is no purpose of the Democratic Party through the policy relating to tax reduction adopted by it to tax wealth merely because of a desire to punish wealth. The underlying principle of the Democratic scheme is that the great burden of taxation now resting upon the people should be borne justly by those who are able to pay, and should rest more lightly upon the masses of the people who through their daily struggle to live are constantly contributing to the wealth of the great industries of the Nation.

Mr. Mellon has told us repeatedly that the war is over and it is now necessary to return to a peace-time basis of taxation. We are anxious to return to the lowest possible tax burden that can be imposed. But, from the standpoint of taxation, is the war over? It is true that the fighting has ceased and that our soldiers have done their part. It is true that the boys gathered from the fields and farms of the Nation by their heroic services have ended the actual conflict. The guns of the Argonne are silent. The sacrifices and heroic courage of the American soldier have made it no longer a possibility that the rude hand of German tyranny may levy tribute upon American wealth or interfere with the growth of American industry. It is estimated that American wealth has grown since the beginning of the Great War from an estimated $186,000,000,000 to almost $350,000,000,000. But while all this is true we are left as a Nation with a very large and a very definite burden of indebtedness. The indebtedness of the United States is now, in round numbers, about $23,000,000,000.

The interest alone on this debt approximates a billion dollars a year. In addition to this we have other obligations which must be met. We are paying in compensation and hospitalization and other expenses for the wounded and the sick left from the World War about $600,000,000 annually. Government expenses as a whole have increased until now in order to balance our Budget it is necessary to raise by the tax bill about $3,500,000,000 a year. The problems of tax reduction, whether proposed by Mr. Mellon or by the Democratic leadership, should be considered with a view to the problems we must meet.

I think too little attention has been given to this fact in the discussion of the Mellon plan or any other plan of tax reduction. None of us are for taxation. We would like to abandon it. We know that it hampers business. We know that it is a drag upon the initiative of men, but somebody must

pay the taxes that are still necessary, and unless those who have it are willing to pay I do not know from what source it will be raised. The Mellon tax plan, for which so much propaganda has been distributed, and which is claimed to be the only scientific plan, proposed to cut in half, to reduce by 50 per cent, the surtaxes upon the large income-tax payer, while giving a modicum of relief to the millions of small incomes. The Democratic plan and that embodied in the bill now adopted by the Congress gives the greater reductions upon the millions of men and women having the smaller incomes, but at the same time giving at least 20 per cent to 25 per cent reduction, or reducing by at least one-fifth or one-fourth the income taxes of the very largest income-tax payers. Under the Mellon plan 21 men, with net incomes of $1,000,000 and above, would secure a tax reduction of $11,364,807. Under the Garner plan these same 21 individuals would have had their taxes reduced about $6,000,000, but Mr. Mellon and the President insist that it is totally uneconomic not to give the entire $11,000,000 reduction to these 21 men.

Before discussing the relative merits of the two plans known as the Mellon plan and the Garner or Simmons plan, there should be a clear understanding as to what is meant by net income. Before arriving at the net income, under the law the taxpayer is first entitled to deduct his exemptions. If the taxpayer is a married man he will be entitled to an exemption of $2,000, under the Mellon plan, with certain allowances for dependent children. Under the Garner plan it was proposed to make this $3,000, but under the Simmons plan as embraced in this conference report, the exemption is placed at $2,500, with certain allowances for dependent children. In addition to these exemptions the taxpayer is permitted to charge out of his gross earnings, in order to arrive at his net income, all of the cost of the operation of his business, including wages, salaries, taxes, repairs on buildings, and other items that may be considered in any sense a cost of operation, even including indebtedness which has become incollectible. So that a net income is that residue of undisputed earnings left after the payments of all possible operating expenses. It ought to be clear, therefore, that a man whose clear net income runs into the large figures, upon which Mr. Mellon has centered his interest, has ability to bear these expenses of his Government, and that any tax schedule is not unjust which recognizes this ability to pay. When the emergency was greatest the maximum surtax went as high as 65 per cent, but immediately after the war, in order to relieve this excessive burden, the surtax was reduced to 50 per cent without any proportionate reduction upon the smaller taxpayers. In addition to this, the Congress has heretofore stricken from the tax bill the excess-profits tax on corporations, amounting to $450,000,000 annually, without relief to the smaller taxpayers. It now develops that we will have a surplus of about $300,000,000 and that taxes can again be reduced, and Mr. Mellon proposes again to give the benefit of this reduction to the large taxpayers without concern to the smaller. The following table, taken from the statistics of incomes from returns of net incomes for 1921, compiled by the income tax department, show the number of persons making income-tax returns.

*Personal returns—Simple distribution by income classes*

[Income returned for the calendar year ended December 31, 1921]

| Income class | Returns, simple distribution, number in each class | Net income, simple distribution, amount in each class |
|---|---|---|
| Under $1,000 | 401,849 | $213,849,934 |
| $1,000 to $2,000 | 2,440,544 | 3,620,761,768 |
| $2,000 to $3,000 | 2,222,031 | 5,325,931,265 |
| $3,000 to $4,000 | 702,991 | 2,405,013,063 |
| $4,000 to $5,000 | 369,155 | 1,649,878,181 |
| $5,000 to $6,000 | 137,191 | 748,709,713 |
| $6,000 to $7,000 | 86,030 | 555,891,193 |
| $7,000 to $8,000 | 58,760 | 438,799,338 |
| $8,000 to $9,000 | 40,156 | 340,281,149 |
| $9,000 to $10,000 | 31,110 | 295,077,844 |
| $10,000 to $11,000 | 23,416 | 245,413,518 |
| $11,000 to $12,000 | 18,743 | 215,275,154 |
| $12,000 to $13,000 | 14,887 | 185,807,937 |
| $13,000 to $14,000 | 12,575 | 169,623,679 |
| $14,000 to $15,000 | 10,393 | 150,654,635 |
| $15,000 to $20,000 | 34,230 | 587,887,974 |
| $20,000 to $25,000 | 18,100 | 403,493,309 |
| $25,000 to $30,000 | 10,848 | 296,152,625 |
| $30,000 to $40,000 | 12,047 | 414,214,285 |
| $40,000 to $50,000 | 6,051 | 269,262,395 |
| $50,000 to $60,000 | 3,431 | 187,484,667 |
| $60,000 to $70,000 | 2,240 | 144,436,181 |
| $70,000 to $80,000 | 1,423 | 106,389,373 |
| $80,000 to $90,000 | 957 | 80,965,747 |
| $90,000 to $100,000 | 666 | 62,954,250 |
| $100,000 to $150,000 | 1,367 | 163,520,999 |
| $150,000 to $200,000 | 450 | 77,435,517 |
| $200,000 to $250,000 | 205 | 45,684,970 |

*Personal returns—Simple distribution by income classes*—Continued

| Income class | Returns, simple distribution, number in each class | Net income, simple distribution, amount in each class |
|---|---|---|
| $250,000 to $300,000 | 84 | $22,827,560 |
| $300,000 to $400,000 | 98 | 33,411,137 |
| $400,000 to $500,000 | 64 | 27,931,413 |
| $500,000 to $750,000 | 46 | 28,418,867 |
| $750,000 to $1,000,000 | 17 | 14,361,559 |
| $1,000,000 to $1,500,000 | 12 | 12,844,170 |
| $1,500,000 to $2,000,000 | | |

Including all classes from incomes of $1,000 to $1,000,000 and over, the total of persons making returns is 6,662,176. This number of persons therefore are obviously involved and interested in the subject of income-tax reduction. The number of persons paying incomes on amounts from $100,000 to $1,000,000 and over, with whom Mr. Mellon seems mostly concerned, are in number 2,289. In classes ranging below $100,000 we have a total of 6,659,887. These will be more largely benefited by way of reduction in their taxes by the Democratic schedules. To reduce by 50 per cent the taxes on the small number of large taxpayers is scientific, according to the Mellon plan and the widely distributed propaganda in its favor. To give the larger proportionate reductions to the more than 6,000,000, while at the same time giving a substantial reduction to the large income-tax payers, according to the same propagandists, is wholly unscientific and ought to be rebuked by the American people.

Mr. Mellon's objective, and his sole objective, has been to effect this 50 per cent reduction on the very large income taxes. For this he has been willing to sacrifice every other consideration. He and those who think with him have approached this objective indirectly and by every sort of specious argument and by the dissemination of many economic fallacies.

He told the people of the country that there could be no tax reduction if the so-called bonus bill for adjusting compensation to the soldiers was passed, but on the morning after the passage of the bill, in an interview in the Washington Herald, he admitted that the bonus could well be taken care of without business depression, and that the actual surplus for the fiscal year would be nearer four hundred million instead of three hundred and twenty-three million. And Senator SMOOT admitted that the tax bill containing the Simmons amendment would yield revenue for the next fiscal year to meet Government needs, to pay the money necessary for the bonus, and leave a surplus of at least $2,000,000, and that for the next fiscal year the reduction in taxes would amount to more than $400,000,000.

Another matter to which I wish to call attention is that while under the Garner plan the maximum surtax would have been 44 per cent and under the Simmons plan the maximum surtax is 40 per cent and under the present law is 50 per cent, actually the taxpayer does not pay 50 per cent at present nor will he pay a total of 40 per cent under the Simmons schedule. This is due to the fact that the amounts named are maximum amounts and that surtaxes are graduated under the present law from $6,000 to $200,000, and under the Simmons plan from $10,000 to $500,000. For instance, under the bill now in force the maximum surtax is 50 per cent and the normal tax is 8 per cent. Mr. Mellon and President Coolidge himself have referred to the fact that 58 per cent of the net incomes of the taxpayers would be taken by the Government. As a matter of fact, let us take a person who pays tax upon an income of $100,000. He pays his normal tax of 8 per cent. This normal tax is, of course, under the law payable upon all incomes subject to taxation at all. The surtax is payable only upon amounts above $6,000 and is graduated from 1 per cent up to 50 per cent upon successive amounts of income, so that the taxpayer only pays the sum of all the brackets, as they are termed, from 1 per cent to 50 per cent. In the case of an income of $100,000, under the present 50 per cent surtax law, the tax would be about $30,000. If this income was derived from dividends from corporations, the normal tax is not paid. This is due to the fact that the corporation pays a 12½ per cent tax upon its net earnings. Therefore in the case mentioned you would deduct the 8 per cent normal tax, leaving the actual tax in that instance paid on a net income of $100,000 at about $24,000. There is a wide difference between this and the $58,000 mentioned by Mr. Mellon. Under the Mellon plan it has been popularly supposed that a net income would bear a tax of 25 per cent, the maximum surtax under the Mellon plan, plus 6 per cent, the normal tax provided under the Mellon plan. But take, again, an income of $100,000. Actually, under the Mellon plan, the taxpayer would be required to pay about 19 per cent, and if derived from divi-

dends paid by a corporation the normal tax of 6 per cent would be deducted, leaving a total tax upon an individual income of $100,000 of about 13 per cent, or $13,000. The Garner plan proposed a maximum surtax of 44 per cent up to $100,000 and above. The following table shows what would have been paid upon incomes ranging from $5,000 to $1,000,000 under the Mellon plan and under the Garner plan:

| Net income | Present | Mellon | Garner |
|---|---|---|---|
| | *Per cent* | *Per cent* | *Per cent* |
| $5,000 | 2.00 | 1.50 | 0.80 |
| $10,000 | 5.20 | 3.60 | 2.80 |
| $20,000 | 8.60 | 6.30 | 5.40 |
| $30,000 | 11.73 | 8.87 | 7.93 |
| $40,000 | 14.60 | 11.35 | 10.45 |
| $50,000 | 17.28 | 13.36 | 12.96 |
| $60,000 | 19.00 | 14.94 | 15.47 |
| $70,000 | 22.49 | 16.34 | 18.27 |
| $80,000 | 25.05 | 17.60 | 21.11 |
| $90,000 | 27.60 | 18.76 | 23.88 |
| $100,000 | 30.14 | 19.84 | 26.47 |
| $150,000 | 38.76 | 23.56 | 34.31 |
| $250,000 | 46.26 | 26.54 | 40.59 |
| $500,000 | 52.12 | 28.77 | 45.29 |
| $1,000,000 | 55.06 | 29.88 | 47.64 |

The schedule as finally adopted by the Senate embracing the Simmons schedule would reduce the figures proportionately, as the surtax under the Simmons plan is only 40 per cent on the excess above $500,000. The above table also shows the difference in effect between the Mellon plan and the Democratic plan and the present law. The larger proportionate reductions are given upon the smaller incomes under the Democratic plan.

Again it has been industriously circulated by the advocates of the Mellon plan that the reduction of taxes upon net incomes, and especially the larger net incomes, would reduce the cost of living to the workingman and the consumer generally. It has been contended that these taxes were added directly to the cost of production, and that in order to bring down the prices of things that are ordinarily consumed it is necessary to reduce the surtaxes. This will bear investigation.

Undoubtedly taxes as an economic fact are considered in production cost. Excise taxes are directly added. Taxes upon business are added, including all ad valorem taxes. Wages and salaries are, of course, necessarily included. But the payment of an income tax—that is, a tax upon the net annual income—is in this respect unlike other taxes. In the first place, an income tax is not paid until the year following that in which it is earned. For instance, between January 1, 1924, and March 15, 1924, an individual is required to list his income, showing the net income earned during the year of 1923. To have added it to the cost of any article sold in business during that year would have been a sheer impossibility, for the very simple reason that the tax could not be determined until after the end of the year in which the business was done.

In fact, I am strongly convinced that the very desperate effort made to reduce surtaxes upon large incomes is due to the fact that these taxes can not be passed on to the consumer. The exorbitant tariff taxes levied under the Fordney-McCumber bill are estimated to place a burden, in the way of additional cost to the American consumer, of between three or four billion dollars. These tariff taxes are determined before the article is sold and added to its price and transferred directly to the backs of the consumer. There is no demand from those who are benefiting to-day from these tariff taxes for any reduction in aid of business and to aid the workingmen and benefit the consumer. The protected industries are making their large incomes to-day through the aid of these tariff impositions. They pass them on to the people and are now clamoring to be relieved from surtaxes upon incomes of excessive amounts derived from this source, and if with equal facility they could pass these surtaxes to the consuming public, Mr. Mellon and his propagandists would not be so agitated over income taxes. I herewith submit a table that is worthy of analysis. It is taken from the Statistics of Incomes for 1921, compiled by the Treasury Department.

*Distribution of personal income, by sources and income classes, calendar year 1921*

| Income classes | Wages and salaries | Business | Partnerships, fiduciaries, etc. | Profits from sales of real estate, stocks, and bonds | Rents and royalties | Dividends | Interest and investment income | Total income |
|---|---|---|---|---|---|---|---|---|
| Under $1,000 | $321,336,288 | $118,976,642 | $35,958,353 | $38,687,462 | $116,652,120 | $168,395,621 | $137,227,982 | $937,234,468 |
| $1,000 to $2,000 | 3,243,836,486 | 255,152,738 | 64,351,011 | 21,079,522 | 151,391,796 | 66,325,058 | 187,355,502 | 3,989,492,113 |
| $2,000 to $3,000 | 4,557,288,548 | 504,808,881 | 131,467,747 | 47,918,236 | 240,115,413 | 97,084,540 | 271,229,250 | 5,849,912,615 |
| $3,000 to $5,000 | 2,859,188,037 | 671,340,314 | 205,838,250 | 100,717,407 | 248,866,148 | 230,009,270 | 321,548,395 | 4,637,507,822 |
| $5,000 to $10,000 | 1,342,428,025 | 402,162,409 | 245,779,077 | 102,815,373 | 171,850,952 | 349,231,315 | 246,391,101 | 2,860,658,253 |
| $10,000 to $20,000 | 739,488,597 | 203,725,400 | 211,339,251 | 69,380,623 | 107,953,738 | 407,565,766 | 195,199,049 | 1,934,652,424 |
| $20,000 to $40,000 | 432,377,205 | 114,939,390 | 179,099,464 | 45,016,118 | 70,605,214 | 409,556,238 | 150,913,119 | 1,402,505,748 |
| $40,000 to $60,000 | 141,721,538 | 38,292,212 | 82,954,230 | 17,124,369 | 25,446,558 | 208,162,957 | 63,567,022 | 577,268,886 |
| $60,000 to $80,000 | 69,183,289 | 17,413,250 | 53,245,226 | 7,555,036 | 13,260,527 | 129,500,747 | 34,945,233 | 325,103,308 |
| $80,000 to $100,000 | 36,959,421 | 10,451,395 | 33,288,987 | 3,736,992 | 7,496,676 | 78,235,249 | 18,459,463 | 188,628,183 |
| $100,000 to $150,000 | 35,031,445 | 11,686,903 | 37,751,740 | 3,627,370 | 8,257,046 | 100,568,997 | 23,791,009 | 220,714,510 |
| $150,000 to $200,000 | 13,070,218 | 3,819,615 | 19,235,446 | 1,755,299 | 4,036,166 | 49,960,272 | 10,091,507 | 102,868,523 |
| $200,000 to $250,000 | 8,030,747 | 2,785,738 | 9,451,914 | 476,067 | 2,013,993 | 31,898,612 | 6,715,841 | 61,372,892 |
| $250,000 to $300,000 | 2,999,694 | 2,390,270 | 5,306,958 | 543,628 | 464,146 | 15,219,643 | 2,772,307 | 29,705,646 |
| $300,000 to $500,000 | 5,624,235 | 3,090,472 | 13,493,482 | 1,598,829 | 2,268,217 | 55,429,204 | 10,400,671 | 91,905,110 |
| $500,000 to $1,000,000 | 1,873,412 | 4,249,156 | 9,592,904 | 469,259 | 4,356,613 | 31,353,986 | 5,161,187 | 57,056,517 |
| $1,000,000 to $1,500,000 | 352,856 | 1,024,825 | 2,958,814 | 65,468 | 1,233 | 9,956,287 | 587,090 | 14,946,573 |
| $1,500,000 to $2,000,000 | | | | | | | | |
| $2,000,000 and over | 2,379,123 | | 73,454 | 291,615 | 2,021,356 | 38,498,637 | 3,983,166 | 47,247,351 |
| Total | 13,813,169,165 | 2,366,318,610 | 1,341,186,308 | 462,858,673 | 1,177,957,882 | 2,476,952,399 | 1,660,338,895 | 23,328,781,932 |

An examination of this table should disclose clearly the fallacy of the argument that income taxes go into the cost of production. That they do not is stated by most, if not all, economic writers. In fact Mr. GREENE, the chairman of the Committee on Ways and Means in the House, has himself stated that income taxes did not go into production cost. This table shows that the total income returns taxation for 1921, the last year for which statistics are available, amounted to $23,000,000,000 in round numbers. This represents the basis upon which all incomes were levied. Of this amount it will be seen from this table that $13,000,000,000 was returned by persons having incomes from $1,000 to $2,000,000 and over, and represented salaries and wages. Now, undoubtedly salaries and wages themselves go into the cost of production and are reflected in prices. They are one of the principal items of cost. The figures given represent all salaries and wages returned for income-tax purposes. But can it be reasoned successfully that the payment of an income tax to the Government by one of these individual taxpayers is considered by his employer in making up the selling price of an article that employee produces? Thousands of these returns were made, for instance, by men connected with producing corporations. But would the corporation in any sense be interested in the question of the income tax the employee would be required to pay under the law? Let us suppose that one of these individuals has received a salary of $10,000 a year from a given corporation. That salary is added to the cost of the article produced, but certainly there could be no basis by which the corporation itself would be interested in or could follow the payment of the income tax by its employee and add it to the price paid by the consumer.

In the above table it is shown that incomes derived from sales of real estate, stocks, and bonds, amounting to $462,858,673 were reported in the more than 6,000,000 tax returns. The total income tax of the individual would probably be made up from items of this class and items of other classes and the total net income determined. But can any stretch of the imagination figure how the income tax paid by persons receiving commissions from sales of real estate, stocks, and bonds is in any way added to the price of any article? Let us take a real estate broker. He makes a commission of $500 from the sale of one piece of property, $1,000 from another in a different

locality or different section, until at the end of the year his total net income is $25,000. He pays an income tax based upon this amount. Does this or can this in any way be added to the cost of real estate or be reflected in the price of any article to the consumer? The same is true of stocks and bonds. Upon the aggregate commissions the individual pays an income tax, but it is reflected in an increased price nowhere. An analysis of the other sources of income will disclose the same situation.

This view may further be illustrated by reference to the above table showing the amount of incomes returned representing dividends from corporations. The total is $2,476,932,379. These figures represent dividends from corporations paid to all classes of our people. At the end of the year the corporation, after having figured its cost of operation, determines what dividends shall be paid to the various stockholders and these dividends are distributed according to the amount of stock held by each. The individual probably includes the dividends with other sources of income in arriving at his total net income. But certainly the corporation takes no account of the income tax paid by the various stockholders so as to figure such taxes in the cost of production at all. And certainly the individual stockholder has no opportunity to pass it on to anyone.

Professor Seligman, of Columbia University, Professor Taussig, formerly of Harvard University, Professor Ely, of the University of Wisconsin, and other great economists have stated absolutely that prices are fixed and governed by cost and that attacks upon the net income in no way enters into such cost.

Yet, under the Mellon plan we are told, and the country has been educated to believe, that by reducing by one-half the surtaxes upon the large income-tax payers, is to bring a direct blessing in the way of reduced cost of living to the consumer, but that the reduction of taxes upon the men who actually do the business of the Nation, men whose incomes range from $4,000 to $50,000 is grossly unscientific and hurtful to business. And in this connection I wish further to call attention to the table last above submitted. It will convince you that the millionaire after all does not figure in the business of the Nation as we have been taught to believe. A casual study of the table above set out, showing the sources of net incomes, shows conclusively that the real business of the Nation is done by men having net incomes of $50,000 to $60,000 and below. Take the column relating to business, and President Coolidge continually refers to freeing money for business purposes, and you will see that the total amount of income returned by persons with incomes of $1,000,000 and above amounts to only $1,024,825 and that the total net incomes reported by this class are only $57,000,000. The total income returned by persons with incomes ranging up to $60,000 constitutes almost entirely the total of $2,366,318,610 returned as incomes derived from business sources. It will not be necessary to discuss the illuminating facts disclosed by the above table to refute the claim made by the President and by Mr. Mellon that the very high surtaxes are the important and very necessary object of tax revision.

Mr. Mellon has stated repeatedly that—

> There is only one thing that must be insisted upon—the high surtaxes must be reduced.

His theory is that this is necessary to liberate money for business investments. But why not liberate the money of the men who are actually doing the business of the Nation as far as it can be done? The men with these smaller incomes not in excess of $60,000 are the men who are manning the corporations, making the wheels of industry turn, and whose daily and hourly activities constitute the very industrial life of the Nation. The Simmons plan is designed to relieve as far as possible this class of incomes from the oppression of the surtax, and when the amount of business done by them, as reflected in the income-tax returns, is considered there is no escape from the fact that to relieve them as far as possible will invigorate business far more than relieving the comparatively few with incomes above $100,000 to $1,000,000.

Mr. Mellon does not strike his pace in reduction until he passes the $100,000 mark. But we are told that these men are seeking refuge in tax-exempt securities and every sort of evasion. The report of the Federal Trade Commission just issued shows that a comparatively small amount of tax-exempt securities are held by the very wealthy. In fact, the Treasury reports show that in 1921 estate taxes were collected upon a gross amount of $2,879,372,168. This represents estates of decedents liable to the estate tax. This is a very large amount, and analysis of the returns show that of this amount only a little more than $163,000,000 was represented by tax-exempt securities. The total burial expenses of the persons leaving these estates was $106,000,000, so that the amount represented by tax-exempt securities would not have been sufficient to bury the persons leaving these estates. It is true that there are some twelve billion of tax-exempt securities, but no law can affect them now, and when compared with the enormous amount of money invested in business, totaling $350,000,000,000, the whole affair becomes insignificant.

Under the Mellon plan a person with a net income of $5,000 and paying a tax of $100 would have a reduction of $25. The Simmons plan reduces this to about $40, but the President states that this is mere tax reduction and not tax reform. The man with a clear net income of $1,000,000 would under the Mellon plan have received a total reduction of his taxes of $251,000, but, according to the President, this is tax reform and not tax reduction.

If taxes are hurtful to business, which we all concede, then the Simmons plan can not be condemned, for it reduces the total amount of taxes more than the Mellon plan. But this is mere tax reduction, for the reason that it places the greater per cent of reduction on incomes below $60,000 and fails to give the 50 per cent reduction demanded by Mr. Mellon and the President on incomes of $100,000 and above. But the Simmons plan also provides for substantial reductions of the large surtaxes. They will be reduced at least 20 to 25 per cent, yet the country is continually told that because the full amount demanded by Mr. Mellon has not been allowed that business will not be invigorated and that the Democratic scheme is unscientific.

Mr. FREAR, of Wisconsin, stated that, though he was a Republican, he would support the Democratic plan in preference to the Mellon plan, because it benefited 449 out of every 500 taxpayers. Is this not to be the object of tax reduction? Is not the policy of benefiting the taxpayers as a whole an object of concern? Even Mr. LONGWORTH, the majority leader, stated that it was impossible to adopt a scheme that would give a 50 per cent reduction upon the large taxpayers and a 25 per cent reduction upon the smaller taxpayers. It is not sound. It is not economic. It is not democratic.

In North Carolina the total number of persons making income-tax returns for 1921 was 44,161. Of these, 44,123 would be benefited more under the Democratic plan and 38 would be benefited more under the Mellon plan. In Arizona there was a total of 18,477 taxpayers, 1 of whom would be benefited more under the Mellon plan, while the other 18,476 would derive greater relief under the Democratic plan, and the same is true proportionately of all the States. But in order to create tax reform, as Mr. Coolidge terms it, and to invigorate business, as Mr. Mellon demands, these comparatively few must have their surtaxes reduced by 50 per cent. We must believe that a reduction of 20 to 30 per cent of their taxes is not sound economics but that in distributing the small reduction that we can now make the lion's share must again go to the very high surtax payers.

If this is to be the issue, then certainly it will be welcomed by the Democratic Party. Why does the President not concern himself with the enormous burden of indirect taxation levied upon the people by the Fordney-McCumber tariff bill? It is estimated that this burden amounts to three to four billion dollars. It amounts to as much in one year as the total tax collected by the Government from all sources. We have suffered from excessive freight rates. We have suffered from a lack of international cooperation for the extension of American markets. But, with these great burdens which have resulted so disastrously to American business, the whole force of the administration has been placed upon the proposition of cutting in half the surtaxes upon men with very large incomes while denying a small measure of relief to those of smaller incomes. We have no desire to punish wealth. It is not the purpose of the Democratic Party nor of its leadership. In the bill adopted, which is undoubtedly Democratic in its provisions, the large surtax has been justly dealt with. The amount of reduction given under the Simmons plan to a man with an income of $1,000,000 is very large computed in dollars and cents. This reduction is more in one year than the average man accumulates in a lifetime. But this is mere tax reduction and not tax reform, as announced by Mr. Coolidge.

Mr. Mellon has erected a golden calf in the market place, and many are they who have fallen down to worship it.

### VIOLATIONS OF PROHIBITION LAWS

Mr. WATRES. Mr. Speaker and gentlemen of the House, on Thursday, May 29, the gentleman from Connecticut [Mr. O'SULLIVAN] made some remarks on law enforcement, in the course of which he read from a table of statistics from a number of cities as to the arrests for drunkenness between the years 1915 and 1923, in which he included the city of Scran-

ton, Pa., the purpose being to show that there were more arrests for the spring of 1923 than there were in 1915.

I have no doubt that it was not in the gentleman's mind to say anything which he would consider as a reflection on the citizens of Scranton. Inasmuch, however, as the portion of his remarks referred to will, without doubt, be wrongly interpreted by many, the statement calls for some attention.

It can not be claimed that there are no violators of the prohibition laws, but I desire to say emphatically to the gentleman that the people of that community are a law-respecting and a law-abiding people, and any remarks which might indicate the contrary are unjust in the extreme.

Since the gentleman from Connecticut has publicly called attention to the city of Scranton in such a way, I ask him to show me any city of the same size in Connecticut or any other part of the United States which has given such concrete evidence of its citizenship as has Scranton within the last nine months. Its public-spirited and generous citizens have raised for a community chest to provide for the various needs of its unfortunate citizens over $580,000 as an annual fund, and $700,000 has been provided for a chamber of commerce or community center. In both cases the limit of time not to exceed 10 days was fixed, and in each case the full amount was raised, and the campaign closed successfully on schedule time.

I must not trespass further on the time of the House in these busy closing hours, but I assure the gentleman from Connecticut that the people of Scranton have much pride and great faith in their community, and that they respect the laws of the country and revere its institutions.

SESQUICENTENNIAL, CONTINENTAL CONGRESS

Mr. VARE. Mr. Speaker, in commemoration of the sesquicentennial of the Provincial Committee and the one hundred and fiftieth anniversary of the opening of Continental Congress, exercises will be held in the city of Philadelphia September 25, 1924.

Invitation has been extended to the President of the United States, Members of Congress from the thirteen Colonies which took part in the Continental Congress from which this great Nation grew, and other high officials to join in these exercises. Any Member of Congress from any State in the Union will be welcomed and is invited to join in the celebration of this commendable exercise.

The Carpenters' Company, in outlining the purposes of the celebration, has declared:

One hundred and fifty years ago the message of Massachusetts in distress, borne by Paul Revere, here reached the patriots of Pennsylvania, with the invitation to unite in Colonial Congress. In this earliest shrine of liberty the voice of Patrick Henry spoke to the assembled Members of Continental Congress, in stirring eloquence, the first words of that body, and gave first utterance to the soul and spirit of America now being born. Within this sacred sanctuary the representatives of the thirteen Colonies of North America bore the infant Nation, now compacted, into moral unity of mind, heart, and hand, into that stable union of aspirations, determined ambitions and indivisible Commonwealth of service and self-sacrifice which is now the United States.

Rising above the provincial interests of each colony and elevating his spirit above the several divisions and many differences of province, race, and creed, from that hour each Member, looking exclusively to the new Nation's welfare, at the very birth of its independence, might speak of his home Province after the example of Patrick Henry: "Now I am not a Virginian, but an American!"

Two hundred years ago was organized the Carpenters' Company, who, after nearly 50 years of corporate life, had recently built Carpenters' Hall. They were united to bring about the material progress of their company and their city by the common opportunity offered its members to advance the knowledge of their art in building and architecture. Thus they sought by common endeavors the material aggrandizement of themselves and the enhancing of the beauty and solidity of their city. A hall recently built to house such noble social effort was without a peer to be the appropriate home of the Nation's travail and the birthplace of America.

The patriotic spirit of the Carpenters' Company, which moved them 150 years ago to offer their new hall as an asylum for liberty-seeking statesmen of our nascent country, still animates the company, and moves them to the common celebration of their own institution, of the establishment of the provincial committee, and of the opening of Continental Congress.

ADJUSTED COMPENSATION

Mr. LEE of Georgia. Mr. Speaker, in view of the fact that adjusted compensation became a law over the presidental veto and inasmuch as some questions might arise in the future as to the wisdom of the course pursued by Congress, I take advantage of this privilege by here and now submitting some observations that might prove of interest to the American people.

In the first place, it may be of interest to know how a matter of this character was considered by a former Congress composed of men at whose shrine we now worship. Here it is, and coupled with it is the answer and attitude of the recipient, General Lafayette:

PRESENTATION OF BONUS TO GENERAL LAFAYETTE

[An act of Congress, December, 1824]

*Be it enacted*, That the sum of $200,000 be, and the same is hereby, granted to Major General Lafayette, in compensation for his important services and expenditures during the American Revolution, and that, for this purpose, a stock to that amount be issued in his favor, dated the 4th of July, 1824, bearing an annual interest of 6 per cent, payable quarter-yearly, and redeemable on the 31st of December, 1834.

SEC. 2. And be it further enacted, that one complete and entire township of land, be, and the same is hereby, granted to the said Major General Lafayette, and that the President of the United States be authorized to cause the said township to be located on any of the public lands which remain unsold, and that patents be issued to General Lafayette for the same.

MONDAY, *December 20, 1824.*

Here follows an address to General Lafayette by a committee of Congress, delivered January 1, 1825:

"General: We are a committee of the Senate and the House of Representatives, charged with the office of informing you of the passage of an act, a copy of which we now present. You will perceive from this act, sir, that the two Houses of Congress, aware of the large pecuniary as well as other sacrifices which your long and arduous devotion to the cause of freedom has cost you, have deemed it their privilege to reimburse a portion of them, as having been incurred in part on account of the United States.

"The principles that have marked your character will not permit you to oppose any objection to the discharge of so much of the national obligation to you as admits of it. We are directed to express to you the confidence, as well as the request of the two Houses, that you will, by an acquiescence with their wishes in this respect, add another to the many and signal proofs you have afforded of your esteem for a people whose esteem for you can never cease until they have ceased to prize the liberty they enjoy and emulate the virtues by which it was acquired. We have only to subjoin an expression of our gratification in being the authors of this communication, and of the distinguished personal respect with which we are,

"Your obedient servants,

"SAMUEL SMITH.
"ROBERT Y. HAYNE.
"B. BOULIGNY.
"WILLIAM S. ARCHER.
"S. VAN RENSSALER.
"PHILIP S. MARKLEY."

And here follows the reply of the Marquis de Lafayette on the same day, accepting the bonus:

"Gentlemen of the committee of both Houses of Congress, the immense and unexpected gift which, in addition to former and considerable bounties, it has pleased Congress to confer upon me, calls for the warmest acknowledgments of an old American soldier and adopted son of the United States, two titles dearer to my heart than all the treasures of the world.

"However proud I am of every sort of obligation received from the people of the United States and their representatives in Congress, the large extent of this benefaction might have created in my mind feelings of hesitation, not inconsistent, I hope, with those of the most grateful reverence. But the so very kind resolution of both Houses, delivered by you, gentlemen, in terms of equal kindness, precludes all other sentiments but those of the lively and profound gratitude of which, in respectfully accepting the munificent favor, I have the honor to beg you will be the organ.

"Permit me also, gentlemen, to join a tender of my affectionate personal thanks to the expression of the highest respect with which I have the honor to be,

"Your obedient servant,

"LAFAYETTE.

"WASHINGTON, *January 1, 1825.*"

In the second place, it might be of moment to know how big men and outstanding Presidents have considered questions of

this kind. Here is how Grant, Lee, and Lincoln viewed the proposition:

APPLICATION FOR BONUS
[By Gen. Ulysses S. Grant]

STATE OF MICHIGAN,
*County of Wayne, ss:*

On the 6th day of November, A. D. 1850, personally appeared before me, a justice of the peace within and for the county and State aforesaid, First Lieut. Ulysses S. Grant, aged 28 years, an officer of the Fourth Regiment United States Infantry, in the service of the United States who, being duly sworn, according to law, declares that he is the identical Ulysses S. Grant who was a second lieutenant and regimental quartermaster in the Fourth Regiment of United States Infantry, commanded by Col. William Whistler, in the war with Mexico declared to exist on the 13th day of May, A. D. 1846; that he graduated at West Point, in the State of New York, about the 30th day of June, A. D. 1843, and continued in actual service during the entire period of the war, as will be shown by the muster rolls of the field and staff of the Fourth Regiment of United States Infantry.

He makes this declaration for the purpose of obtaining the bounty lands to which he may be entitled under the "act granting bounty lands to certain officers and soldiers who have been engaged in the military service of the United States," passed September 28, 1850.

U. S. GRANT,
*First Lieutenant and Regimental Quartermaster, Fourth Infantry.*

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STATE OF MICHIGAN,
*County of Wayne, ss:*

I, Silas A. Bagg, clerk of said county of Wayne, do hereby certify that George Clancy, whose name is subscribed to the affidavit of the annexed instrument and therein written, was, at the time of taking affidavit, a justice of the peace for said county, duly elected and qualified, and duly authorized to take the affidavit. And, further, that I am well acquainted with the handwriting of such justice and verily believe that the signature to the said jurat is genuine.

In testimony whereof I have hereunto set my hand and affixed the seal of said county at the city of Detroit this 6th day of November, A. D. 1850.

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DETROIT, MICH., *November 6, 1850.*

SIR: Will you please forward me my land warrant on the inclosed certificate? I am, sir,

Very respectfully, your obedient servant,

U. S. GRANT,
*First Lieutenant and Regimental Quartermaster, Fourth Infantry.*

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APPLICATION FOR BONUS
[By Abraham Lincoln]

TO JAS. L. EDWARDS,
*Commissioner of Pensions.*

STATE OF ILLINOIS,
*Sangamon County, ss:*

On this 21st day of August, A. D. 1855, personally appeared before me, a justice of the peace within and for the county and State aforesaid, Abraham Lincoln, aged 46 years, a resident of Sangamon County, in the State of Illinois, who, being duly sworn according to law, declares that he is the identical Abraham Lincoln who was captain of a company in the regiment of Illinois Mounted Volunteers commanded by Col. Samuel M. Thompson, in the war with the British Band of Sacs and other tribes of Indians on our northwestern frontier in A. D. 1832, known as the Black Hawk War. That he volunteered at the State and county aforesaid on or about the 21st day of April, 1832, for no definite time and continued in actual service in said war for about 40 days; that he has heretofore made application for bounty land under the act of September 28, 1850, and received a land warrant, No. 52076, for forty (40) acres, which he has since located and can not now return.

He makes this declaration for the purpose of obtaining the additional bounty land to which he may be entitled under the act approved the 3d day of March, 1855. He also declares that he has never applied for nor received, under this or any other act of Congress, any bounty land warrant except the one above mentioned.

ABRAHAM LINCOLN.

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APPLICATION FOR BONUS
[By Gen. Robert E. Lee]

STATE OF NEW YORK,
*County of Orange:*

On the 20th day of February, A. D. 1854, personally appeared before me, a special judge within and for the county and State aforesaid, Robert E. Lee, aged 45 years, an officer of the United States Army, who, being duly sworn according to law, declares that he is the identical Robert E. Lee who was a captain in the Corps of Engineers of the Army of the United States in the late war with Mexico; that he was commissioned on or about the 7th day of July, A. D. 1838, and continued in actual service in said war until its close; that he still remains in the military service of the United States, as will appear by the records of the Engineering Department.

He makes this declaration for the purpose of obtaining the bounty land to which he may be entitled under the "act granting bounty land to certain officers and soldiers who have been engaged in the military service of the United States," passed September 28, 1850, and avers that he is not entitled to nor has he received bounty land under any other act of Congress.

R. E. LEE,
*Captain, Corps of Engineers.*

In the third place, it perhaps is of interest to remember how the people themselves have acted when called on to register their sovereign will.

Every State in the Union has voted in favor of adjusted compensation wherever the opportunity has presented itself, save and except the State of Oklahoma, which State rejected it for reasons purely local.

The compensation votes in the States in which referenda were held, according to official figures furnished the American Legion Weekly up to November 23, 1923, by the secretaries of state, were:

| State | For | Against | Ratio for— |
|---|---|---|---|
| Illinois | 1,220,815 | 502,373 | 2.4-1 |
| Iowa | 383,335 | 195,898 | 1.9-1 |
| Kansas | 373,015 | 148,898 | 2.5-1 |
| Maine | 105,712 | 32,820 | 3.2-1 |
| Michigan | 471,159 | 185,602 | 2.5-1 |
| Missouri | 210,238 | 100,131 | 2.1-1 |
| Montana [1] | 67,500 | 62,100 | 1.1-1 |
| New Jersey | 534,532 | 165,555 | 3.2-1 |
| Ohio | 949,109 | 324,447 | 2.9-1 |
| Oregon | 88,219 | 37,866 | 2.3-1 |
| Rhode Island | 10,535 | 1,303 | 8.1-1 |
| South Dakota | 93,459 | 56,366 | 1.7-1 |
| Washington | 224,356 | 88,128 | 2.5-1 |
| Wisconsin | 165,762 | 57,324 | 2.7-1 |
| Total | 4,899,746 | 1,958,811 | 2.5-1 |

[1] The exact and official figures in Montana are not yet available

The veterans of the World War gave more and received less than any of the citizens of this great American Union. They tower over and above all as the victims of that terrible catastrophe. They saved this mighty Republic from the devastating heel of Prussianism, and yet within five short years the President of their country openly and unnecessarily insults them and vetoed the bill giving them just compensation.

The President vetoed the soldier boys; the soldier boys will veto the President next November. Thanks to a grateful people who nobly responded not only in words but in deeds, as the following table eloquently demonstrates:

*Cash bonus paid by the States to their veterans of the World War*

| | |
|---|---|
| Illinois | $55,000,000 |
| Iowa | 22,000,000 |
| Kansas | 25,000,000 |
| Massachusetts | 22,275,000 |
| Maine | 3,211,397 |
| Michigan | 30,657,576 |
| Minnesota | 23,500,000 |
| Missouri | 15,000,000 |
| New Hampshire | 1,901,423 |
| New Jersey | 11,250,000 |
| New York | 45,000,000 |
| North Dakota | 11,000,000 |
| Ohio | 32,500,000 |
| Oregon | 20,000,000 |
| Rhode Island | 2,588,000 |
| South Dakota | 6,000,000 |
| Vermont | 31,500,000 |
| Washington | 13,500,000 |
| Wisconsin | 16,102,006 |
| Colorado | 8,000,000 |
| Montana | 4,500,000 |
| Pennsylvania | 35,000,000 |

The two great political parties in their last national conventions took the following stand with respect to the soldier boys:

DEMOCRATIC PARTY

We believe that no higher nor more valued privilege can be afforded to an American citizen than to become a freeholder in the soil of the United States, and to that end we pledge our party to the enactment of soldier settlements and home aid legislation which will afford to the men who fought for America the opportunity to become land and home owners under conditions affording genuine Government assistance unencumbered by needless difficulties of red tape or advance financial investment.

REPUBLICAN PARTY

We hold in imperishable remembrance the valor and the patriotism of the soldiers and sailors of America who fought in the Great War for human liberty, and we pledge ourselves to discharge to the fullest the

obligations which a grateful Nation justly should fulfill in appreciation of the services rendered by its defenders on sea and on land.

In every instance where the American people have registered their will directly upon this question, they have voted overwhelmingly in favor of it. In 22 States the people have voted for State compensation, and the majorities have been as high as 8 to 1. All national polls taken on the question, show the people favor it overwhelmingly.

This legislation has now passed the House of Representatives six times, and the Senate five times. The dates, with votes cast, are as follows:

HOUSE OF REPRESENTATIVES

May 29, 1920: 289 votes for, to 92 votes against.
March 23, 1922: 333 votes for, to 70 votes against.
September 14, 1922: Passed without record vote.
September 20, 1922: 258 votes for, to 54 votes against.
March 18, 1924: 355 votes for, to 54 votes against.
May 2, 1924: Passed without record vote.

SENATE

August 31, 1922: 47 votes for, to 22 votes against.
September 15, 1922: 36 votes for, to 17 votes against.
September 20, 1922: 44 votes for, to 28 votes against.
April 23, 1924: 67 votes for, to 17 votes against.
May 1, 1924: Passed without record vote.

In the fourth place, by way of contrast, it may be refreshing, though surprising to many, may be, to hear how foreign nations have acted toward their own World War heroes.

Other countries have set us an example worthy of emulation, nations that owe us billions of dollars, money enough to overpay the total cost of the adjusted compensation measure together with all incidental outlay.

The United States of America stands alone as the selfish, cringing worshipper at the Shrine of Mammon. Here is what foreign countries have done:

The following tables show the bonus payments made by foreign countries to their veterans since the war:

*Bonus paid by foreign countries to their veterans*

| Country | Base of bonus, maximum rate | Maximum possible | Probable average | Total cost |
|---|---|---|---|---|
| Great Britain | £5 plus 10s. per month's service in excess of one year; maximum 48 months. | £29 ($101.50) | ---------- | £78,831,556 ($275,910,446) to men and officers. |
| Canada | Pay and allowances they would have received if not demobilized, for from 1 to 6 months, depending on service. | $600 ($540) | ---------- | $164,000,000 ($147,600,000). |
| Australia | 1s. 6d. per day of service. | £117 ($409.50) | £83½ | £30,000,000 ($105,000,000); mostly paid in 5½ per cent bonds, maturing May 31, 1924. |
| New Zealand | Same as Australia | £117 ($409.50) | £83½ | £5,225,900 ($18,290,650) to May 20, 1920. |
| France | 250 francs plus 20 francs per month for service at front, between Aug. 2, 1914, and Nov. 11, 1918. | 1,270 francs ($95.25). | ---------- | 4,964,948,670 francs ($372,371,150); payable in monthly installments of 100 francs. |
| Belgium | 75 francs per month for services at front, Aug. 1, 1914, to Nov. 11, 1918, less family allowance. | 3,825 francs (less family allowance) ($287). | ---------- | 141,230,000 francs ($10,592,250); in budget for 1921. |
| Germany | ---------- | 65 marks ($0.97). | 65 marks | |

Czechoslovakia, no bonus; gratuity to those 20 per cent or more incapacitated and to widows and orphans.

NOTE.—At the time of the aforementioned payments to enlisted men of the World War, the currency of such countries was worth in United States money about as follows: Great Britain, $3.50; Canada, $0.90; Australia, $3.50; New Zealand, $3.50; France, $0.075; Belgium, $0.075; Germany, $0.015.

Foreign currency is converted in the above table into dollars at these rates.

Mr. Speaker, the war contractors demanded and received hundreds of millions of dollars in payment of work never done. The railroads were guaranteed against loss. The war profiteers have retained the millions they defrauded the Government out of during the war. These and others of their kind have received cash from the Treasury of the United States on every occasion attempted and under any old pretext.

Millions have been squandered in the Veterans' Bureau not for and in the interest of the boys but for crooks and thieves. The same is true of the public domain, and yet Messrs. Forbes, Fall, and others retain their booty and their freedom.

The soldiers, sailors, and marines and saviors of this matchless Nation, however, are denied even so much as an encouraging word, but on the contrary are insulted and abused. Happily this Congress refused to be a party to the presidential veto, but with righteous indignation hurled it back as men and as Members of an American Congress registering the will and the wishes of an appreciative people of an ever-grateful Republic, thereby making it the law of the land as a grateful acknowledgment of a noble people to its World War heroes.

THE SIXTY-EIGHTH CONGRESS

Mr. STENGLE. Mr. Speaker, this House has about reached the hour of adjournment, and soon each and all of us will be journeying to our several homes to renew old friendships and greet loved ones from whom we have been separated for the past six months. To some of us this is an old "performance," but to me it is a new experience.

I came to this House on December 3 last with great hopes and fixed aspirations to make a record which should reflect credit upon my parentage and prove of some assistance to the wonderful country of which you and I are component parts. Whether my efforts have produced fruit, history will some time record. I am sure, however, that I return to my home with a much broader view of public affairs and a stronger affection for Old Glory and all that it symbolizes than I had when I arrived at the Capital. More than that, I return home feeling that I can now cherish in memory's casket a host of friends whom I did not know before coming. What a pleasure it has been to sit here day after day and rub elbows with conscientious citizens from all parts of the United States and its possessions, to feel the effects of their heartbeats as they have with me yearned to do something for the common good of mankind in general and for Americans in particular. Propagandists may endeavor to poison the minds of the people in their ungodly efforts to overthrow representative government and set up in America a rule of plutocracy, but they will never succeed as long as the citizens of this Republic continue to send to this House men of the character displayed by my colleagues. The press may impugn our motives and malign our high purposes, but there is not enough printer's ink in America to drive us from our aim to render real public service to all the people rather than become the slaves of a few captains of wealth. Some of us, because of misrepresentations and misunderstandings, may not be permitted to receive the approval of the electorate in the approaching elections, but, my colleagues, win or lose, we can return to our former places of abode with the undoubted assurance that we have done our best to guarantee unto our constituents all the rights and privileges purchased for us by the blood of our forefathers.

It seems to be the popular pastime nowadays for some self-appointed "judges" to devote their energies and what little brain they possess to the excoriation of public servants. In this work, the capitalistic press pats them with an approving hand, in the hope that by so doing the citizenry of America may be led to look elsewhere than in the channels where the real dirt is being accumulated and the real crimes are being committed. I firmly believe that "truth crushed to earth shall rise again" and because of that well-grounded conviction, I expect to see the day, and not far distant, when the masses will rise in their might and utterly annihilate those who are continually exploiting our Government and all of its resources for no other purpose than to fill their private pockets and feather their unrighteous nests with ill-gotten gains. Let the dogs of plutocracy howl until they grow red in the face. You and I have the happy satisfaction of knowing that we must have hit some of them else the howling would not be so loud and long. The Good Book says, "Woe unto them concerning whom all men speak well." The Members of this House lay no claim to perfection, but I venture the assertion that taken as a whole we will measure up fairly well with any other 435 citizens to be found in any walk of life.

I want in the brief time allotted to me to pay my sincere respects to some of those who have contributed, in a marked degree, to the success of the Sixty-eighth Congress. At what better place can I begin than at the Speaker's desk, the place where the gavel of authority is daily wielded and the rules of procedure hourly interpreted. The Speaker of this House is not of my political faith, and for that reason I took no part in his selection, but common honesty compels me to acknowledge in this presence that he has been absolutely fair and impartial in his decisions, a man of noble impulses and high purposes who is entitled to, and I believe enjoys, the respect and esteem of every Member of this body.

As I pass on the natural place for me to stop next is at the tables of the majority and minority leaders of this great legislative assembly—the working "spaces" for LONGWORTH and

GARRETT and occupied with honor and distinction by both of them. It would be hard to find two better fitted men to guide the destinies of the House. Both are thoroughgoing Americans and each loves his country better than his political party. Very much of our legislative success is directly due to their untiring zeal and distinct devotion to the highest ideals of honest government.

Neither time nor space would permit me to single out each and every Member of this body in order to tell him what I think of him and how highly I regard him, and I shall make no such attempt. Suffice it to say that I look upon all of you as "comrades."

Some day, when the smoke of political battle shall have cleared away and the propagandists cease to trouble and the weary are at rest, history is going to record that the Members of the Sixty-eighth Congress worked just as hard and earnestly and with just as much thought of the country's welfare as any body of lawmakers this Nation has ever known.

I wish the good people of America had the inclination and could find the time to review some of the legislation which we have passed. I am sure if they did, the verdict, by a large majority, would be that our Government has greatly benefited by our sojourn at the Capitol.

Take the tax reduction law as a fair sample. For months paid propagandists "fired" volley after volley of invectives and unjust criticisms into our ranks and literally "mobbed" us in an effort to drive us into adopting something that we did not believe in, something which would have directly benefited 6,000 rich men at the expense of more than 6,000,000 hard-working income-tax payers. The strain was heavy, but we held fast. Thousands upon thousands of letters were sent us, demanding that we capitulate to greed, but "our boys" had the "stuff" in them and never moved an inch. I suppose many will some day, in adding up results of that battle, look only upon the financial side of the question, but, gentlemen, I hold that the greatest victory we achieved was the complete annihilation of propagandism, which was lifting its serpentlike head over our Government, and which would have become our masters had we surrendered.

Then there was the immigration restriction law. I am fully aware that some of us fought a most determined fight against it, but the great majority stood adamant for America. How many wounded were left on the field of this battle only the coming elections can tell. But when we reckon up the results the people of this country should rejoice that they had as representatives men who could not be swerved from the path of duty by threats of political banishment. I am proud to have had a slight part in the winning of that victory.

Some will tell you that we made a great mistake in passing the bonus law. The only regret that I have in that connection is the fact that I had no opportunity to vote for a cash bonus. Congress took the best of care of war profiteers in its last session. Why should we not have taken some care of the real war winners?

Only to-day, by a vote of 362 to 6, this House passed a salary increase for postal employees, in order to give these faithful and loyal servants some little opportunity to live decently and provide the necessities of life for their loved ones. If rewarding faithful service is a crime, I plead guilty and ask no mercy at the hands of the voters. My only regret is that we were not financially able to do more than we did.

Take the child labor amendment. Where is there in all America a citizen who is so deeply engrossed in the making of money that he would be willing to draw on the very lifeblood of our children to assist him in filling his coffers with gold? If there be such among us, I rejoice in having had a hand in "scotching" his unholy efforts.

And so I might go on at some length in enumerating accomplishments of this session, but time will not permit. I do want, however, in closing to mention the reclassification fight which has been going on for months past. In 1923, Congress ordered the reclassification of all Federal employees on a basis of justice and right. When we got here we found that those orders had not been obeyed. Some of us got busy, and in spite of bitter opposition this House passed a bill to abolish the Personnel Reclassification Board and to transfer its functions to the United States Civil Service Commission, in whose hands there is hope for a fair and equitable adjustment of the salaries paid the Government's servants. That job is not yet completed, but we are in a fair way to win this fight and we may be expected to fight until right shall prevail.

Mr. Speaker, I sincerely hope that as we adjourn this session we may all be permitted to enjoy that rest and recreation which is certainly due to faithful public servants and that when we return in the fall each and every one of us may return with greater vigor and renewed courage to do our full duty as God has given us the light to see it. Let us all step out into the highway of life, with heads erect and a sincere consciousness of work well done. Let those who would revile us take heed unto their own records and note how little they have done for the good of humanity during the same period that we have been endeavoring to obey the mandates of conscience rather than the orders of either political or self-seeking bosses. Until we meet again, may God's richest blessings rest upon and abide with you all.

### TARIFF ON VEGETABLE OILS

Mr. WURZBACH. Mr. Speaker, on April 10, 1924, I introduced the following bill, H. R. 8589, which was referred to the Committee on Ways and Means:

A bill to amend an act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922

*Be it enacted, etc.*, That the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922, be amended as follows:

Amend paragraph 53 to read:

"PAR. 53. Oils, animal: Sod, herring, cod, and menhaden, 5 cents per gallon; whale and seal, 6 cents per gallon; sperm, 10 cents per gallon; and all fish oils, not specially provided for, 20 per cent ad valorem; wool grease, crude, including that known commercially as degras or brown wool grease, one-half of 1 per cent per pound; wool grease, not crude, including adeps lanae, hydrous and anhydrous, 1 cent per pound; all other animal oils, fats, and greases, not specially provided for, 20 per cent ad valorem."

Amend paragraph 55 to read:

"PAR. 55. Coconut oil, 2 cents per pound; cottonseed oil, palm oil, palm-kernel oil, sesame oil, inedible, for mechanical and manufacturing purposes, 3 cents per pound; peanut oil, 4 cents per pound; soya-bean oil, perilla oil, Chinese tung oil, Japanese tung oil (known in commerce as wood or nut oil), 2½ cents per pound; vegetable tallow and vegetable wax, one-half of 1 cent per pound; and all other vegetable oils not specially provided for, 25 per cent ad valorem."

Amend paragraph 760 to read:

"PAR. 760. Oil-bearing seeds and materials, castor beans, hempseed, and soya beans, one-half of 1 cent per pound; copra and palm-nut kernels, one-half of 1 cent per pound; palm nuts and perilla seed, eight-tenths of 1 cent per pound; tung nuts and sesame seed, 1.3 cents per pound; flaxseed, 40 cents per bushel of 56 pounds; poppy seed, 32 cents per 100 pounds; sunflower seed, 2 cents per pound; apricot and peach kernels, 3 cents per pound; cottonseed and rapeseed, one-third of 1 cent per pound, and all other oil-bearing seeds and nuts not specially provided for, 20 per cent ad valorem."

Strike out paragraph 1626.

Amend paragraph 1630 to read:

"PAR. 1630. Oils, animal: Spermaceti, whale, and other fish oils of American fisheries, and all fish and other products of such fisheries and all cod-liver oil."

Amend paragraph 1632 to read:

"PAR. 1632. Oils, expressed or extracted; croton and sweet almond."

Strike out paragraph 1691.

Amend paragraph (c) of section 315 by adding a new subparagraph reading as follows:

"In the conduct of such investigations the commission shall provide that all the facts gathered by its own investigators or submitted to it under oath by parties in interest shall be presented to the commission in open public session, and that all persons who present such facts shall submit to examination and cross-examination by all interested parties, and that the commission in making its findings and the President in making his decision shall take into consideration only evidence taken by the commission in open hearings."

This bill takes the following items off the free list and makes them dutiable, as indicated:

| FISH OILS | Per gallon. |
|---|---|
| Cod | $0.05 |

| VEGETABLE OILS | Per pound. |
|---|---|
| Palm oil | $0.03 |
| Palm-kernel oil | .03 |
| Sesame oil | .03 |
| Inedible olive oil | .03 |
| Perilla oil | .02½ |
| Chinese tung oil | .02½ |
| Japanese tung oil | .02½ |
| Vegetable tallow | .02½ |
| Vegetable wax | .02½ |

All other vegetable oils not specially provided for, 25 per cent ad valorem.

OIL-BEARING SEEDS AND MATERIALS

| | Per pound. |
|---|---|
| Hempseed | $0.005 |
| Copra | .012 |
| Palm nut kernels | .012 |
| Perilla seed | .008 |
| Tung nuts | .013 |
| Sesame seed | .013 |
| Rapeseed | .03½ |

All other oil-bearing seeds and nuts not specially provided for, 20 per cent ad valorem.

The bill leaves cod liver oil and oils from American fisheries on the free list, also croton and sweet almond oils.

Since the tariff act of 1922 went into effect the imports of these oils have greatly increased with the single exception of palm kernel oil which have been withheld within British possessions by an export duty imposed by Great Britain. The following table shows the past and present imports of these oils and oil-bearing materials:

*Imports of oils and oil materials not on dutiable list, tariff act, 1922*

[Pounds, 000 omitted]

| | 1914 | 1921 | 1923 | Increase in pounds 1923 over 1921 | Percentage increase in 1923 over 1921 |
|---|---|---|---|---|---|
| Cod oil | 1,091 | 13,908 | 13,391 | 607 | |
| Palm oil | 49,082 | 23,155 | 128,494 | 105,339 | 457 |
| Palm kernel oil | 21,089 | 2,383 | 2,565 | 282 | 7.7 |
| Sesame oil | 1,369 | 89 | 8,702 | 8,813 | 965 |
| Olive oil, inedible | 5,609 | 4,170 | 40,604 | 36,434 | 900 |
| Perilla oil | 117 | 651 | 6,440 | 5,789 | 900 |
| Chinese tung oil | 30,139 | 27,248 | 87,291 | 60,043 | 210 |
| Japanese tung oil | 163 | 1,342 | (1) | | |
| Vegetable tallow | | [2]31 | 8,547 | | |
| Vegetable wax | 4,255 | 6,701 | 9,738 | 3,037 | 45 |
| Hempseed | | 1,142 | 2,558 | 1,416 | 123 |
| Copra | 44,499 | 189,320 | 332,974 | 143,654 | 72 |
| Palm nuts and palm nut kernels | 385 | 230 | 742 | 512 | 222 |
| Perilla seed and sesame seed | | [2]365 | 13,650 | | |
| Rapeseed | 5,979 | 5,113 | 8,385 | 3,272 | 64 |

[1] Not reported separately.
[2] 1922; not reported separately prior to Sept. 22, 1922.

Or an increase of 369,000,000 pounds of fats and oils taking the place duty free of that amount of American productions.

A study of the resources of the United States shows some marvelous facts. One of these most astounding discoveries is the vastness of our agricultural industry and the diversity and value of its products. The Department of Agriculture reports that the total value of these products for the year just past was as follows:

*1923*

| | |
|---|---|
| Total cereals | $3,793,000,000 |
| Cotton lint and seed | 1,769,000,000 |
| Flax fiber and seed | 37,000,000 |
| Total fruits and fruit products | 681,000,000 |
| Hay and forage | 1,480,000,000 |
| Total legume seeds | 175,000,000 |
| Seeds for planting | 38,000,000 |
| Total sugar crops | 142,000,000 |
| Tobacco | 299,000,000 |
| Total vegetables | 1,089,000,000 |
| Farm forest products | 318,000,000 |
| Other crops | 132,000,000 |
| Total crops | 9,953,000,000 |
| Total animals raised | 2,397,000,000 |
| Bee products | 11,000,000 |
| Total dairy products | 2,506,000,000 |
| Total poultry products | 1,047,000,000 |
| Wool | 87,000,000 |
| Other animal products | 3,000,000 |
| Total animal products | 6,111,000,000 |
| Total crops and animal products | 16,064,000,000 |
| Value of crops fed to livestock | 3,860,000,000 |
| Value crops not fed plus animal products | 12,204,000,000 |

This enormous total is in spite of depleted values for almost every item except perhaps our chief textiles of cotton and wool, of which a world shortage caused fairly remunerative prices to those fortunate enough to produce the crop.

I believe that it is a national necessity to protect the industry which produces this enormous total wealth each year. It is a national necessity to do everything possible to maintain such remunerative prices for all the products which make up our national agricultural reservoir of resource as will constantly increase its volume, make those engaged in the industry prosperous and thus keep the farmers of the United States not only prosperous themselves but make them the best market for our industrial and manufactured products.

I have heard many tariff arguments based on the thesis that protection is the best policy because it makes our home market the best market for agricultural products. My belief is that protection is the best policy because it makes farmers prosperous and the best buyers of manufactured commodities. It will fail to do this if the products of the farms are not properly protected against cheap foreign competition.

The products of agriculture fall naturally into a few classes, textiles, cereals, meats, fats, and oils and oil-bearing products, fruits, and vegetables. The bill which I have introduced deals with only one class, a class in which the State of Texas is largely interested, in which every southern State is largely interested, in which every dairy State is interested, fats and oils and oil-bearing products. The value of the fats and oils and oil-bearing products of American farmers, including cottonseed, peanuts, flaxseed, corn (used for making corn oil), sunflower seed, soy beans, beef tallow, lard, and butter amounted in 1923, according to the best estimates made by the United States Department of Agriculture, to:

| | Value, 1923 |
|---|---|
| Cottonseed | $265,528,000 |
| Peanuts | 45,078,000 |
| Flaxseed | 31,735,000 |
| Sunflower seed | 500,000 |
| Soy beans | 18,169,000 |
| Corn (used for oil) | 91,716,000 |
| Beef tallow | 72,630,000 |
| Lard | 387,000,000 |
| Farm butter | 246,318,000 |
| Factory butter | 580,000,000 |
| Total | 1,776,052,000 |

These products are among the most important in American agriculture. The total value of this group should be considered in comparison with the value of other groups which are of known importance, including cotton, wool, wheat, beef, and pork. A table made up from the Department of Agriculture figures gives the following:

| | |
|---|---|
| Oils and fats, 1923 | $1,776,052,000 |
| Cotton, 1923 | 1,563,347,000 |
| Wool, 1923 | 100,322,000 |
| Beef cattle, 1923 | 1,052,599,000 |
| Swine, 1923 | 638,793,000 |
| Wheat, 1923 | 723,501,000 |
| Corn, 1923 | 2,222,013,000 |

American-produced fats and oils have been so plentiful, so cheap, and so universally used that until the last few years no one has realized their real importance and real relationship to agriculture. It has taken war experience and the present years of agricultural hard times to emphasize the fact that this is one of the larger divisions of agriculture and one whose prosperity was essential to agricultural prosperity. The value of the fats and oils, even with the depressed prices of 1922 and 1923, was greater than the value of beef cattle, cotton, hay, or total fruits and vegetables raised in the United States.

Two dangers menace this American oils and fats producing industry; one, the cheap tropical oils, the other the cheap oriental oils. These dangers were met only in part by the tariff act of 1922. In the light of present experience we have found where that act was incomplete. This bill seeks to remedy the deficiencies.

Cheap and plentiful as American cottonseed oil and peanut oil are, they are produced where men and women have American standards of living and American wages and can not meet the competition of coconut oil made by natives of tropical islands, to whom a few yards of calico is a year's wardrobe, who live on what nature provides them to eat, and whose wages are based on this standard of living.

Abundant as the supply of American lard is, it can not be produced and sold at a price comparable with that of a lard substitute made from coconut and soya-bean oil or whale oil, all produced by labor receiving from one-tenth to one-half what American farmers and American laboring men receive for their labors.

Abundant and health-giving as the supply of American-made butter is, full of vitamines, the most valuable and purest edible fat known to science, it can not be produced at a price which can not be undersold by margarine made from coconut oil, soya-bean oil, sesame oil, whale oil, palm-kernel oil, perilla oil, or other tropical and oriental oils which can be laid down at our doors at 6 or 7 or 8 cents a pound after paying ocean freights and big profits to importers, because the labor which produces the materials and gathers the copra or soya beans or other oil-bearing seeds will work for a few cents an hour or a handful of silver pieces a month.

Our farmers must either be protected at living wages and American standards of living while producing these oils and fats—an industry which is a vital and important part of American agriculture—or else they will stop producing them.

Just before the tariff of 1922 went into effect, when there was no protection for the American market for cottonseed

and peanuts, competing oils and fats were coming in as shown by this table of imports for 1918–19–20:

| | 1918 | 1919 | 1920 |
|---|---|---|---|
| Linseed | $6,387,000 | | |
| Chinese nut | 46,387,000 | $8,121,000 | $11,077,000 |
| Coconut | 44,290,000 | 35,380,000 | 33,080,000 |
| Cottonseed | 2,215,000 | 3,673,000 | 1,305,000 |
| Palm | 1,651,000 | 4,317,000 | 5,430,000 |
| Peanut | 8,531,000 | 22,010,000 | 16,990,000 |
| Rapeseed | 3,090,000 | 1,306,000 | 1,922,000 |
| Soya bean | 38,455,000 | 24,109,000 | 13,721,000 |
| Soya beans | 693,000 | 146,000 | 214,000 |

The tariff act of 1922 took cognizance of this situation and put a duty of from 2 cents to 4 cents a pound on most of these oils, but it left two loopholes—a third one, perhaps, in the so-called flexible proviso which opens the whole list to attack at any time. One of the two loopholes was the omission from the dutiable list of palm oil, already coming in but in some way overlooked in the rate schedule, and of other interchangeable oils such as sesame oil, inedible olive oil, perilla oil, and the tung oils which are directly in competition with linseed oils. The other was the omission of copra, the dried meat of the coconut from which coconut oil is made, and of other oil-bearing raw materials. The results of these omissions is found in the increased volume of imports of these materials since the tariff act of 1922 went into effect.

| | 1921 | 1922 | 1923 |
|---|---|---|---|
| Palm oil | 23,155,230 | 57,516,889 | 128,494,679 |
| Sesame oil | 89,061 | 64,180 | 8,702,034 |
| Inedible olive oil | 4,170,547 | 26,787,795 | 40,604,535 |
| Perilla oil | 651,840 | 2,208,139 | 6,440,749 |
| Chinese tung oil | 27,248,888 | 79,089,292 | 87,291,675 |
| Copra | 189,329,950 | 268,955,518 | 332,974,498 |
| Palm-nut kernels | 230,191 | 198,382 | 742,401 |
| Hempseed | 1,142,704 | 4,180,343 | 2,558,245 |
| Perilla seed | | 365,853 | 13,650,480 |
| Rapeseed | 5,113,767 | 6,336,422 | 8,385,007 |

Argument will be made that these articles should be free because none of them are produced in the United States. I do not want anyone to be deceived by this argument. Every article mentioned comes in competition with cottonseed and cottonseed oil and flaxseed and linseed oil and indirectly but no less definitely with lard, pork products, tallow, and butter.

These oils are used in a multitude of food and industrial products. Oleomargarine, lard compound, cooking oil, salad oil, soap, paint, varnish, and linoleum manufacturers are among the major users. Other uses include glycerine and explosives, printing ink, cordage oil, medicines, candy, perfume and toilet preparations, and in the metal trades for core oil and tin-plate flux. Scientific discoveries in deodorization and bleaching and in oxidizing and hydrogenating have made it possible to make a hardening oil of any of these oils or a drying oil of most of them. Soya bean oil almost without treatment is available in paint manufacture or in lard compounds or oleomargarine, while sardine oil or whale oil can now be fixed up as a lard compound or oleomargarine material without a trace to offend tongue or nostril. Almost every one of these oils makes as good soap as any domestic fat or grease.

The fact stands fully established that every pound of vegetable oil which is imported competes actually or potentially in a very close price margin with every pound of American cotton oil, peanut oil, lard, and butter.

For example see the two following tables showing the changes in quantities of oils and fats over a series of years used in oleomargarine manufacture and in soap manufacture in the United States:

*Material used in soap manufacture*
[Pounds, 000 omitted]

| | 1912 | 1914 | 1916 | 1917 | 1919 |
|---|---|---|---|---|---|
| Cottonseed | 132,312 | 119,254 | 194,916 | 126,390 | 56,126 |
| Coconut oil | 78,816 | 77,959 | 111,084 | 168,602 | 182,625 |
| Palm-kernel oil | 20,579 | 31,376 | 5,804 | 4,162 | 4,352 |
| Corn oil | 9,322 | 11,368 | 12,821 | 15,997 | 2,245 |
| Palm oil | 7,546 | 71,896 | 14,938 | 27,345 | 29,765 |
| Rapeseed oil | 6,532 | 6,664 | 7,224 | 5,972 | |
| Vegetable tallow | 2,013 | 3,485 | 5,273 | 6,417 | |
| Linseed | 1,390 | 1,034 | 803 | 1,006 | 205 |
| Soya-bean oil | 1,182 | 4,499 | 57,373 | 124,058 | 38,345 |
| Sesame | 1,110 | 11 | 8 | 5 | |
| Olive oil | 640 | 748 | 1,184 | 1,731 | 937 |
| Peanut oil | 31 | 76 | 1,181 | 15,126 | 3,032 |
| Shea Nut oil | | | 1,058 | 2,487 | |
| Chinese nut oil | | | 118 | 115 | |

Note reduction in cottonseed oil, and increase in use of soya-bean and coconut oils.

*Material used in manufacture of oleomargarine*
[Pounds, 000 omitted]

| | 1912 | 1917 | 1920 | 1921 | 1923 |
|---|---|---|---|---|---|
| Cottonseed oil | 17,839 | 63,652 | 39,450 | 18,533 | 20,337 |
| Peanut oil | 2,453 | 10,498 | 48,346 | 16,332 | 5,934 |
| Soya-bean oil | 708 | 6,614 | | 461 | |
| Mustard-seed oil | 197 | 46 | | 110 | 61 |
| Coconut oil | 292 | 19,763 | 60,784 | 103,112 | 75,680 |
| Corn oil | | 859 | 35 | 922 | 223 |
| Oleo oil | 28,145 | 96,852 | 89,842 | 49,676 | 30,017 |
| Neutral lard | 14,794 | 42,401 | 38,456 | 29,268 | 31,192 |
| Oleo stearine | 906 | 2,494 | 2,132 | 4,858 | 4,395 |
| Butter | 645 | 3,303 | 6,845 | 1,499 | 1,732 |
| Oleo stock | 92 | 3,458 | 5,804 | 2,065 | 2,539 |

Note large increase in coconut oil.

This shows plainly why the imports of certain oils and oil materials not included in the 1922 tariff act have increased. They were cheaper than those paying a duty. The soap and lard compound makers especially could use them, could buy them cheaper and use this price to depress the price of our cottonseed and peanut oil, and they did so, benefiting twice at our expense. I want to close this door. I want American manufacturers who have the benefit of a tariff on their own products to pay the farmers of Texas a fair price for cotton seed and cottonseed oil and not have a club in their hands in the form of free copra and free palm oil to hammer down our oils while selling their soap, lard compound, and oleomargarine in a protected market.

The tariff on soap, lard compound, and oleomargarine, paint, and varnish in the tariff act of 1922 is as follows:

| | | |
|---|---|---|
| Soap, castile | per cent | 15 |
| Soap, toilet | do | 30 |
| Soap powder | do | 15 |
| Soap, n. s. p. f | do | 15 |
| Lard compound | cents per pound | 4 |
| Oleomargarine | do | 8 |
| Paints, n. s. p. f | per cent | 25–40 |
| Varnish, n. s. p. f | do | 25 |

During the discussions and while the McCumber-Fordney tariff bill was under consideration before the Ways and Means Committee the strongest opposition to a tariff on vegetable oils and animal fats came from the American soap manufacturers. The producers of American oils and fats—that is to say, the American farmers—won only a partial victory, because the tariff imposed on foreign oils was only partially protective, as is evidenced by the fact of greatly increased importation of various vegetable oils, as hereinbefore shown. The attempt is being made to further cripple the American producer of vegetable oils and animal fats by inducing the Tariff Commission and the President, under the provisions of paragraph (c) of section 315 of the tariff act, to reduce the existing rates on these products. My purpose in introducing my bill and in inserting these remarks in the RECORD is to call attention to the organized effort of the soap manufacturers of the country to gain an unfair advantage over the already hard-pressed tillers of the soil, and to sound a note of warning to the Representatives in Congress of these farmers that they be on their guard and prevent any reduction in the tariff rates fixed on vegetable oils.

### INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. HAYDEN. Mr. Speaker, under the permission to extend my remarks in the RECORD I include the following telegram which I sent on May 29, 1924, to the Coconino Sun, of Flagstaff, Ariz., and the Williams News, of Williams, Ariz., relative to an item in the Interior Department appropriation bill, which is now a law.

House and Senate conferees have to-day unanimously agreed upon following provision in the Interior Department appropriation bill:

> "For the construction of trails within the Grand Canyon National Park, $100,000, to be immediately available and to remain available until expended: *Provided*, That said sum may be used by the Secretary of the Interior for the purchase from the county of Coconino, Ariz., of the Bright Angel Toll Road and Trail within said park under such terms and conditions as he may deem proper, and the Secretary of the Interior is authorized to construct an approach road from the National Old Trails Highway to the south boundary of said park."

Under this provision the Secretary of the Interior can purchase the Bright Angel Trail for $100,000, paying cash into the county treasury, or make any other agreement with the county for its purchase that is mutually satisfactory. The Secretary is authorized to construct an approach road from anywhere on the National Old Trails Highway to the Grand Canyon National Park, and whatever money is necessary to build the road is authorized to be appropriated. The Secretary would probably ask Coconino County to cooperate in the

construction of this road on the route to be agreed upon to the extent of the money received from the sale of the Bright Angel Trail, the remainder of the cost to be paid by the United States. I am assured by the Director of the National Park Service that he will submit estimates for additional funds to construct the road from the Old Trails Highway to the Grand Canyon in cooperation with Coconino County, and am confident that Congress will make the necessary appropriation at the next session. I am further assured by the Interior Department and the House Appropriations Committee that the chief desire is to work out all these matters in the most satisfactory way possible, with due regards to the rights and welfare of the county as well as the Nation. CARL HAYDEN.

THE EIGHTEENTH AMENDMENT

Mr. COOK. Mr. Speaker, under the general leave granted, I desire to briefly discuss the eighteenth amendment.

The introduction of the 58 bills in the House proposing to authorize the manufacture and sale of beer and wine has aroused the people of the country. They expected and had the right to expect that with the almost unanimous ratification of the amendment as part of the Constitution it would be acquiesced in and respected by all, and that the long agitation over the liquor question would be set at rest and that no one would try to reopen it. It had been discussed for over 50 years, and the people finally came to the conclusion that it would be a good thing to put the brewery, distillery, wine press, and saloon out of business. Thirty-three of the States had outlawed intoxicating liquor, and every county in the United States except 305 had voted against its manufacture and sale. This was done even before the women had the right to vote on the question.

Hence it was a very easy step to the ratification of the eighteenth amendment. This amendment was proposed to the legislatures of the several States in the usual way, like all of the other amendments had been proposed. The legislatures certainly knew the sentiment of the people which they represented. It had been frequently expressed in no uncertain tone. With all of these facts before them it was ratified by every State in the Union except three. Three-fourths would have been sufficient. It had nine more than that. Even though it was nearly unanimous, there are those who are now trying to discredit the amendment because there was no referendum on it. That is only a quibble. Since nearly every county in the whole country had voted dry, is it not fair to assume they would have voted the same way and ratified the amendment? In view of these conditions, it seems to me that the ratification reflected the careful and deliberate judgment of vastly more than a majority of the voters at that time and also the will of nearly 100 per cent of the women.

The amendment prohibits the manufacture, sale, and transportation of intoxicating liquors for beverage purposes. It is plain the people meant to entirely destroy the traffic and stop the use of liquor as a beverage. Everyone at that time conceded that beer and wine were intoxicating. It was apparent that legislation would be required to enforce the amendment. It is provided therein that Congress and the States should have this power of enforcement by appropriate legislation.

What did the people mean when they used the words "appropriate legislation"? In my opinion, they meant the legislation should be of such a character as to leave no doubt on the question of enforcing the amendment; that if it leaned the one way or the other it should be on the side of enforcement; and that if there was any doubt about drawing the proper line between intoxicating and nonintoxicating liquors the doubt should be resolved in favor of the amendment and that the line should be drawn in favor of its enforcement.

It is idle to contend that they meant anything else. For this reason enforcement legislation became the vital point and key to the whole situation. If the opponents to the amendment can weaken this legislation, they can to that extent defeat the amendment. This seems to be their present point of attack. For they denounce the enforcement legislation—the Volstead Act—and are, in my opinion, seeking to modify it so as to defeat the amendment.

Acting in obedience to the command of the amendment, Congress enacted this enforcement law and provided that all liquors containing one-half of 1 per cent or more of alcohol should be considered as intoxicating. It had power to enforce but none to destroy. It seems to be conceded that it put the line at a point which will effectually enforce the amendment. The opposition will have to concede that. It seems to enforce it a little too well to suit them.

If it is at a point which leaves no doubt about prohibiting the manufacture of intoxicating liquors, why not leave it alone? That was what it was intended to do.

Instead of trying to repeal the amendment, which can only be done by another amendment ratified by 36 States, the opponents are attempting to undermine it by asking Congress to enact a law authorizing the manufacture and sale of beer and wine. They contend it will not be intoxicating. However, as this proposal comes from those who are opposed to the amendment, is it not fair to assume that their purpose is not to authorize a nonintoxicating article but that it is their sole purpose to authorize the manufacture of something which is really intoxicating? If such a law were passed, we would have the anomaly of the Constitution prohibiting a thing and Congress attempting to authorize it. It is astounding that anyone should suggest such a proposition. There can be no compromise on such a proposal as that.

I have listened to quite a number of speeches at this session against the amendment and in favor of a modification of the enforcement act. The burden of most of them is in denouncing the enforcement act and attacking those who are in favor of enforcing the law of the land. Though they propose that this beer and wine be sold in the original package to the consumer, it would not be long, in my view of it, until the next step proposed would be to have places where it would be sold, and there would soon have to be laws to regulate the traffic. It would be the same old trouble of legalizing intoxicating liquor and then trying to regulate it. The people remember something about that, and it seems to me will not return to it again.

The ultimate result of such a modification would be the return of the saloon. It seems to me it has already done enough damage to humanity without giving it another chance.

No one can deny but that the people have already been greatly benefited by the saving of the liquor bill and that these benefits will increase when the law is fully enforced.

America has taken the greatest step ever taken for the benefit of the human race, and in my opinion she will never retreat.

Europe will not fully recover until she throws off the burden of her liquor bill.

Such a change in the habits of the people can not be brought about in a day. Time will be required.

In the meantime the people should be on their guard so as not to lose that which it took 50 years to bring about.

There is quite a good deal of wet sentiment and activity developing in certain parts of the country at this time, and it seems to me it is all aimed at the overthrow of the amendment. It is well for the people who favor the amendment to get busy and make their voices heard.

They should beware of the statement that the amendment is part of the Constitution and there is nothing further to be done. The Constitution can not enforce itself. Laws are required, and the vigilance of the people to enforce them is also necessary.

This is not a question which concerns only the welfare of the adults of this generation, but it concerns the children and millions of young men and women who will soon take our places in the contest of life and the task of perpetuating our Constitution and Government. This great question has been settled, and settled right, and it should remain settled.

The failure of any State—a member of the "indestructible Union"—to perform its duty in enforcing the amendment can not be defended. It puts itself in the attitude of accepting the benefits of the other parts of the Constitution, the protection and benefits of legislation of the General Government, while it refuses to accept any of the burdens, and places it in the position of regarding one part of the Constitution and disregarding another.

It seems to me that such a refusal can mean but one thing—a hostility to the amendment and an intention to obstruct and weaken its enforcement. The people of the whole Union in giving them this power certainly expected each State would exercise it and would do all within its power to uphold this as well as every other part of the Constitution. That is what statehood means.

I am opposed to every movement to weaken the amendment and favor such additional laws as may be found necessary to enforce it.

With that in mind I supported the bill to increase the Coast Guard Service which became a law at this session. The purpose of this is to transfer a number of suitable vessels from the Navy Department to the Coast Guard and for the appointment of officers to command these vessels. When they get into operation it will be pretty difficult for the rum runners to land liquor into the United States. A great step for enforcement will be taken when the supply from abroad is cut off.

I also supported the bill providing for a separate bureau in the Treasury Department for the enforcement of the prohibition act. This bill passed the House the last week of the

session and was sent to the Senate. It was not acted upon in that body, but will come up at the next session. It is believed that if it becomes a law it will greatly promote the enforcement of the amendment.

FEDERAL APPROPRIATIONS

Mr. McLAUGHLIN of Michigan. Mr. Speaker, I wish to speak of a subject of great interest to the Congress and to the country, the subject of appropriations which have been made, also to make a comparison of estimates and recommendations by the Bureau of the Budget with appropriations actually made by the Congress.

The country believes the Congress is extravagant, believes that appropriations are made in disregard of estimates and recommendations of the Bureau of the Budget.

The Congress appreciated the need of a Bureau of the Budget. The Congress itself prepared and enacted the Budget law. The Sixty-fifth Congress passed a Budget bill, but it was vetoed by President Wilson. The bill was again passed by the next Congress and was approved by President Harding June 10, 1921.

I wish to quote from official records, which conclusively show that the Congress not only cooperates heartily with the bureau, but that appropriations are, and ever since the bureau was organized have been, below—many millions of dollars below—the estimates and recommendations of the bureau.

The bureau has recommended many large reductions of expenditures. Congress has effected more and even larger reductions.

The country evidently believes the Congress has given little, if any, attention to the actual money needs of our Government as determined by the estimates of the bureau, that appropriations far in excess of these estimates have been extravagant and wasteful, made without method or system and without consideration of the welfare of taxpayers. Official records of estimates by the bureau and of appropriations actually made are a refutation of this charge.

Some years ago there may have been ground for criticism of lack of system or method by which the need or advisability of some appropriation was determined. Such lack as there was was appreciated by the Congress; hence the enactment of the act of June 10, 1921, known as the Budget law, under which the Bureau of the Budget was organized and the office of Comptroller General, to conduct an independent audit of all expenditures, was established. Previous to the enactment of the Budget law and the organization of the Bureau of the Budget each department of the Government practically prepared its own annual estimates of money necessary or desired to be appropriated by the Congress for the purpose of enabling such department to pursue its activities during the next fiscal year. This method of preparing and submitting estimates and of making appropriations was open to criticism, in that it provided no effective means by which thorough, systematic inquiry and investigation of operations of departments could be made; no effective way by which overlapping or duplication of activities and expenditures by two or more departments might be disclosed; no way by which the several appropriating committees of the Congress, each preparing and securing enactment of appropriation measures for the department concerning which it had jurisdiction, could compare the activities of one department with those of other departments; no practical or effective way by which the several committees or the Congress itself might definitely or with approximate accuracy determine whether or not the total of such bills was within the total of estimated revenues of the Government for the fiscal year for which appropriations were made.

The purpose of the Budget law was, if possible, to correct this unfortunate condition. The Bureau of the Budget has functioned very satisfactorily. The intimate knowledge it is able to gain of the activities of every department and of every operation of our Government for which appropriations are made enables it intelligently to advise the Congress as to the amount of money necessary and proper for each and every purpose. Its advice and recommendations have been helpful to the Committees on Appropriations of House and Senate and to the Congress itself in enabling them to effect large and much-needed reduction of expenditures.

The Congress and the country appreciate the work of the bureau, but throughout the country there is evident misunderstanding of the duty of the bureau and misconception of its authority. Its duty is to make investigations, prepare estimates, and recommend to the Congress the amount of money to be appropriated. It has no authority finally to determine the amount of any appropriation or the purpose for which money shall be used. Many of our people evidently do not know, certainly do not appreciate, that the Federal Constitution invests Congress, and Congress alone, with the duty and authority to determine the amount of each and every appropriation, also each and every purpose for which money shall be expended. The Congress can not legally, if it wished to do so, divest itself of this authority and responsibility. The bureau recommends, but the Congress determines, and must determine, the amount and character of appropriations.

This mistaken idea, prevalent throughout the country, as to the duty and authority of the bureau and the Congress has led to criticism of the Congress when appropriations for a department or for any activity of the Government exceeds the recommendation of the bureau, or when money is provided for any purpose without or contrary to such recommendation.

There is also lack of information and serious misunderstanding generally throughout the country as to the attitude of the Congress toward expenditures and as to the result of its efforts to effect economy. The country knows the bureau has recommended cessation of numerous activities and operations, that it has recommended many eliminations and reductions of appropriations, but the country does not know the manner or extent of the cooperation of the Congress with the bureau, nor does it know the intensive and effective work of the Committees on Appropriations and of the Congress itself in reducing expenses of government. The country knows the wise and effective work of the bureau, but it still believes the Congress is and has been guilty of gross and wanton extravagance, and this opinion and state of feeling persist in face of the fact that in almost every session of the Congress since the bureau was organized the total of appropriations has been less by many millions of dollars than was recommended by the bureau. The bureau has been economical, but the Congress has been even more economical.

I shall now speak only of the record of the Sixty-seventh Congress. That Congress was elected in November, 1920, and extended from March 4, 1921, to March 4, 1923, and it made appropriations for two fiscal years, one ending June 30, 1923, the other ending June 30, 1924. That is the last Congress of which there is a complete official record. In presenting this record I make comparison between the total estimates by the Bureau of the Budget of the amount of money necessary, in its judgment, to be appropriated for all operations and activities of the Government, and the total appropriations actually made by the Congress.

For the fiscal year which ended June 30, 1923, the bureau submitted regular, supplemental, and deficiency estimates amounting to $4,392,158,059.46; the total appropriation by the Congress was $4,159,796,267.19; that is, appropriations were $232,361,792.27 less than the bureau had advised and estimated as necessary and proper to meet expenses of government during that fiscal year.

In order that this economy record of the Congress may be better understood, it should be known that included in the bureau's estimates, also in the appropriations for that year, there were approximately $1,546,000,000 of what are known as "permanent or fixed" appropriations, as to the amount of which neither the bureau nor the Congress was permitted to exercise discretion. These "permanent or fixed" appropriations included approximately $1,458,000,000 for payment of interest and to apply on the principal of the public debt; also approximately $88,000,000 to meet the expense of certain operations and activities of the Government which had been determined by laws enacted from time to time during previous years. In other words, these laws—until modified or repealed—practically determine the bureau's estimates; also the appropriation by the Congress to the extent, as I have said, of approximately $1,546,000,000. If this amount—$1,546,000,000—be deducted from the total estimates of the bureau—$4,392,158,059—there remains only $2,846,158,059 concerning which the bureau was permitted to exercise its judgment, and concerning which, of course, the Congress exercised its judgment.

I have said that the total appropriations were $232,361,729 below the total estimates of the bureau, but the fact is that the Congress actually reduced the bureau estimates to the extent of $361,096,965. Why do I say that? I say it because the Congress made two absolutely necessary appropriations amounting to $128,735,173, for which the bureau submitted no estimates. What were these two necessary appropriations? One was an appropriation of $90,000,000, demanded and approved by the entire country, to provide for cooperation of the Federal Government with the States in construction of highways; the other was an appropriation of $38,735,173 to provide additional compensation of $240 each to many thousands of Federal employees whose regular compensations were fixed by laws enacted before the World War. It is not neces-

sary to speak of the necessity of these two appropriations; the bureau should have estimated for them.

The amount I have stated—$361,006,965—is the difference between the economies recommended by the bureau and those actually effected by the Congress during one year. This is the answer to the unfounded charge that appropriations by the Congress have been extravagant and wasteful. The Bureau of the Budget has been economical, but the Congress has been more economical.

What is the record of the Congress for the fiscal year ending June 30, 1924, the second year of the life of the Sixty-seventh Congress? The total regular, supplemental, and deficiency estimates of the bureau for that fiscal year were $3,951,013,447, whereas the total appropriation by the Congress for that year was $3,940,271,943, or a reduction of the bureau estimates and a net saving of $10,741,504. And it should be noted that there was included in the estimates of the bureau, also in the appropriations by Congress, "permanent and fixed" appropriations amounting to $1,542,352,928, made up, as during the previous fiscal year, of $1,451,968,125, to provide for payment of interest and to apply on the principal of the public debt; also other permanent and fixed appropriations amounting to $90,384,803. If the amount of these "permanent and fixed" appropriations be deducted from the total estimates of the bureau, there remains only $2,408,660,519, and it was this amount which the Congress reduced to the extent of $10,741,504.

By what I have said it will be seen that the Sixty-seventh Congress in making appropriations for the fiscal years 1923 and 1924 made a net reduction of the bureau's estimates of $213,103,296, and as we very properly take into account appropriations for highways and additional compensation to underpaid employees we find that appropriations were $371,838,469 below the estimates of the bureau.

This is a record of economy of which the country is evidently not informed.

THE NECESSITY FOR REDUCING RAILROAD RATES ON FARM PRODUCTS

Mr. FAVROT. Mr. Speaker, Congress has left many things undone. Congress should not adjourn until it passes some measure of farm relief. Congress should not adjourn until it relieves the farmer of the burden of excessive transportation charges.

Many plans have been suggested for the relief of the farmer, some feasible, some not feasible, some sound, some unsound. But there is one burden, one handicap borne by the farmer that could be and should be lightened, and that is the burden of excessive freight rates upon farm products.

The interests that control the railroads would have us believe that these freight rates are the result of a high wage scale. Such is not the fact. The net return per man hour of most Class A roads is nearly double what it was in 1915 prior to the time the Government forced an increase in railroad wages.

Every attempt to secure a reduction in freight rates on farm products and upon the necessities of the farm is blocked by that provision of the interstate commerce act under which the Interstate Commerce Commission fixes rates so as to provide the railroads with an adequate return upon a value fixed by the Interstate Commerce Commission. That return has been fixed at 5½ per cent. And freight rates must remain excessive in order that the weaker roads may earn that return upon that fixed value.

We all realize the need for railroads. We all recognize the part of the railroads in the development of the country. But some railroads should never have been built. Some railroads have been so grossly mismanaged that it has been a public scandal. Some roads are valued at several times more than their actual value. But the American farmer must pay in freight rates; there must be taken from the selling price of his product sufficient to permit the weakest, the most overvalued and the most mismanaged of these roads to earn that net return upon its fixed value. The farmer must bear this burden, not that the properly located, the properly managed roads might earn this revenue but that the most mismanaged, the weakest among them, might earn it. And in order that the weakest, the most mismanaged roads might earn this revenue, the sound roads, the properly managed roads, are permitted to earn a revenue that is excessive.

During the last year the earnings of the railroads were greater than they ever have been. Their net operating income was greater than it ever has been. Yet there has been no reduction in freight rates. The farmer continues to bear the burden of transportation charges that are almost prohibitive.

I recognize that an adequate transportation system is a necessity. I believe that the railroads should be dealt with justly and fairly. But the farmer should not be made to bear the burden of transportation charges admittedly excessive in order that all railroads might prosper.

The great body of the American people, producer and consumer, should not be made to bear the burden of freight rates almost prohibitive in order that the stockholders and the bondholders of the most mismanaged roads might receive a fair return upon securities that cost them, in most instances, practically nothing.

These public utilities, these public necessities, should be conducted in the interest of the public. Freight rates should be so regulated as to aid industry and agriculture. Transportation charges should be so fixed as to aid the farmer in the remunerative marketing of his products; not so fixed as to make impossible that remunerative marketing.

I believe that the railroads should be managed in the interest of the people, not that the welfare of the people should be subordinated to the interest of the railroads.

SOLDIERS' REHABILITATION ACT

Mr. WEFALD. Mr. Speaker, when we passed this bill to-day I think we did the best day's work we have done during this session of Congress. I know of nothing in my congressional career that has caused me so much heartache as some of the letters I have received from veterans of the World War who are sick and down and out and whose cause has been turned down by the Veterans' Bureau.

I understand that all sick and helpless veterans will now be taken care of, especially those who are suffering from tuberculosis and nervous disorders, many of whom have been treated miserably.

It has always been the intention of Congress that the veterans should receive not only fair but also generous treatment. Let us hope that from now on no worthy veteran will suffer want or in any way be slighted. If this will not be the result of the passage of this bill, then there is some hidden joker in it that the rank and file of the membership of this House did not know about. Passing the bill on such short notice and without a chance to examine it carefully, we have taken the word of the members of the committee that the bill is what its sponsors claim it to be.

We will also hope that the Veterans' Bureau from now on will be honestly administered, no matter what political party will be in power. The scandal in the administration of the Veterans' Bureau during the Harding administration is one of the blackest spots, among the many other black ones, on our recent American history.

The passage of this bill, together with the passage of the adjusted compensation act, will to some extent restore Congress in the confidence of the people. This Congress has kept faith and has redeemed to a great extent the promises made to the soldiers by both the major parties, which up until this time had been poorly kept.

I voted for the adjusted compensation act as well as for the rehabilitation act, not as a reward to the soldiers for valor shown in war, not because such a reward would be the surest way to insure young men again rallying to the colors in case of future wars, but because I felt the great injustice that had been perpetrated upon our young men in so far as we as a Nation had obtained their services under false pretenses and faithlessly broken our word to them.

The laws relating to veterans' compensation are now being liberalized in many respects. Greater compensation will now be granted both the soldiers and their widows and children. But the greatest improvement that this bill reads into the old law is that it extends from three years to six years the time limit under which clinical diagnosis of nervous disorders and tuberculosis had to be made. It also extends the time limit for filing claims up to six years from the date of discharge from service.

I believe that every case that has come to me for attention from boys in my district that the Veterans' Bureau could do nothing with can now be taken care of and straightened out. Practically all the cases that I have had trouble with were barred out by the law as it existed.

A couple of the most glaring cases that I have had to struggle with ought to be cited here to show how unreasonable the law has been. The boys have been unable to understand how such cases could not have been straightened out, but the law, under a literal interpretation, has prevented it.

One of the biggest, huskiest, and most determined fellows that ever put on Uncle Sam's uniform was, while in action somewhere in France, shot through both legs above the knees. About four years after his discharge paralysis developed in both legs and he became helpless. He was taken care of to some extent at first, but later, as his condition grew worse, his

compensation was taken away from him. Under the law his trouble could not be connected up with service; it did not come within the three-year period.

But the saddest case that has come to my notice was brought to my attention last March. I received a letter from a dying veteran confined in one of the county hospitals in my district. The letter was written by a buddy who was also sick with tuberculosis but who as yet was better able to write.

The dying veteran had contracted the dread disease, but being a hard-working fellow did not want to give in and ask for assistance until he was flat on his back. His sickness was definitely diagnosed as tuberculosis, but not until five months after the three-year period was up. However, the district office in Minneapolis allowed him compensation, and back pay was also granted that amounted to several hundred dollars.

As the veteran kept sinking lower and lower, some kind-hearted official in the district office undertook to get his compensation increased to the maximum, but when the case came to the attention of highest officials his whole compensation was promptly disallowed. Nothing could be done for him. I was met with the cold but courteous reply that the law did not allow anything further to be done.

The messages you get from the dying soldier boys are pathetic; the second letter I received from the veteran he said that he felt that he was "at the end of his rope." A couple of weeks later the buddy sent me a newspaper clipping, the obituary of the lad, who had recently died.

He left a wife and an aged father whom he had supported until he had to take to the bed. His country had exacted a full measure of service from him but had not kept faith with him.

As I understand it, after the law we have just passed takes effect cases like the one I have here cited will be taken care of without any Congressman having to beg and plead and have sleepless nights over them. Similar cases have come to the attention of most Members of Congress. Some Members may have even more hair-raising stories to tell. Let us hope that the taking up of soldiers' compensation claims will be a pleasanter task hereafter.

RÉSUMÉ OF WORK OF COMMITTEE ON INDIAN AFFAIRS

Mr. SNYDER. Mr. Speaker and gentlemen of the House, under leave to extend my remarks in the RECORD I desire to bring to the attention of the Congress and of the people of this country the large amount of constructive legislation which the Committee on Indian Affairs of the House of Representatives has acted upon during the first session of this Congress. I am justly proud of the work of this committee, and the Congress and the country should be congratulated upon the work which it has accomplished. Further, I take this opportunity to thank each and every one of its members for assisting in bringing about a record which has never before been equaled by any Indian Committee.

This committee, composed of 22 members from all sections of the country, has labored diligently during the entire session, having met on 42 days, and, in addition to this, subcommittees have held hearings on 26 bills. It may be interesting to know some of the large matters affected by the action of this Congress.

Perhaps one of the leading bills enacted into law during this session, and which is a recognition that all native Indians should have long ago received, is the law which throws down the bars which have prevented approximately 125,000 Indians from becoming citizens and allows them to now enjoy full citizenship in this great country. This is a most constructive measure and is so recognized both by the Indians and the whites of the United States.

The so-called "San Carlos bill" became a law, authorizing an appropriation of $5,500,000 for the construction of the San Carlos irrigation project, giving much-needed relief to the Pima Indians of Arizona.

The Pueblo Indian land bill, a most complex matter, which caused a very disturbing controversy, was enacted into law. Extensive hearings were held, and the measure was agreed upon by all interested parties, and thus the Indians' rights were amply protected.

For many years the various tribes of Indians in the country have endeavored to secure permission to settle their differences with the United States by submission of their claims to the Court of Claims. During this session of Congress your committee investigated this matter very carefully and recommended to the House that 12 of these tribes be given jurisdiction to present their claims. Eight of these bills became laws, two passed the House, and two failed of passage during the closing days of the session. This action will eliminate many of the controversial claims against the Government, and at the same time your committee has been most careful to safeguard the interests of the Government.

Other bills of equal importance to the Indians have become laws. A brief summary may be interesting at this time. Seventy-eight bills were reported to the House; 72 bills passed the House; 54 bills passed the House and Senate and became laws, leaving but 6 bills on the House Calendar.

To illustrate the importance of the work accomplished, I present the following list of bills, with their status, so the Congress and the people of the country may know exactly what has been done in the first session of the Sixty-eighth Congress regarding Indian legislation.

Jurisdictional bills passed by both Houses of Congress and became laws:

H. R. 71. Cowlitz Indians.
H. R. 694. Saginaw, Swan Creek, and Black River Chippewas.
H. R. 731. Wichita and affiliated bands.
H. R. 3444. Montana Indians.
H. R. 4457. Cherokee Indians.
H. R. 5325. Choctaw and Chickasaw Indians.
H. R. 5799. Seminole Indians.
H. R. 7913. Creek Indians.
H. R. 8493. Stockbridge Indians.

The following bills passed both Houses and became laws:

H. R. 185. Chippewa per capita payment of $100.
H. R. 192. Providing for a girls' dormitory, Lapwai Indian Sanatorium.
H. R. 472. Deposit certain funds to the credit of Navajo Tribe.
H. R. 1414. Pay certain taxes to Stevens and Ferry Counties, Wash.
H. R. 1629. Removal restrictions on allotment of Isaac Jack.
H. R. 2812. Authorizing Secretary of Interior to sell certain lands.
H. R. 2875. Addition of names of certain persons to roll of Flathead Indians.
H. R. 2876. Payment of claims for back annuities, Chippewa Indians.
H. R. 2877. Reserve certain lands for Indians of Zia Pueblo.
H. R. 2878. Authorized sale of lands allotted under Moses agreement.
H. R. 2879. Providing for disposition of homestead allotments of deceased allottees, Blackfeet Reservation, Mont.
H. R. 2881. Compensate three Comanche Indians.
H. R. 2882. Reservation of certain land in Utah for a school site for Ute Indians.
H. R. 2883. Validate certain allotments of land on Lac Courte Oreille Reservation in Wisconsin.
H. R. 2884. Reservation of certain lands in Utah for certain bands of Paiute Indians.
H. R. 2887. Extension of restrictions against alienation of homestead allotments made to members of the Kansas or Kaw Tribe in Oklahoma.
H. R. 3684. Enrollment and allotment of the members of the Lac du Flambeau Band of Lake Superior Chippewas.
H. R. 3800. Cancel allotment of land made to Mary Crane.
H. R. 3852. Final disposition of affairs of Eastern Band of Cherokee Indians of North Carolina.
H. R. 3900. Cancel two allotments made to Richard Bell.
H. R. 4117. Construction of road in Fort Apache Reservation, Ariz.
H. R. 4460. Pay certain Red Lake Indians for garden plats surrendered.
H. R. 4462. Payment of Choctaw and Chickasaw town-site fund.
H. R. 4803. Sale of lands and plants not longer needed for Indian administrative purposes.
H. R. 4804. Allotment of certain lands, Fort Yuma Indian Reservation.
H. R. 4835. Pay tuition of Indian children in public schools.
H. R. 5416. Set aside certain lands, Quinaielt Reservation, for lighthouse.
H. R. 5525. Relief of J. G. Seupelt.
H. R. 6298. Permitting leasing of unallotted lands of Indians for oil and gas purposes.
H. R. 6355. Making all Indians born within the territorial limits of the United States citizens.
H. R. 6483. Amending Osage act of June 28, 1906.
H. R. 6490. Relief of dispossessed allotted Indians, Nisqually Reservation.
H. R. 6857. Relief of Chester Calf and Crooked Nose Woman.
H. R. 6864. Use of Indian lands, Fort Hall Reservation, Idaho, for reservoir purposes, Minidoka project.
H. R. 7400. Authorizing Secretary of the Interior to investigate claims of certain Sioux Indians.

H. R. 7887. Providing for quarters, fuel, and light for employees of Indian field service.
H. R. 4161. Secure rights of way for drainage ditch, Lake Andes.
H. J. Res. 181. Investigation of the administration of Indian affairs in Oklahoma.
S. J. Res. 103. Authorizing expenditure of the Fort Peck 4 per cent fund.
S. 966. Construction of the San Carlos irrigation project, Arizona.
S. 1203. Drainage system for Piute Indian lands.
S. 1308. Purchase lands for Temoak Band of Indians, Nevada.
S. 1409. Relief of settlers and town-site occupants, Pyramid Lake Reservation, Nev.
S. 2798. Leasing for mining purposes unallotted lands, Kaw Reservation.
S. 2159. Appropriation for maintenance of Gallup-Durango Highway, Navajo Reservation.
S. 2932. Quiet title to lands within the Pueblo land grants.
The following bills passed the House:
H. R. 25. Per capita payment of $50 to Red Lake Indians.
H. R. 26. Compensate Chippewa Indians.
H. R. 2694. Jurisdictional bill, Washington Indians.
H. R. 2977. Relief of H. E. Kuca and V. J. Koupal.
H. R. 3387. Repayment of excess amounts paid by purchasers of certain lots in the town site of Sanish, formerly Fort Berthold Indian Reservation, N. Dak.
H. R. 4275. Jurisdictional bill, Ponca Indians.
H. R. 4461. Pay certain claims against Chippewa Indians.
H. R. 4818. Perfect title of purchasers of Indian lands.
H. R. 5726. Amending Osage act of March 3, 1921.
H. R. 6328. Relief of Charles F. Peirce, Frank T. Mann, and Mollie V. Gaither.
H. R. 6541. Disposal of unallotted lands, Omaha Reservation.
H. R. 7077. Amending appropriation bill of 1914.
H. R. 7239. Pay certain funds to various Pottawatomi Indians.
H. R. 7249. Relief of F. J. Kramer.
H. R. 7453. Amending act of March 3, 1909.
H. R. 8086. Amending act of August 1, 1914.
H. R. 8545. Jurisdictional bill, Yankton Band Santee Sioux.
The following bills were reported to the House and are now on the calendar:
H. R. 27. To compensate the Chippewa Indians.
H. R. 2258. Relief of James J. McAllister.
H. R. 3913. Jurisdictional bill, Delaware Indians.
H. R. 8083. Designate Croatan Indians in North Carolina as Cherokees.
H. R. 8965. Relief of Omaha Indians.
H. R. 9343. Jurisdictional bill, Chippewa Indians.

NATIONAL DEFENSE

Mr. FROTHINGHAM. Mr. Speaker, another step toward preparedness is provided in a bill reported by me from the Committee on Military Affairs. Authorization is given for the acquirement of lands in which is located helium-bearing gas. Helium is the safest kind of gas for use in airships. Gas that contains helium is located almost exclusively in this country. It exists in Texas and extends into New York through the States of Oklahoma, Kansas, Indiana, West Virginia, and Pennsylvania. Outside the United States there is a little in Canada, Italy, and Czechoslovakia. There is said to be too little in these foreign countries to be of practical use. The consequence is that we have in this country a virtual monopoly.

The purpose of this bill is to have the Government take over our supply and preserve it for national defense and public uses. This will prevent its exploitation by private parties. There is also a provision in the bill forbidding its exportation to foreign countries without permission.

The great advantage of helium in airships is that it is noncombustible. During the war the use of the incendiary bullet made it possible to puncture the balloons of these ships and set them on fire. A spark will ignite a balloon filled with hydrogen gas. This is not the case with helium. If the *Shenandoah* had been using hydrogen gas instead of helium when the storm pulled her from her moorings some months ago, there would probably have been an explosion and the ship been burnt up. Had the *Roma* been equipped with helium and the French ship *Dixmude*, the disastrous accidents that happened to them would not have occurred. The helium now obtained by the Government comes from a private plant in Texas and is stored in metal cylinders about a foot in diameter and 5 or 6 feet long and containing from 190 to 200 cubic feet of helium. These cylinders are stored in a warehouse and from there sent as required by the United States forces. Helium is carried in airships in a number of different bags so if one or more bags are punctured the others can still float the machine.

More and more it is being shown that rigid airships are of great use both in time of peace and in time of war. Many passengers and great quantities of freight can be carried by them.

Helium was discovered by an astronomer while observing an eclipse of the sun in India in 1868. Sir William Ramsey, in 1896, discovered helium in a mineral which was sent to him. At first the amount obtained was only a few thimblefuls and the idea that it ever could be used in airships was not even considered.

The Conference for the Limitation of Armament put no limitation on the number of airships, whether heavier or lighter than air, that a country could build. In fact, no limit was put on the number of light cruisers and submarines. Consequently much of the good expected from this conference has been thwarted by the activities of certain countries in building airships and vessels of war not covered by the conference.

While I am on this subject I think it important that something should be said about this phase of conference. A great deal of misunderstanding seems to exist as to exactly what was done. The conference assembled in Washington and held its first meeting November 15, 1921. Deliberations continued until February 3, 1922. Separate treaties were signed between the United States, the British Empire, France, Italy, and Japan, providing for the limitation of the navies of those countries and establishing the ratio as between three great naval powers, the United States, Great Britain, and Japan, of 5–5–3.

This limitation, however, applied to capital ships only. In other words, no limit was put on the number of light craft that could be built. For some time rumors have been current that this country was falling behind in its ratio because Great Britain and Japan were building many lighter craft, while this country was not. In the last session of Congress I brought in a resolution asking what was being done by the different countries under this treaty in the way of scrapping or disposal of vessels. I appeared before the Naval Committee of the House in relation to it, and a report was submitted by the Secretary of the Navy.

Under the treaty the United States is limited in total capital ship replacement tonnage to 525,000; the British Empire to 525,000 tons; the Japanese, 315,000 tons; the French, 175,000; and Italy, 175,000 tons. A capital ship is defined as one over 10,000 tons displacement, and no capital ship shall be acquired or constructed exceeding 35,000 tons. Guns on capital ships are limited to a caliber of 16 inches. Total tonnage for aircraft carriers is also limited in displacement: For the United States, 135,000 tons; British Empire, the same; for Japan, 81,000 tons; and for France and Italy, 60,000 tons. No aircraft carrier can be acquired or constructed exceeding 27,000 tons, provided that any of the countries can build two aircraft carriers, each of a tonnage of not more than 33,000 tons, and may use for the purpose two of their ships, constructed or in course of construction, which otherwise would have to be scrapped.

The number and caliber of guns to be carried by aircraft carriers is also limited. Provision is also made that no vessel of war hereafter laid down by any of the contracting parties other than a capital ship shall carry a gun of a caliber with an excess of 8 inches. It was under the provision in the treaty for keeping two of the vessels under construction and converting them into plane carriers that it was possible for me to help in having the *Lexington*—then building at the Fore River Yards, in Quincy—designated in an act of Congress as one of those to be kept for conversion.

Under this treaty Great Britain and Japan have built cruisers and other lighter ships not covered by the treaty, and have, in other ways, maintained the ratio of strength allowed them. This country has fallen behind. According to a recent alarmist report we had fallen to the ratio of 1 as compared with Great Britain's 5 and Japan's 3. This is an exaggeration. The Navy Department admits, however, that we have fallen behind, and the best that can be said is that the United States is approximately 4 instead of on an equality with Great Britain, as the treaty provided.

A bill recently passed by the House provided for the modernization of some battleships and the building of eight light cruisers of 10,000 tons. When this construction takes place we shall be in a better position. The great weakness with the arms conference was that the limitations did not cover cruisers, submarines, chasers, and other craft, including airplanes, but was limited to capital ships.

It is the duty of this country to keep up its Navy to the limit allowed. It is our duty, because the Navy is the first line of defense. It is our duty, because that was the understanding of the treaty. Woe to this country if she fails to do so. It is our first line of defense in case we are attacked—to hold off an enemy and enable us to mobilize an army. War is a dreadful thing. Every effort should be made to outlaw it and substitute some other method for settling international disputes. As long, however, as other countries are armed, as other countries are covetous of our riches, it is essential that we remain awake and protected. All history shows that the weak nations are the ones that have fallen. No one can want this Nation to be swept from the seas and fall like Carthage. We owe it to our forefathers; to our history; to the men and women who have sacrificed themselves for our safe-keeping; to those who maintained our prestige on the fields of France; to those of to-day who are helping to keep us a leader among nations, to see that this country is properly prepared against attack.

2.75 PER CENT BEER

Mr. CRAMTON. Mr. Speaker, on some suitable occasion I desire to address the House somewhat fully on the proposed beer and wine amendment to the Volstead Act. At this time, under the general leave granted, I desire to refer but briefly to some points that have been brought out during the recent voluminous hearings before the Judiciary Committee of the House on the 2.75 per cent beer bills, and to call attention to the recent medicinal-beer decision of the United States Supreme Court.

In the committee hearings the statement has been made that the Government admitted during the trial of cases involving the validity of the definition of intoxicating liquors contained in the war prohibition act that 2.75 per cent alcoholic content in beverages did not render them intoxicating. This is misleading. The facts were that during the period of the war regulations upon the use of food products in the manufacture of intoxicating liquors brewers were at one time permitted to manufacture 2.75 per cent beer. On October 28, 1919, Congress enacted the Volstead Act, Title II of which provided for the enforcement of war prohibition. It prohibited the manufacture of liquors containing as much as one-half of 1 per cent of alcohol by volume. The Jacob Ruppert Brewing Corporation filed a petition in equity in the District Court of the United States for the Southern District of New York seeking to enjoin the Federal authorities from the enforcement of this measure, alleging that they were engaged in the manufacture of beer containing not more than 2.75 per cent of alcohol by weight; that the war prohibition act of November 21, 1918, had become void or expired by its own terms, and that the provisions of Title I of the Volstead Act for the enforcement of the war prohibition, which fixed the definition of intoxicating liquors at one-half of 1 per cent, was unconstitutional because in excess of the war powers of Congress.

The Government, as a matter of pleading, moved to dismiss the bill on the grounds that it did not state a cause for equitable relief. This technically admitted that, for the purposes of that case, the Government did not contest the question of whether beverages of 2.75 per cent alcoholic content were in fact intoxicating, but the reason for the Government's making this motion was that the question was no longer material, since Congress had by the later act of October 28, 1919, the Volstead Act, defined intoxicating liquors to be those containing one-half of 1 per cent or more of alcohol by volume, and the issue was whether this act was constitutional. If Congress had the power to fix the definition at this point in order to make the law enforceable, then the question of whether 2.75 per cent beer would actually intoxicate was immaterial.

This is pointed out by Mr. Justice Brandeis in the opinion of the court, where he said (Ruppert *v.* Caffey, 251 U. S. 264, 282):

> May the plaintiff show as a basis for relief that the beer manufactured by it with alcoholic content not greater than 2.75 per cent in weight and 3.4 per cent in volume is not in fact intoxicating? The Government insists that the fact alleged is immaterial since the passage of the Volstead Act, by which the prohibition of the manufacture and sale is extended to all beer and other malt liquor containing as much as one-half of 1 per cent of alcohol by volume.

The quotation which is so often used by the opponents of the one-half of 1 per cent definition is taken from the language used by Mr. Justice McReynolds in the dissenting opinion. The statement that the Government admitted beverages containing 2.75 per cent of alcohol to be nonintoxicating is therefore misleading. The admission was made as a matter of pleading simply because the Government did not feel it necessary to contest the point in that particular case.

Concerning the reasons for the one-half of 1 per cent limitation in the Volstead Act, Mr. Justice Brandeis said in that same case of Ruppert against Caffey, at page 283:

> In other words, it clearly appears that a liquor law, to be capable of effective enforcement, must, in the opinion of the legislatures and courts of the several States, be made to apply either to all liquors of the species enumerated, like beer, ale, or wine, regardless of the presence or degree of alcoholic content; or, if a more general description is used, such as distilled, rectified, spirituous, fermented, malt, or brewed liquors, to all liquors within that general description, regardless of alcoholic content; or to such of these liquors as contain a named percentage of alcohol.
>
> A survey of the liquor laws of the States reveals that in 16 States the test is either a list of enumerated beverages, without regard to whether they contain any alcohol or the presence of any alcohol in a beverage, regardless of quantity; in 18 States it is the presence of as much as or more than one-half of 1 per cent of alcohol; in 6 States, 1 per cent of alcohol; in 1 State, the presence of the "alcoholic principle." * * *
>
> It is therefore clear both that Congress might reasonably have considered some legislative definition of intoxicating liquor to be essential to effective enforcement of prohibition, and also that the definition provided by the Volstead Act was not an arbitrary one.

It was also claimed that the Volstead Act contains a double standard—one for the city and one for the country. Anyone who will read the Volstead Act will find that the same provisions apply in every inch of the territory of the United States. It is true that section 29 of the Volstead Act does not prohibit cider and fruit juices that are not intoxicating in fact when made and used exclusively in the home.

Congress had all the reasons for this when the bill was originally considered and since that time. The complaint which the proponents of these beer bills make about the standard set for cider and fruit juices furnishes a good argument to show how the law would be evaded if there was no definite standard set for the commercialized traffic or for beer. It may be that the provision should be changed and strengthened. If so, it will doubtless be done by its friends and not by its enemies.

There has been considerable discussion concerning the attitude of former Congressman Volstead about what is intoxicating liquor. The corrected record shows clearly his position. Members of Congress, as well as witnesses, are permitted by the committee to take the notes of the stenographer and make corrections. The corrected statement of Mr. Volstead carried out clearly the intent of the eighteenth amendment and the enforcement act. Every Member of Congress knows Mr. Volstead's attitude concerning intoxicating liquor.

It was discussed in committee and on the floor of the House when the Volstead Act was pending—that alcoholic liquor affects people differently, depending upon their tolerance of its use and many other conditions. It would be a truthful statement that 3 per cent beer would not visibly intoxicate some people who are strongly tolerant to its use, but that does not mean that it would be a safe standard for enforcement for the people generally. Others would become more intoxicated upon 2 per cent than the confirmed drinker would be on 3 per cent.

It has been made clear to the Congress that the one-half per cent alcoholic content is not the determining point as to whether or not it would be actually intoxicating, but it is the determining point based on experience in fixing a standard that would make the law enforceable. No one ever argued that the one-half of 1 per cent standard was adopted because that would or could intoxicate anybody. It was adopted because the experience in 95 per cent of the territory of the United States, which adopted prohibition before the eighteenth amendment and the Volstead Act went into effect, found it necessary in order to enforce the law against the liquor traffic.

The cases of James Everard's Breweries against Day, Prohibition Director, and Edward and John Burke (Ltd.) against Blair, Commissioner of Internal Revenue, were decided by the Supreme Court June 9, 1924, in a unanimous opinion of the court. Each of these corporations brought a suit in equity in the district court to enjoin the commissioner of internal revenue and other Federal officers from enforcing the provision of the supplemental act prohibiting the prescribing of intoxicating malt liquors for medicinal purposes, alleging that it was not authorized by the eighteenth amendment and was in conflict with other provisions of the Constitution.

The court fully sustained the act and denied the relief sought. The following brief excerpts from the opinion will be found of especial interest:

We come then to the question whether this act is within the power conferred upon Congress by the eighteenth amendment. By its terms the amendment prohibits the manufacture, sale, or transportation of intoxicating liquors for beverage purposes and grants to Congress the power to enforce this prohibition "by appropriate legislation." Its purpose is to suppress the entire traffic in intoxicating liquor as a beverage. See Grogan v. Walker (259 U. S. 39, 89). And it must be respected and given effect in the same manner as other provisions of the Constitution. National Prohibition Cases (253 U. S. 350, 386).

* * * * * * *

The ultimate and controlling question, then, is whether in prohibiting physicians from prescribing intoxicating malt liquors for medicinal purposes as a means of enforcing the prohibition of traffic in such liquors for beverage purposes Congress has exceeded the constitutional limits upon its legislative discretion.

In enacting this legislation Congress has affirmed its validity. That determination must be given great weight; this court by an unbroken line of decisions having "steadily adhered to the rule that every possible presumption is in favor of the validity of an act of Congress until overcome beyond rational doubt." Adkins v. Children's Hospital (261 U. S. 525, 544).

We can not say that prohibiting traffic in intoxicating malt liquors for medicinal purposes has no real or substantial relation to the enforcement of the eighteenth amendment, and is not adapted to accomplish that end and make the constitutional prohibition effective. The difficulties always attendant upon the suppression of traffic in intoxicating liquors are notorious. Crane v. Campbell (245 U. S. 304, 307). The Federal Government in enforcing prohibition is confronted with difficulties similar to those encountered by the States. Ruppert v. Caffey, supra, page 297. The opportunity to manufacture, sell, and prescribe intoxicating malt liquors for "medicinal purposes" opens many doors to clandestine traffic in them as beverages under the guise of medicines; facilitates many frauds, subterfuges, and artifices; aids evasion, and thereby and to that extent hampers and obstructs the enforcement of the eighteenth amendment. A provision in a revenue act which tends to diminish the opportunity for clandestine traffic in avoidance of the tax has a reasonable relation to its enforcement. United States v. Doremus (249 U. S. 86, 94).

Nor can it be held that the act is an arbitrary and unreasonable prohibition of the use of valuable medicinal agents.

When the bill was pending in Congress the Judiciary Committee of the House of Representatives held an extended public hearing, in which it received testimony, among other things, on the question whether beer and other intoxicating malt liquors possessed any substantial medicinal properties. Hearings before House Judiciary Committee on H. R. 5033, serial 2, May 12, 13, 16, 17, 20, 1921. On the information thus received the committee recommended the passage of the bill (H. Rept. No. 224, 67th Cong., 1st sess.). And in the light of all the testimony Congress determined, in effect, that intoxicating malt liquors possessed no substantial and essential medicinal properties which made it necessary that their use for medicinal purposes should be permitted, and that, as a matter affecting the public health, it was sufficient to permit physicians to prescribe spirituous and vinous intoxicating liquors in addition to the nonintoxicating malt liquors whose manufacture and sale is permitted under the national prohibition act.

Neither beer nor any other intoxicating malt liquor is listed as a medicinal remedy in the United States Pharmacopoeia. They are not generally recognized as medicinal agents. There is no consensus of opinion among physicians and medical authorities that they have any substantial value as medicinal agents; and while there is some difference of opinion on this subject the question is, at the most, debatable. And their medicinal properties, if any, may, it appears, be supplied by the use of other available remedies. That the opinion is extensively held that the prohibition of prescription of malt liquors is a necessary and proper means to the suppression of the traffic in intoxicating beverages likewise appears from the legislation in many States, under which such prescriptions are not permitted.

The following in the report of the House Judiciary Committee on the supplemental prohibition act (Rept. No. 224, 67th Cong., 1st sess.) was referred to in the opinion and is worthy of note:

In its report the committee said:

"The evidence presented to the committee to the effect that beer has never been recognized as a medicine was overwhelming. The United States Pharmacopoeia has never listed it as a medicine. One hundred and four of the leading physicians and scientists in the Nation signed the following statement: 'The undersigned physicians of the United States desire to place on record their conviction that the manufacture and sale of beer and other malt liquors for medicinal purposes should not be permitted. Malt liquors never have been listed in the United States Pharmacopoeia as official medicinal remedies. They serve no medical purpose which can not be satisfactorily met in other ways, and that without the danger of cultivating the beverage use of an alcoholic liquor.' Several thousand other physicians signed the above, or a similar statement, and presented it to the committee. The attorney for the Anheuser-Busch Co. (Inc.) appeared before the committee and called attention to the fact that if beer was permitted as a medicine it would be impossible to enforce the prohibition law. There was only one doctor who appeared before the committee in favor of beer as a medicine, and the New York County Medical Association, the official medical association of New York, denied that he spoke for them in favoring beer for medicinal purposes."

Congress has found beer to be lacking in medicinal value. The Supreme Court says the opportunity to manufacture, sell, and prescribe beer for medicinal purposes would open the door to frauds and hamper and obstruct the enforcement of the eighteenth amendment.

How much more would the unrestricted sale of beer of intoxicating strength obstruct and defeat that amendment? It is unnecessary and impossible. Better to realize the truth of these two paragraphs closing an editorial in the Washington Herald, May 13, 1924:

The conscience of the civilized world is solidly against the use of alcohol in any form as a beverage.

The number of people who are aware of the necessity of prohibition and still drink a little is decreasing daily. The conscience of the civilized world is slowly taking form against the use of alcohol as a beverage. It is regrettable that a man of Doctor Butler's prominence should think otherwise.

### A PROGRESSIVE REVIEW OF THE LEGISLATIVE RECORD

Mr. NELSON of Wisconsin. Mr. Speaker, the progressive Members that have held the balance of power in the House during the past session instructed me to prepare a brief review of our legislative record. Out of the general scope of legislative matters considered during this session I select a dozen for brief comment:

Organization of the House; its rules and committees.
Investigations of Shipping Board and Air Service.
Taxes.
Adjusted compensation.
Federal Trade Commission.
German relief.
Alaskan fisheries.
Bloom election case.
Railroad legislation.
Cape Cod Canal.
Banking bill.
Farm legislation.

These more important subjects are selected out of the general run of legislation as they came up in order to illustrate how the progressive group has fought for the best interests of all the people.

### ORGANIZATION OF THE HOUSE

Immediately at the opening of Congress we demonstrated our firm hold upon the balance of power. Before the House organized we compelled the regulars to permit a reformation of some of the more tyrannical rules and to yield a place to a progressive on the governing Rules Committee.

Let it be at once well understood that Congress is visibly controlled by a floor leader and the old Members that hold the higher places in the organization of the leading committees and into whose grasp the rules center legislative power. But behind a large majority of these experienced legislators stands, more or less directly, the invisible government of our country.

### THE REAL RULERS

That citizen is greatly deceived who thinks that this power is made up of the American voters, to whom under the Constitution it rightfully belongs. Everyone at all familiar with affairs as they actually are knows, without having pointed out for him either the true character, the constituent elements, or the enormous resources of this power, that a usurper has seized the reins of government and now dominates more or less directly not only the Congress but also the courts, and now particularly the Cabinet.

This usurper, it is sufficient to say, is popularly spoken of as "big business." By this term all understand a class-conscious group of financiers, whose headquarters is on or potentially near a well-known street in the very heart of the financial district of our country. This all-powerful financial group is as much a minor quantity in America, when compared with the whole people, whose right it is to rule, as is the minority that now governs Russia. The chief difference in respect of persons between the Government of Russia and that of the United States is largely that, under the form of still remaining republics, the one is governed by a small minority representing

the extremely poor, whereas the other is governed by a small minority representing the extremely rich.

Big business was the first class to have its bloc in Congress. The financial bloc has long been in control of the House organization. But even by reforming the rules so that the chairman of the Committee on Rules can not carry resolutions around in his pocket but must file them within a specified time and call them up only after one day's notice; next, by changing the rules so that an amendment to a tax bill providing for another kind of taxation than that reported from a committee shall be in order, if germane, and then by providing for the discharge of a committee upon the filing of a petition signed by 150 Members to a discharge motion, the power of entrenched regulars representing big business was somewhat restrained, as the legislative influence of the progressives was notably increased when one of their number was placed on the governing Rules Committee. It is freely conceded that much remains to be done not only looking toward further revision and liberalization of the rules but also toward an enlargement of progressive representation on the dominant committees of the House. This fight for further reform of the House organization is scheduled to be taken up again at the earliest favorable opportunity.

INVESTIGATIONS BY SELECT COMMITTEES

Without the balance of power being held by the progressives, there would have been no investigation by select committees either of the Shipping Board or of the Air Service. These are both now well under way.

At the opening of the session leading progressive Democrats met with some of us to consider such investigations. We had learned in the consideration of the ship subsidy bill that big business had made billions of dollars out of the Public Treasury by manipulation of contracts for the building of ships for our alleged merchant marine. Congress had appropriated more than $4,000,000,000 during the war for ships without getting a single ship ready for the transport of our troops across the Atlantic. Evidence of continued graft and corruption came to us in abundance. As a result we decided to fight for the appointment of a select committee to investigate the Shipping Board. We succeeded. This committee consists of some of the best men in Congress, and one of them is the distinguished gentleman from Wisconsin [Mr. COOPER], for whom we cast our votes for Speaker.

Likewise, big business had made hundreds of millions out of the Treasury during the war under the guise of building airplanes. Congress had been persuaded to appropriate more than a billion dollars for flying machines without succeeding in getting a single fighting plane at the front. The corruption and graft in this branch of the War Department has been scandalous to the extreme. Evidence came to us that the same special interests organized as a monopoly that had caused this sad chapter in our war history was still potent in securing contracts with these air services. As a result, we secured the appointment of a select committee to investigate this branch of the War Department. It was a hard struggle, but again we won. The committee consists of members of excellent character, two of whom—Mr. LAMPERT, of Wisconsin, and Mr. REID, of Illinois—directly represent the progressive group holding the balance of power in the House.

These investigations have already more than justified themselves and will be of inestimable benefit to the people not only in putting an end to two enormous wastes of public funds but also in developing constructive programs for the upbuilding of a merchant marine on the sea and in providing an effective fleet of airships as a part of our national defense in the air, not overlooking the future usefulness of the airplane as a modern instrumentality of commerce.

TAXATION

But for the opposition of the progressives the Mellon tax plan would have succeeded. Systematically since the war big business has sought to relieve itself of its just share of the burdens of taxation brought upon the American people by the profiteers of the World War. In the last Congress big business succeeded in repealing entirely the excess-profits tax and in reducing the higher surtaxes to 50 per cent. The intent of the Mellon plan was to further relieve big business of these surtaxes by reducing them down to 25 per cent. This was carried on under a well-organized, special-interest propaganda for so-called tax reduction.

Early in the session the progressives had worked out the progressive tax plan. This was presented to the country and to the Congress. We succeeded not only in defeating the effort of Mr. Mellon and his big business associates in shifting the burden of taxation onto the masses of the people but secured for the average taxpayers a reduction of taxes that will greatly please them when they realize what we have done.

Time will not permit the enumeration and discussion of our partly successful efforts to amend the tax bill in many details, such as our fight for increased tax on inheritances, stock dividends, undistributed profits, and for the publicity of tax returns.

In the face of the most skillfully organized propaganda of misrepresentation that was ever perpetrated on the American people by the big special interests, progressives succeeded in working out a tax reduction based with some degree of success upon justice and equity for the people.

ADJUSTED COMPENSATION

Without the support of progressives the adjusted compensation bill for veterans of the World War would have failed. Big business, under the leadership of Mr. Mellon, fought adjusted compensation with all its might and main. These same special interests who had profiteered out of war to an extent that the world's history never before had seen equaled bitterly opposed granting this small degree of adjusted compensation to the boys whom these profiteers clamored to have sent across the sea to insure the collection of their war-gotten gains. The progressives felt that inasmuch as Congress had compelled these young men to leave their occupations for the pitiful sum of $30 per month, risking life, health, and liberty, it was but the plain duty of Congress to heed their demand for some adjustment for the injustice that had been done them. At the darkest moment, when the Mellon opposition seemed about to triumph, we urged the commander of the Legion to reply to the Mellon propaganda and to appeal to all Legion posts to back up their demand for justice. The commander responded, made the appeal, and the Legion posts were heard from in every portion of the land. While the President, under Mr. Mellon's advice, saw fit to veto the bonus bill, Congress overwhelmingly passed it over the President's objection, every progressive voting not only for the original bill but also to override the President's veto. Big business cheered the soldier going to France to fight for the protection of their war contracts but sneered at the soldier when asked to pay a small portion of the huge profits of these war contracts for adjusted compensation.

GERMAN RELIEF

One of these veterans of the World War, the gentleman from New York [Mr. FISH], introduced a resolution to provide relief for the starving women and children of Germany in the form of foodstuffs. One of the witnesses and advocates of this measure before the Foreign Affairs Committee was General Allen, in charge of the American troops during the occupation of the Rhine. It was urged by progressives that this was not only the duty of America in keeping with her wealth and historic character, but would be most potent in doing away with hate, suspicion, and feelings of revenge for the future. In fact, this relief would do more for promoting peace in the world than all the millions spent for preparedness for war on land and sea. Every progressive in the House voted for this humanitarian measure. It passed the House but failed in the Senate during the closing days of the session. Big business opposed this relief strenuously. It was also opposed by a narrow, selfish, sectionalism, and by an appeal to the angry passions that were engendered during the war. Big business is Bourbon blind; it thinks only in terms of violence and hate, and does not respond to the nobler emotions of the human heart.

FEDERAL TRADE COMMISSION

But for the support of the progressives the Federal Trade Commission would have been both hamstrung and starved.

This agency of the Government has remained faithful to the best interests of the people. It so happened that a number of progressive-minded men were appointed originally on this commission whose duty it is to investigate and report upon the practices of monopolies that restrain or interfere with the freedom of competition. The commission has faithfully investigated and reported on these monopoly practices, but the Attorney General has refused to prosecute the criminals. The representatives of big business in the House and Senate, and recently the President, has tried to destroy the usefulness for the people of this body. Certain amendments were proposed, and the usual appropriations cut down in order to hamstring or starve the commission. The progressives appointed a special committee to do its utmost to protect the commission from this attack. In this we were very successful. However, the President has recently made an appointment which may prove to be the turning over to big business of this agency designed to protect the people against the evil practices of monopolies.

ALASKAN FISHERIES

The Delegate from Alaska, Mr. DAN SUTHERLAND, is a member of the progressive group. He revealed to us by indisputable proof that the fisheries of Alaska had been turned over by Secretary of Commerce, Mr. Hoover, to the big packing interests of Chicago and the West. These packers controlled the so-called salmon canneries, who were given all kinds of fishing privileges at the expense of the people of Alaska.

We assisted him in getting his complaint before the American people, not only in speeches made in Congress but in articles prepared by the great news gathering associations. We also helped him get a bill out of the Committee on the Merchant Marine and Fisheries, which was passed by the House and Senate, relieving the people of Alaska to a large degree of these fishing monopolies.

BLOOM ELECTION CONTEST CASE

The progressives have also had a conspicuous part in protecting Members elected to the House from loss of their seats. The most notable of these was the Bloom election case. Mr. BLOOM's seat was contested by Mr. Chandler, of New York, who originally had been a Roosevelt follower but had become one of the stanchest of regulars. Although defeated at the elections, he made an incessant campaign in Congress to unseat his Democratic opponent. Every kind of pressure was brought to bear upon the Republican membership by the Republican regulars to give Mr. Chandler the contested seat in the House. It was charged that the purpose was to unseat Mr. BLOOM, a Democrat, and to seat Mr. Chandler, a Republican, in order to turn the electoral vote of New York into the Republican column in the event of the election of President by the House. The New York delegation is now Democratic by one vote. But this steal of a seat was defeated by progressives who had carefully studied the precedents of the House and the results of the elections in that congressional district.

CAPE COD CANAL

No better illustration can be given of the exploitation of the Public Treasury in the interest of big business than is afforded by the Cape Cod Canal bill.

Big-business financiers in New York, under the leadership of August Belmont, had made a poor investment by securing possession of this Cape Cod Canal. So unprofitable had it been that the stock was worse than worthless and the bonds could not be floated upon the market. These financiers then conceived the plan of unloading this bit of "busted" big business on Uncle Sam. In this purpose they were aided by Mr. John W. Weeks when he was in the United States Senate and afterwards by the same gentleman as Secretary of War. It is a long story and has been told in detail in speeches that are in the RECORD. Progressives opposed this steal unanimously, but because Mr. Belmont is a Democrat the leaders of that party put up only a feigned opposition to the measure, many of them joining in this raid on the Treasury in order to secure "pork" for various districts in the rivers and harbors bill. Thus this deal went through the House by a small majority. The cost of this Cape Cod Canal job would be $11,500,000 upon the purchase of the canal, but would cost upward of $50,000,000 to make it fit for commerce and then would be used largely to furnish free toll for the vessels of these special interests who had originally invested in the canal. Because of the fight made upon this job in the House the Senate held this bill in committee to the end of the session. No doubt an effort will be made by these big-business interests to put it through Congress after the elections. It will be interesting to learn whether Mr. Coolidge will sign or veto the Cape Cod Canal bill, in view of his veto of the soldier pension bills.

RAILROAD LEGISLATION

Progressives had an opportunity to demonstrate the need of the new discharge rule in forcing consideration of legislation in the interest of the railroad workers. One of the most grievous evils of the Esch-Cummins Act was the establishment of a Railroad Labor Board. This has functioned in a way to disgust the railroad employer, the railway employee, and the public alike, but it has been especially distasteful to the railway brotherhoods. One of the wisest, fairest, and most effective measures ever presented on the subject was prepared by the railway brotherhoods to abolish the Labor Board. This bill was largely made up of past railway legislation, such as the Erdman Act, the Newlands Act, and the best portions of title 3 of the Esch-Cummins Act, perfectly fair to the railway carriers and to the public, as well as to the railway brotherhoods. Progressives supported it cheerfully. Hearings were refused by the Committee on Interstate and Foreign Commerce presided over by the gentleman from Massachusetts [Mr. WINSLOW]. Thereupon the new progressive discharge motion was filed in behalf of the Howell-Barkley bill repealing the Labor Board and supported by progressives of all parties; the committee was discharged and the bill brought up in the House for consideration. Thereupon the regulars, under the instigation of the railway executives, began a determined filibuster to defeat it, but failed utterly to do more than obstruct its passage. Owing to the adjournment of Congress the bill is still pending, but holds its prominent place on the discharge calendar.

Progressives also instituted a discharge motion to bring up the consideration of a bill to reduce freight rates by revising section 15a of the Esch-Cummins Act. As soon as the Howell-Barkley bill is out of the way we expect to push the legislation for the relief of the producer on the farm and the consumer in the city.

These measures illustrate not only the facts stated, that the regulars in the House hold power by virtue of their control of committees and their vicious use of parliamentary rules, but that they represent the big business interests that send them to Congress, in this instance the railroad corporations backed by the great banking houses of Wall Street, who own or control the country's railway systems.

BANKERS' BILL

Speaking of the bankers of Wall Street naturally brings up the consideration of the McFadden bill for the relief of the bankers in the Federal reserve system. This bill is a special-interest and special-privilege measure through and through. Among other bad provisions it not only grants to these banks who now have charters running for 100 years the privilege of holding them in perpetuity but also extends the vicious principle of branch banking. Progressives have appointed a committee to fight this bill as energetically as possible. The representative of the progressives on the Committee on Rules opposed the granting a rule for its consideration, but big business got its rule readily for the consideration of a measure like this bill extending branch banking and granting perpetual charters to banks, as it did to consider the Belmont-Winslow Cape Cod Canal bill. However, the regulars in the House feared to press the passage of this bankers' bill during the closing days of the session, and so it is one of the first to be considered after the elections. We realize, however, that it will be difficult, then, to prevent the enactment of this so-called relief for the bankers, who set up the cry that their Federal banking interests are in danger because of the rivalry of State branch banks and liberal State charters.

FARM LEGISLATION

All real farmer-relief legislation failed. Progressives are the sincere champions of legislation for relief of the farmer. Unfortunately, they had not sufficient representation on committees that consider such relief and are handicapped by the rules of the House. Every form of farm relief was given consideration by us at our meetings, but the so-called McNary-Haugen bill was given right of way by the regulars in the Agricultural Committee. We knew that it could not pass. We knew that it was not the intention of the regulars to permit it to pass. It served to block the way of any real farmers' relief legislation. But, as it was defeated during the closing days of the session, there was not time for working out effective relief for the farmer. A meeting of progressive Members of the House and Senate was called before adjournment in order to see, as a last resort, if something could be worked out, but it was soon apparent that in the event of adjournment being decided upon by the regulars in control of both branches of Congress there would be no opportunity for further farm legislation. Progressives therefore resisted adjournment in both House and Senate until farm relief was had, but the regulars of both political parties united in forcing an adjournment.

CONCLUSIONS

The foregoing résumé of the record made by the progressives in the House during the past session is most gratifying. Our success exceeded by far our hope. We not only prevented reactionary legislation, we promoted many progressive measures.

Every member of the progressive group goes home happy in the realization that he has not only made a good record for himself as a faithful representative of the people but is also mightily pleased with the knowledge that he will meet with only smiles of approval on the countenances of his constituents. Not one progressive goes back fearful of defeat.

We are well aware that Congress is being condemned by some well-known spokesmen—in and out of the press—who represent the interests of big business. Gary, of the United States Steel Corporation, has declared that "the worst thing we have is our American Congress." This remark by the head

of the Steel Trust is regarded by progressives as highly complimentary. Had we received the approval of the Steel Trust we would have met with the disapproval of the people. Mr. Gary speaks for big business at the head of one of the greatest monopolies in the world under the complete control of the house of Morgan, the first place of financial power in America and the world.

We know well why Mr. Gary is peeved at Congress. Some of us remember that a score of years back the United States Steel Corporation was the most potent power behind the House organization. The representative of the Steel Trust from Pittsburgh, Mr. Dalzell, held a dominating place on the governing committee of the House. He was at the steering wheel in the Cannon régime. In the Senate Standard Oil was all powerful in the person of the chairman of the Finance Committee, Senator Aldrich, of Rhode Island. During the session just terminating the influence of the Steel Corporation in the House has been near zero; and oil, whether Standard or not, has completely lost its grip on the Senate. In fact, instead of Standard Oil running the Senate the Senate has been going after the entire oil crowd. No wonder Gary and Doheny declare that "the worst thing we have is our American Congress."

Looking over a period of nearly 20 years of service in the House, it is my considerate conclusion that this Congress excels all others in high character, not merely for the reason of its resisting well-organized special-interest propaganda of misrepresentation as to pending legislation but more particularly because it has sought most zealously to get at the truth of things with reference to mismanagement and graft in the executive departments of the Government, the like of which has not been surpassed in the entire history of our country.

This Congress has not only a record unequaled for its resistance of the forces of evil in public life that sought special privilege in legislation, it has also taken advance ground in promoting the public good.

Finally, it has been the freest, the most independent, and the least subservient Congress in my long experience as a legislator. The progressives, who have held the balance of power, by refusing to wear party shackles have unshackled Congress, as we earnestly hope to unshackle the people of our country.

Whatever may be the sacrifices that we have been or shall be called upon to make—and it has not been an easy or a pleasant task to defy the party machine—we have resolved that having put our hands to the plow we shall go through to the end of the road, confident that our cause is right, for it is the common cause of all the people of our country.

Let them misrepresent us as "radicals." This only reveals that we are right. We see no virtue in compromises on principle or the public good. They now denounce blocs in Congress. We know that big business had had for a score of years in the House and Senate a well-organized, thoroughly trained, and skillfully manipulated financial bloc. Now that we have sought to protect the people from further exploitation by uniting our efforts as progressives to that patriotic purpose, big business, which has so long ruled Congress, rages and gnashes its teeth in hypocritical horror at blocs, realizing with fear that its riotous reign of shameless profiteering may be over in Congress and the country, as we fondly hope and fervently pray, forever.

### THE "BLOC" SYSTEM OF GOVERNMENT

Mr. COLE of Ohio. Mr. Speaker, I do not believe in the so-called "bloc" system of government. When our fathers bade adieu to their loved homes in Europe, severed the thousand natural ties that bound them thereto, braved the terrors of the treacherous seas, landed on the bleak Atlantic coast, pushed out into the wide forests, and after years of suffering and strife, turmoil and war established here the highest type of government of which the mind of man, aided by Divinity, is able to conceive, they did not have in mind so much the material resources of the country as they did the civil and religious welfare of themselves and their children.

The sweeping plains, the boundless forests, the majestic streams, the sublime mountains, the variegated climate, and all the wonderful material resources of the country, while essential to development such as they were seeking, were not by them considered to be primary, but were secondary in character.

In that far day there was practically but one industry in the country, and that was agriculture; but as the Nation grew in population and extended in area it became apparent that all could not live by agriculture alone. The sustenance of the people made necessary the diversifying of our industries. Hence the industries of the country began to multiply, until to-day we have almost every conceivable enterprise that is carried on anywhere in the world.

The pendulum now seems to have swung too much to the other extreme, and instead of our following their lead and considering primary the civil and religious development of the country, our primary purpose now seems to be the development of its physical resources.

I am persuaded that we shall never be able to attain to that standard of civilization that might be ours until we have, to a degree at least, returned to the faith of our fathers. It seems to me that the domestic peace and welfare are grounded in that faith. It was in that faith that our Nation was conceived and brought forth, and if by that faith it was brought forth, it is by that faith that it must live and achieve its highest destiny.

There are sections of our country that are suitable for certain particular pursuits, sections where manufacturing is the logical pursuit, sections where mining takes precedence over all others, sections where agriculture holds sway, and so on all down the line of our industries, and there should be no quarrel among them. One section should not undertake to take advantage of another section to advance its own development, but all should work together in peace and harmony.

I do not agree that the farmer is solely interested in the development of his farm. I ascribe to him much loftier motives than that. While, of course, he is primarily interested in the development of his farm and that which it produces, he yet understands that all that he has, and all that he can hope to be, is dependent upon the integrity of the Nation that gives him security. This is true also of all the other industries, or at least should be.

The tree can not live without its branches and leaves. The leaves can not live without the trunk and branches. The branches can not live without the leaves and trunk. The trunk can not live without the branches and leaves, each having its definite function to perform, yet all working together, being necessary for the life and growth of the tree. So it is with our Government. These different sections supporting the various industries, each performing a separate function, are yet dependent upon one another for life and development.

There should be no manufacturers' bloc, there should be no labor bloc, there should be no farmer bloc, because, since they are interdependent, for their full strength and growth they should work together rather than undertake to work independently.

I feel that a great many of these unfortunate issues are raised by ambitious Congressmen, rather than through demands made upon them by their constituencies. I do not mean to say that a Congressman is not often in a position of advantage, where he may know what is better for his constituents than they themselves do, but the trouble is that the constituents are given credit for a great many things that they knew nothing about until they were revealed to them by the Congressman.

The whole world is groaning under the burdens of materialism. And while I realize that no moral advancement can be made except in conjunction with material development, yet we are stressing the material too much and the moral not enough. Let us abandon the "blocs" and domestic strife, return to the faith of our fathers, and thus insure to our children and our children's children that the United States of America has really taken its "place in the sun"; that this Nation, founded upon the broad basis of liberty and equality, this Nation, that loosed the bands of royalty and crowned each private citizen a king; this Nation, that rent the curtain of aristocracy and paved the way for the lowly to rise, shall, like the grand old "ship of state," continue to sail on, breast heroically the tides of oppression and tyranny, of domestic strife and turmoil and foreign misunderstandings, and finally weigh anchor in the harbor of the highest possible attainments toward governmental perfection.

### FINANCIAL ANGLE OF M'NARY-HAUGEN BILL

Mr. ACKERMAN. Mr. Speaker, if the McNary-Haugen bill had been enacted into law and it had been necessary to raise by taxation the $200,000,000 to finance it, the four Middle Atlantic States, New York, New Jersey, Pennsylvania, and Ohio, would have had to bear nearly 50 per cent of this burden. In other words, these four States would have contributed a sum equal to that of the other 44 States whether the taxes were derived from individual, corporation, or estate taxes, as the following tables, all based on the latest Treasury statistics, will show.

In other words, if the McNary-Haugen plan had been carried out, the four States of New York, New Jersey, Ohio, and Pennsylvania, with 8 Senators and 113 Representatives, a total

population of 26.44 per cent of the whole country, and with only 30.5% per cent of the country's wealth, would raise as much toward carrying out the plan and the bearing of the burden, or loss, as 44 States having 88 Senators, 322 Representatives, having 73.56 per cent of the population and 69.34 per cent of its wealth. This is a disproportionate burden of 3 to 1, practically, as to population and over 2 to 1 as to wealth. Is it to be wondered at while the bill was under discussion that the Representatives of these mid-Atlantic States could not be induced to become enthusiastic over the plan as then presented, while at all times being sympathetically inclined to any equitable plan that might increase the happiness of the farmer?

*Comparison of States from figures issued by the Census and Internal Revenue Bureaus*

| | Total population | Per cent of total wealth | Per cent of total tax paid |
|---|---|---|---|
| Alabama | 0.0221 | 0.0095 | 0.0038 |
| Arizona | .0031 | .0041 | .0007 |
| Arkansas | .0165 | .0082 | .0026 |
| California | .0323 | .0478 | .0506 |
| Colorado | .0089 | .0102 | .0054 |
| Connecticut | .0130 | .0168 | .0148 |
| Delaware | .3021 | .0020 | .0018 |
| District of Columbia | .0041 | .0054 | .0108 |
| Florida | .0091 | .0077 | .0041 |
| Georgia | .0273 | .0124 | .0054 |
| Hawaii | .0024 | | .0020 |
| Idaho | .0041 | .0049 | .0007 |
| Illinois | .0612 | .0706 | .0953 |
| Indiana | .0276 | .0281 | .0125 |
| Iowa | .0227 | .0334 | .0081 |
| Kansas | .0167 | .0199 | .0047 |
| Kentucky | .0228 | .0113 | .0060 |
| Louisiana | .0170 | .0109 | .0074 |
| Maine | .0072 | .0064 | .0055 |
| Maryland | .0137 | .0127 | .0203 |
| Massachusetts | .0363 | .0412 | .0647 |
| Michigan | .0346 | .0360 | .0336 |
| Minnesota | .0226 | .0271 | .0121 |
| Mississippi | .0169 | .0069 | .0015 |
| Missouri | .0321 | .0317 | .0204 |
| Montana | .0052 | .0072 | .0015 |
| Nebraska | .0122 | .0169 | .0046 |
| Nevada | .0007 | .0017 | .0005 |
| New Hampshire | .0042 | .0043 | .0024 |
| New Jersey | .0298 | .0375 | .0462 |
| New Mexico | .0034 | .0028 | .0005 |
| New York | .0980 | .1177 | .2930 |
| North Carolina | .0241 | .0144 | .0052 |
| North Dakota | .0061 | .0078 | .0007 |
| Ohio | .0543 | .0587 | .0467 |
| Oklahoma | .0192 | .0127 | .0058 |
| Oregon | .0074 | .0110 | .0068 |
| Pennsylvania | .0823 | .0917 | .1176 |
| Rhode Island | .0057 | .0062 | .0128 |
| South Carolina | .0159 | .0076 | .0017 |
| South Dakota | .0060 | .0093 | .0007 |
| Tennessee | .0221 | .0134 | .0055 |
| Texas | .0441 | .0313 | .0176 |
| Utah | .0042 | .0049 | .0012 |
| Vermont | .0033 | .0027 | .0016 |
| Virginia | .0218 | .0155 | .0058 |
| Washington | .0133 | .0164 | .0068 |
| West Virginia | .0138 | .0149 | .0064 |
| Wisconsin | .0248 | .0251 | .0125 |
| Wyoming | .0018 | .0031 | .0041 |
| **EASTERN STATES** | | | |
| Maine | .0072 | .0064 | .0055 |
| New Hampshire | .0042 | .0043 | .0024 |
| Vermont | .0033 | .0027 | .0016 |
| Massachusetts | .0363 | .0412 | .0647 |
| Rhode Island | .0057 | .0062 | .0128 |
| Connecticut | .0130 | .0168 | .0148 |
| Total | .0697 | .0776 | .1018 |
| **MIDDLE ATLANTIC STATES** | | | |
| New York | .0980 | .1177 | .2930 |
| Pennsylvania | .0823 | .0917 | .1176 |
| New Jersey | .0298 | .0375 | .0462 |
| Ohio | .0543 | .0587 | .0467 |
| Total | .2644 | .3056 | .5035 |
| **MIDDLE WEST STATES** | | | |
| Indiana | .0276 | .0281 | .0125 |
| Illinois | .0612 | .0706 | .0953 |
| Missouri | .0321 | .0317 | .0204 |
| Iowa | .0227 | .0334 | .0081 |
| Minnesota | .0225 | .0271 | .0121 |
| Wisconsin | .0248 | .0251 | .0125 |
| Michigan | .0346 | .0360 | .0336 |
| Total | .2255 | .2520 | .1945 |
| **WESTERN STATES** | | | |
| North Dakota | .0061 | .0078 | .0007 |
| South Dakota | .0060 | .0093 | .0007 |
| Nebraska | .0122 | .0169 | .0046 |

*Comparison of States from figures issued by the Census and Internal Revenue Bureaus*—Continued

| | Total population | Per cent of total wealth | Per cent of total tax paid |
|---|---|---|---|
| **WESTERN STATES**—continued | | | |
| Kansas | 0.0167 | 0.0199 | 0.0047 |
| Montana | .0052 | .0072 | .0015 |
| Wyoming | .0018 | .0031 | .0041 |
| Utah | .0042 | .0049 | .0012 |
| Colorado | .0089 | .0102 | .0054 |
| Arizona | .0031 | .0041 | .0007 |
| New Mexico | .0034 | .0028 | .0005 |
| Idaho | .0041 | .0049 | .0007 |
| Washington | .0133 | .0164 | .0068 |
| Oregon | .0074 | .0110 | .0068 |
| Nevada | .0007 | .0017 | .0005 |
| California | .0323 | .0478 | .0506 |
| Hawaii | .0021 | | .0020 |
| Total | .1278 | .1680 | .0885 |
| **SOUTHERN STATES** | | | |
| Delaware | .0021 | .0020 | .0018 |
| Maryland | .0137 | .0127 | .0203 |
| West Virginia | .0138 | .0149 | .0064 |
| Virginia | .0218 | .0155 | .0058 |
| Kentucky | .0228 | .0113 | .0060 |
| Tennessee | .0221 | .0134 | .0055 |
| North Carolina | .0241 | .0144 | .0052 |
| South Carolina | .0159 | .0076 | .0017 |
| Georgia | .0273 | .0124 | .0054 |
| Alabama | .0221 | .0095 | .0038 |
| Florida | .0091 | .0077 | .0041 |
| Mississippi | .0169 | .0069 | .0015 |
| Louisiana | .0170 | .0109 | .0074 |
| Arkansas | .0165 | .0082 | .0026 |
| Oklahoma | .0192 | .0127 | .0058 |
| Texas | .0441 | .0313 | .0176 |
| District of Columbia | .0041 | .0054 | .0108 |
| Total | .3126 | .1968 | .1117 |
| **SUMMARY** | | | |
| Eastern States | .0697 | .0776 | .1018 |
| Middle Atlantic States | .2644 | .3056 | .5034 |
| Middle West States | .2255 | .2520 | .1945 |
| Western States | .1278 | .1680 | .0885 |
| Southern States | .3126 | .1968 | .1117 |
| Total | 100.0000 | 100.0000 | 100.0000 |

*Comparison of States from figures issued by the Internal Revenue Department*

| | Per cent of taxes paid | | |
|---|---|---|---|
| | Individual | Corporation | Estate |
| **EASTERN STATES** | | | |
| Maine | 0.0055 | 0.0073 | 0.0020 |
| New Hampshire | .0024 | .0023 | .0019 |
| Vermont | .0016 | .0011 | .0019 |
| Massachusetts | .0647 | .0699 | .0805 |
| Rhode Island | .0128 | .0120 | .0099 |
| Connecticut | .0148 | .0107 | .0067 |
| Total | .1018 | .1033 | .2139 |
| **MIDDLE ATLANTIC STATES** | | | |
| New York | .2930 | .2402 | .2891 |
| Pennsylvania | .1176 | .1042 | .1733 |
| New Jersey | .0462 | .0370 | .0427 |
| Ohio | .0467 | .0554 | .0244 |
| Total | .5035 | .4368 | .5293 |
| **MIDDLE WEST STATES** | | | |
| Indiana | .0125 | .0178 | .0118 |
| Illinois | .0953 | .0874 | .0498 |
| Missouri | .0204 | .0280 | .0126 |
| Iowa | .0081 | .0060 | .0065 |
| Minnesota | .0121 | .0121 | .0250 |
| Wisconsin | .0125 | .0157 | .0101 |
| Michigan | .0336 | .0882 | .0221 |
| Total | .1945 | .2552 | .1385 |
| **WESTERN STATES** | | | |
| North Dakota | .0007 | .0005 | .0011 |
| South Dakota | .0007 | .0003 | .0009 |
| Nebraska | .0046 | .0032 | .0041 |
| Kansas | .0047 | .0215 | .0024 |
| Montana | .0015 | .0008 | .0003 |
| Wyoming | .0011 | .0005 | .0001 |
| Utah | .0012 | .0015 | .0013 |
| Colorado | .0054 | .0086 | .0147 |
| Arizona | .0007 | .0005 | .0001 |
| New Mexico | .0005 | .0003 | |
| Idaho | .0007 | .0003 | .0004 |

*Comparison of States from figures issued by the Internal Revenue Department*—Continued

| | Per cent of taxes paid | | |
|---|---|---|---|
| | Individual | Corporation | Estate |
| WESTERN STATES—continued | | | |
| Washington [1] | 0.0098 | 0.0093 | 0.0049 |
| Oregon | .0038 | .0034 | .0062 |
| Nevada | .0005 | .0002 | |
| California | .0506 | .0463 | .0313 |
| Hawaii | .0020 | .0023 | .0004 |
| Total | .0855 | .0964 | .0626 |
| SOUTHERN STATES | | | |
| Delaware | .0018 | .0013 | .0017 |
| Maryland | .0203 | .0115 | .0100 |
| West Virginia | .0064 | .0104 | .0013 |
| Virginia | .0058 | .0091 | .0031 |
| Kentucky | .0060 | .0068 | .0021 |
| Tennessee | .0055 | .0073 | .0019 |
| North Carolina | .0052 | .0155 | .0058 |
| South Carolina | .0017 | .0027 | .0015 |
| Georgia | .0054 | .0063 | .0009 |
| Alabama | .0038 | .0025 | .0008 |
| Florida | .0041 | .0032 | .0016 |
| Mississippi | .0015 | .0009 | .0014 |
| Louisiana | .0074 | .0056 | .0027 |
| Arkansas | .0026 | .0018 | .0012 |
| Oklahoma | .0058 | .0035 | .0010 |
| Texas | .0176 | .0149 | .0097 |
| District of Columbia | .0108 | .0049 | [2] |
| Total | .1117 | .1113 | .0557 |
| SUMMARY | | | |
| Eastern States | .1018 | .1003 | .2139 |
| Middle Atlantic States | .5035 | .4368 | .5293 |
| Middle West States | .1945 | .2552 | .1385 |
| Western States | .0855 | .0964 | .0626 |
| Southern States | .1117 | .1113 | .0557 |
| Total | 100.0000 | 100.0000 | 100.0000 |

[1] Includes Alaska. [2] Included in Maryland.

THE AGRICULTURAL SITUATION AND THE REPUBLICAN PARTY

Mr. LOWREY. Mr. Speaker, Congress has definitely determined to adjourn without passing farm-relief legislation. There are many of us who believed this course to be wrong and who very earnestly voted against the adjournment. We would have stayed here all summer, had it been necessary, so long as there was any hope of beneficial action.

The tragedy of the situation is that the party in power has wasted weeks of precious time on measures that were doomed to defeat from the beginning, because they were socialistic in nature and of very doubtful value. These were measures which we are now given in a general way to understand the President would have vetoed had they passed.

The President could have saved these weeks and opened the way for something worth while if he had given us to understand this sooner. If the bill proposed was unacceptable to him, it was clearly his duty to say so and to advise the leaders of his party in framing a new measure which would be acceptable. Time and again he has proclaimed it one of the great tasks of his administration to bring relief to agriculture. He has talked in all sorts of fervent generalities. And there he has quit. When he has been asked for definite proposals on agricultural relief he has replied, we are told, that he believed Congress ought to work out legislation without interference from the Executive. Obviously this was because he had nothing to suggest. When he has had suggestions to make on other measures he has not been held back by any great regard for the prerogative of Congress. On the tax bill and on immigration he displayed no such attitude. He did not wait, then, to see what we were going to do up here at the Capitol before he declared himself. Instead, he expressed himself vigorously, and sometimes admirably, and once or twice defiantly. He brought every pressure at his command to bear to cause Congress to do what he desired. Despite his name of "Silent Cal," on this farm situation alone has he been silent.

Mr. Speaker, I doubt whether in the history of the country a more astounding lack of opinion and decision has been displayed toward a major issue by the Chief Executive. With the country relying on him for leadership and his own party pleading with him for an idea, he has had no idea to give them.

There have been several proposals made by minority Members of this House that were worthy of consideration. Any one of them, if enacted, would have afforded a measure of relief. But they were Democratic proposals and, as such, were unacceptable.

The Curtis-Aswell bill, embodying the Yoakum plan, offers at comparatively small cost a great marketing system. And if any man in America has made a sane and exhaustive study of farm needs, B. F. Yoakum has. My able young colleague, JOHN RANKIN, of Mississippi, has proposed a tariff resolution that would stimulate our export trade in farm products and reduce prices on what the farmer has to buy. And the Lowrey-Dial bill would unquestionably have done much to restore our foreign makets to us and raise the price of wheat and cotton by encouraging the demand for them. This last bill, in the form of the Dial resolution, was favorably reported out by the Senate Committee on Agriculture, and has been called up for discussion. There are those of us who hoped that if Congress held on for a week or so yet it could be put through. But it, too, has been caught in the ruthless jam brought on by the administration's demand for adjournment.

Certainly the passage of these three measures, all of them championed chiefly by minority Members, would have given the farmer a large measure of relief and at little expense to the taxpayer. They were all safe and sane propositions, not tainted by socialistic demand for price-fixing and governmental control. However, the attitude of the President and his party seemed to be: We do not know what to do ourselves, but you may be very sure we are not going to ask your advice.

Perhaps it is just as well, Mr. Speaker, because any plan put through under this Republican administration must, by the very nature of things, have been temporary. The Republican Party can not give real relief to agriculture without violating the fundamental tenets on which it has built its power. No wonder that the President and his party leaders were helpless to bring forth a constructive proposition. Had they done that we would have had the astounding spectacle of the Grand Old Party deserting its makers and masters, the barons of protective tariff and selfish nationalism.

For there is absolutely no hope of restoring permanent and sound agricultural prosperity so long as the farmer is forced to buy the necessities of life on a plane of high cost created by a protective tariff, and so long as he is cut off from the European markets, where in former years he sold half his cotton and one-third of his grain.

The Republican Party has never fooled the southern farmer on this. I am not sure that it has ever fooled the western farmer. But somehow or other it has succeeded at times in holding the vote of the western farmer in spite of its traditional policy which was so inimical to his best interests.

We have simply had to go along until the unrelenting pressure of economic law should bring these western farmers to our side. It is very evident that the time has come when they no longer can be fooled. We may be mistaken, but there are some of us who are very thoroughly convinced that Democracy is about to come into its own. Under its sound leadership Congress will become again the servant of the interests of the whole people and not of the chosen few.

We will have a tariff law that will be reasonable and just. Under it the farmer will be able to buy on a plane proximate to the plane on which he must sell. He will not longer have to carry on his back the burden of pampered industry, as well as his own burden. Industry will carry itself, as we may be sure it is abundantly able to do. We will have a situation that will make agriculture and industry brothers in a common prosperity, instead of a situation which antagonizes and discriminates.

More than this, the greatest crime ever perpetrated against the American farmer in a measure will be rectified. It is impossible to recall all the suffering and loss that has flowed directly from the act of the Republican Party when it assassinated Woodrow Wilson five years ago. Humanity here and abroad has paid a terrific price, and the American farmer has borne more than his share. Had sane steps been taken to restore world conditions at the end of the war, cotton and wheat for these three years would have brought top prices, not bottom prices. The world seeking to rehabilitate itself would have bought largely and would have paid handsomely.

But instead, as the direct result of the actions of the party which is now in power, the world has gone on in suffering and misunderstanding. Economic conditions have steadily become worse. Europe has ceased to buy because, with the prolonged derangement of its systems, it has been unable to buy. Instead

of credit there has been discredit; instead of confidence there has been suspicion; instead of cooperation there has been striving and confusion.

No wonder the President and his party leaders have been helpless. They are the victims of their own system. They are reaping what they have sown. And perhaps it is just as well that this Congress should pass no temporary, inconclusive measure, for it thereby insures that real relief, when it does come, will come in a more positive and thorough fashion.

THE M'NARY-HAUGEN BILL AND PROHIBITION

Mr. BLACK of New York. Mr. Speaker, in offering various amendments to the pending Agricultural bill I had in mind accomplishing a benefit for the rural districts without working any hardship on the city folks, and all within our power under the Constitution.

The advocates of the McNary-Haugen bill boldly stated it was a price-fixing bill, with assurances that as far as the domestic markets were concerned the prices were to be high and as far as the foreign markets were considered American products were to be sold lower. The farmer by charging American city workers more could charge the foreign workers less.

This was the farm bloc's way of meeting an emergency. Emergency legislation affecting the cost of living has always been justified on reduction features and as well on the theory of general benefit as against class benefit. The McNary-Haugen bill was for class benefit and for general damage.

Its requirement of an initial subscription of $200,000,000 by the Government for the capital stock of the "United States Agricultural Corporation," the corporation created by the bill, would have depressed a country struggling against existing tax burdens.

The emergency justifying the bill could have been cured in other ways than by the elaborate extravagance of the measure.

It seemed to me that prohibition had something to do with the farmer's plight. The brewing industry had been a good customer of the farmer. The following table gives some idea of what the farmer lost by Volsteadism as far as fermented liquors were concerned:

*Materials used in the production of fermented liquors in the United States, years ending June 30, 1915, 1916, and 1917*

[Compiled by the Bureau of Crop Estimates, United States Department of Agriculture, from records of the Office of Internal Revenue, Treasury Department]

| Material | Unit of quantity | July 1, 1914, to June 30, 1915 | July 1, 1915, to June 30, 1916 | July 1, 1916, to June 30, 1917 |
|---|---|---|---|---|
| Malt | Bushels | 62,991,856 | 57,683,970 | 67,931,577 |
| Hops | Pounds | 38,839,294 | 37,451,610 | 41,958,753 |
| Rice | do | 167,750,177 | 141,249,292 | 125,532,269 |
| Corn or cerealine | do | 604,890,901 | 650,745,703 | 666,401,619 |
| Grape sugar or maltose | do | 52,079,621 | 54,934,621 | 63,213,098 |
| Glucose or sirup | Gallons | 7,185,568 | 2,742,854 | 6,557,269 |
| Grits | Pounds | 116,619,510 | 109,371,482 | 193,263,640 |
| Other materials | Bushels | 484,641 | 72,355 | 180,436 |
| Do | Gallons | 6,630 | 19,112 | 16,656 |
| Do | Pounds | 68,880,530 | 24,756,974 | 17,573,893 |
| Total, all items estimated | Pounds | 3,274,261,921 | 3,004,754,590 | 3,477,526,330 |

Those who, prior to prohibition had raised barley where they now raise too much wheat are especial sufferers because of the Volstead Act. Hon. SYDNEY ANDERSON indicated the extent of the farmer's interest in the brewing business when he stated to the House of Representatives Committee on Agriculture, on August 2, 1912, that—

There are to-day 8,000,000 acres of land in this country under cultivation in barley. The barley crop last year was 139,000,000 bushels, and the estimate this year is about 160,000,000 bushels. The production of beer in this country amounts to nearly 2,000,000,000 gallons annually, a per capita consumption of about 20 gallons. I merely mention these facts as an indication of the magnitude of the business. The brewers some years ago issued a propaganda to induce the farmers of the Northwest to engage in barley growing in order that they would have a sufficient supply of that product to manufacture beer. I feel that the farmers who have gone into barley raising—and *there is practically no market for it except such as comes from its use in making beer*—are entitled to have the term "beer" defined.

In an extension of remarks by Hon. Charles H. Randall in the CONGRESSIONAL RECORD, volume 56, part 12, Sixty-fifth Congress, second session, the farmer may find how much the brewers took of his products. Mr. Randall sets forth:

Mr. Speaker, there is before the House the report of disagreement between the House and Senate conference committees on the price of wheat. The House stands for $2.20 and the Senate insists upon $2.50 wheat.

The assurance which it is proposed to give the farmer of the price which he shall receive for his wheat, of course, has relation to the food supply of the country. Such a proposition is based upon the effort to assure a sufficient food supply by encouraging the increase of the acreage of wheat.

The Food Administration wants this law. Yet the Food Administration can by one stroke of a pen save 4,000,000 pounds of bread daily and fails to act. Last summer Mr. Herbert Hoover, in answer to an avalanche of demands that he save the food wanted by brewers, wrote the following response:

> "In 1916 there was used in the production of malt for the manufacture of beer for home consumption and export about 60,000,000 bushels of barley, 15,000,000 bushels of corn, and about 3,000,000 bushels of rice. It will be seen therefore that the economic advantage to be gained from the prohibition of the manufacture of beer relates almost entirely to the question of saving 60,000,000 bushels of barley, which could be milled to 60 per cent of its food value and produce a pound loaf of barley bread per day for 6,000,000 people!"

Since the above letter was sent out by Mr. Hoover he has written me under date of January 22, 1918:

> "Dear Congressmen Randall: In the administration of the food bill we have reduced the foodstuffs used in brewing by 30 per cent. I hope that by this order there may be effected a saving of approximately 18,000,000 bushels of grain.
>
> "Faithfully yours,
>
> "HERBERT HOOVER."

It will be seen at a glance that, from Mr. Hoover's own figures the brewers are still permitted to use 42,000,000 bushels of barley, more than 10,000,000 bushels of corn, and more than 2,000,000 bushels of rice annually. The barley alone will make more than 4,000,000 pounds of bread daily.

About 8,000 square miles of American farm lands were at one time devoted to the production of barley for brewers says E. C. Horst, an American farmer.

I proposed in my amendments to the McNary-Haugen Act to permit the farmers to raise the ingredients of beer and cider to be processed by the farmers' corporation, the profits of the operation to go to farm relief, and to contribute to the ratio price that excess over present price that the consumer would otherwise pay if the bill were law. The legislators from the rural districts preferred to fight about what bill should become law, or in which bill was the most votes to consider my suggestions which I offered as constructive propositions. It is worthy to note that lecturers have grown rich declaring for Volsteadism, while farmers have grown poor because of it.

Prohibition and Volsteadism are different. Prohibition is aimed at intoxicating liquors; Volsteadism bars nonintoxicants. Volsteadism says that one-half of 1 per cent alcohol by volume is an intoxicating content. No court or scientist has said that. It is well within our constitutional powers to permit 2.75 per cent beer and help the farmer. As I have submitted to the Judiciary Committee of the House:

The court held in the national prohibition cases, reported in 253 U. S. 350, and in the Jacob Ruppert v. Caffy case, reported in 251 U. S. 264, that Congress might define intoxicants by generic terms, fixing an arbitrary content regardless of the fact of its intoxicating possibilities. So Congress in order to conserve food has fixed the intoxicants by familiar terms with a low alcoholic content.

These decisions leave us free to raise the content up to the point of possibility of intoxication, and the Government admitted that 2.75 per cent beer was not intoxicating, for in the argument on the Volstead Act before the Supreme Court on November 21, 1919, Assistant Attorney General Frierson said:

I admit that a man can not drink 2¾ per cent beer in such quantities as to intoxicate.

Moreover, the judgment of the American people is swinging toward moderation, as the Literary Digest poll on the prohibition question forcibly developed. Hon. William Jennings Bryan has said of this poll:

The poll which the Literary Digest is making is not only entirely legitimate and fairly conducted, but is a rare illustration of journalistic enterprise. * * * Nothing except ballots cast by all the voters can give the exact sentiment, and of course that is impossible without an election.

With the exception of Kansas and Oklahoma the country is opposed to Volsteadism, as a retabulation of the poll shows:

*Retabulation of Literary Digest's poll*

| States | Main poll | | Woman's poll | | Main and woman's polls | | | |
|---|---|---|---|---|---|---|---|---|
| | Dry (for Volstead law and eighteenth amendment) | Moist (for beer and wine or total repeal) | Dry (for Volstead law and eighteenth amendment) | Moist (for beer and wine or total repeal) | Dry (for Volstead law and eighteenth amendment) | Moist (for beer and wine or total repeal) | Per cent dry | Per cent moist |
| Maine | 3,364 | [1] 4,988 | 661 | [1] 737 | 4,025 | [1] 5,625 | | 58.2 |
| New Hampshire | 2,294 | [1] 3,821 | 314 | [1] 457 | 2,608 | [1] 4,278 | | 62.1 |
| Vermont | 1,446 | [1] 2,347 | 251 | [1] 302 | 1,697 | [1] 2,649 | | 60.9 |
| Massachusetts | 13,029 | [1] 22,187 | 1,993 | [1] 2,437 | 14,992 | [1] 24,624 | | 62.1 |
| Rhode Island | 2,000 | [1] 4,589 | 297 | [1] 480 | 2,297 | [1] 5,069 | | 68.8 |
| Connecticut | 4,785 | [1] 10,708 | 592 | [1] 902 | 5,377 | [1] 11,610 | | 68.3 |
| New York | 25,606 | [1] 65,960 | 4,598 | [1] 9,906 | 30,204 | [1] 75,866 | | 71.5 |
| New Jersey | 6,267 | [1] 14,399 | 988 | [1] 2,326 | 7,255 | [1] 16,725 | | 69.7 |
| Pennsylvania | 22,195 | [1] 37,337 | 3,975 | [1] 5,436 | 26,170 | [1] 42,773 | | 62.0 |
| Ohio | 20,285 | [1] 25,511 | [1] 3,180 | 2,971 | 23,465 | [1] 28,482 | | 54.8 |
| Indiana | 14,861 | [1] 16,719 | 2,102 | [1] 2,218 | 16,963 | [1] 18,937 | | 52.7 |
| Illinois | 19,427 | [1] 34,121 | 3,383 | [1] 4,122 | 22,810 | [1] 88,243 | | 62.6 |
| Michigan | 11,207 | [1] 14,374 | [1] 2,183 | 1,877 | 13,390 | [1] 16,251 | | 54.8 |
| Wisconsin | 8,872 | [1] 17,766 | 949 | [1] 2,115 | 9,821 | [1] 19,881 | | 66.9 |
| Minnesota | 10,298 | [1] 14,949 | 1,260 | [1] 1,411 | 11,558 | [1] 16,360 | | 58.6 |
| Iowa | 10,860 | [1] 15,018 | 1,325 | [1] 1,684 | 12,185 | [1] 16,702 | | 57.8 |
| Missouri | 9,270 | [1] 13,357 | 1,502 | [1] 1,680 | 10,772 | [1] 15,037 | | 58.2 |
| North Dakota | 2,110 | [1] 3,927 | [1] 303 | 275 | 2,413 | [1] 4,202 | | 63.5 |
| South Dakota | 2,386 | [1] 2,979 | [1] 399 | 392 | 2,785 | [1] 3,371 | | 54.7 |
| Nebraska | 7,441 | [1] 9,056 | [1] 744 | 562 | 8,185 | [1] 9,618 | | 54.0 |
| Kansas | [1] 8,518 | 6,118 | [1] 1,006 | 685 | [1] 9,524 | 6,803 | 58.3 | |
| Kentucky | 5,176 | [1] 8,323 | 1,177 | [1] 1,579 | 6,353 | [1] 9,902 | | 60.9 |
| Tennessee | 4,958 | [1] 5,500 | [1] 1,023 | 952 | 5,981 | [1] 6,542 | | 52.2 |
| Alabama | 2,892 | [1] 3,579 | 470 | [1] 533 | 3,362 | [1] 4,112 | | 55.0 |
| Mississippi | 2,221 | [1] 2,563 | 307 | [1] 335 | 2,528 | [1] 2,898 | | 53.4 |
| Arkansas | 3,470 | [1] 3,722 | [1] 96 | 69 | 3,566 | [1] 3,791 | | 51.5 |
| Louisiana | 1,773 | [1] 5,532 | 383 | [1] 824 | 2,156 | [1] 6,356 | | 74.6 |
| Oklahoma | [1] 5,977 | 5,917 | [1] 601 | 531 | [1] 6,578 | 6,448 | 50.4 | |
| Texas | 9,688 | [1] 10,924 | [1] 1,609 | 1,441 | 11,297 | [1] 12,365 | | 52.2 |
| Delaware | 600 | [1] 1,085 | 67 | [1] 147 | 676 | [1] 1,232 | | 64.5 |
| Maryland | 3,181 | [1] 8,217 | 486 | [1] 1,033 | 3,667 | [1] 9,220 | | 71.5 |
| District of Columbia | 2,232 | [1] 5,077 | [1] 330 | 307 | 2,562 | [1] 5,384 | | 67.7 |
| Virginia | 3,751 | [1] 7,267 | 884 | [1] 1,024 | 4,635 | [1] 8,291 | | 64.1 |
| West Virginia | 2,889 | [1] 3,707 | [1] 1,115 | 908 | 4,004 | [1] 4,615 | | 53.5 |
| North Carolina | 3,421 | [1] 3,919 | [1] 879 | 624 | 4,300 | [1] 4,543 | | 51.4 |
| South Carolina | 1,786 | [1] 2,261 | 409 | [1] 430 | 2,195 | [1] 2,691 | | 55.0 |
| Georgia | 3,166 | [1] 4,260 | 588 | [1] 752 | 3,754 | [1] 5,012 | | 57.0 |
| Florida | 2,560 | [1] 4,001 | 432 | [1] 433 | 2,992 | [1] 4,434 | | 59.7 |
| Montana | 1,739 | [1] 3,849 | 104 | [1] 137 | 1,843 | [1] 3,986 | | 68.3 |
| Idaho | 1,935 | [1] 2,727 | [1] 337 | 221 | 2,272 | [1] 2,948 | | 56.4 |
| Wyoming | 689 | [1] 1,364 | [1] 134 | 93 | 823 | [1] 1,457 | | 63.9 |
| Colorado | 4,820 | [1] 5,766 | [1] 880 | 712 | 5,700 | [1] 6,478 | | 53.1 |
| New Mexico | 797 | [1] 1,091 | [1] 186 | 169 | 983 | [1] 1,260 | | 56.1 |
| Arizona | 843 | [1] 1,674 | 100 | [1] 157 | 943 | [1] 1,831 | | 66.0 |
| Utah | 1,568 | [1] 2,922 | 238 | [1] 266 | 1,806 | [1] 3,188 | | 63.8 |
| Nevada | 260 | [1] 792 | 8 | [1] 15 | 268 | [1] 807 | | 75.1 |
| Washington | 7,347 | [1] 8,756 | [1] 1,085 | 778 | 8,432 | [1] 9,534 | | 53.0 |
| Oregon | 4,421 | [1] 6,088 | [1] 476 | 452 | 4,897 | [1] 6,540 | | 57.1 |
| California | 15,565 | [1] 28,897 | 2,105 | [1] 2,495 | 17,671 | [1] 61,392 | | 63.9 |
| Total | 306,255 | [1] 490,001 | 48,485 | [1] 60,362 | 354,740 | [1] 550,363 | | 60.8 |

*Summary*

| | Dry | | Moist | |
|---|---|---|---|---|
| | Number | Per cent | Number | Per cent |
| Main poll | 306,255 | 38.5 | [1] 490,001 | 61.5 |
| Woman's poll | 48,485 | 44.5 | [1] 60,362 | 55.5 |
| Factory polls | 1,453 | 8.4 | [1] 15,826 | 91.6 |
| Total | 356,193 | 38.6 | [1] 566,189 | 61.4 |

[1] Indicates majorities.
66.6 per cent is a 2 to 1 vote; 60 per cent is a 3 to 2 vote.

It is time the hard-headed American farmers woke up to the fact that they are being fooled by a lot of circus men posing as dry leaders. No farm relief bill is in sight because country legislators think the farmers will be satisfied with their dry speeches. The McNary-Haugen bill would have carried in the House with a 2¾ per cent beer amendment, and it would have brought prosperity to the farmer without gouging the consumer. The farmer has paid a heavy economic price for a questionable moral victory. The farmer will not be able to pay his mortgage with a copy of a dry speech sent out from Washington, which Admiral Plunkett thought was the wettest city in America.

The denial of 2¾ per cent beer hurts the farmer and the temperate city workman, but it elects dry-voting farmer Congressmen, who will not pass a farm bill; it buys automobiles for bootleggers; it puts gems on the wives of Canadian farmers and buys cigarettes for dry lecturers who stop off at Chautauquas between drinks.

Lord Birkenhead, a keen observer of American conditions, writing for the Hearst papers, has this to say of the results of prohibition:

STUPENDOUS PROFITS

The result is that the drink trade is to-day enthroned in greater strength and hardly less wealth than before, though its activities have been driven to illegitimate and subterranean channels. And just because the profits of this trade are so stupendous those who carry it on prefer the existing system, with all its risks, to the doubtful chance of reversion to the old practice. And for this reason they are most formidable, if they are the most silent, allies of prohibition in the United States of America.

Consumers are not to blame for agricultural conditions. The blame is on farmer legislators who will not be reasonable on farm legislation or on the Volstead Act.

The farmers may be glad to know that one captain of industry is satisfied with prohibition. Senator THOMAS STERLING, of South Dakota, was glad to inform the Senate that Isaac F. North, president of the American Soda Fountain Co., said:

Looking at prohibition from a purely economic standpoint, I think that all employers of labor, regardless of their personal opinion, will agree that it has been beneficial both to the workmen and business; but in my estimation the moral effect of it outweighs the economic side and is of vastly more importance to the country at large.

THE BATTLE OF LEXINGTON AND CONCORD COMMISSION

Mr. BLACK of New York. Mr. Speaker, under leave granted to extend my remarks in the RECORD I include a speech which I delivered at the annual spring dinner of the Brace Memorial Newsboys' Home of New York, under the auspices of its superintendent, William Lewis Butcher, held April 19, 1924:

From October 12, 1492, to April 19, 1775, America welcomed the adventurous, the strong, the oppressed, and the wronged. America was the last region in God's gift to open up to all men. America was a refuge, and God made it such for those whom He loved. So to America came those who would serve God and man. Hope was the pilot of Columbus, courage the power of Father Marquette, and freedom the compass of the *Mayflower*. Freedom, courage, and hope, all these were breathed into Americans by a thoughtful God.

So for 283 long, dreary, rigorous years freedom, courage, and hope were nurturing Americans. They were prepared to hold that liberty which grew hardy from a friendly soil. On April 19, 1775, a shot was fired to salute the birth of a free country, a model for a world of free countries.

New England had known liberty and wanted to know it forever. New England ruled itself through its town meetings and through its judges, who were men of New England. The people of New England were peaceful, home ruling, and devout. Old England had forgotten about New England until some Englishmen suddenly decided that America would be a fruitful source of revenue for English politicians. There they could create new places. So England began taxing America and sent English politicians over here to take the place of American officials. England tried to break up the town meetings. England tried to install a royal jury system here. Cases were sent to England to be tried which should have been tried here.

All through this the Americans only protested. True, their protests at times took extreme forms, as in the case of the Boston tea party and in the case of the New York tea party. In 1774 the vigilance committee of New York City boarded the ship *London* and threw 18 pounds of taxable tea into the sea off Sandy Hook. Christopher Gadsden, of South Carolina, stated a most emphatic declaration of independence when he wrote to Boston, "Don't pay for an ounce of their damned tea." General Gage was sent to Boston to enforce the English laws and collect the American taxes.

Massachusetts, through its house of representatives, in 1774 authorized and organized the Minute Men. Samuel Adams and John Hancock, President of the Provincial Congress, were the outstanding patriots of New England, and on April 18, 1775, English troops were sent out from Boston to capture Adams and Hancock, who were at Lexington, and to destroy the patriots' munition stores which were at Concord. Three patriots were dispatched to warn the Minute Men, Major Dawes, Samuel Prescott, and Paul Revere. Longfellow has the landlord say in the Tales of the Wayside Inn in describing the Ride of Paul Revere:

"And yet through the gloom and the light
The fate of a nation was riding that night."

Thus was Lexington warned; thus was America born. Lexington has been called the Thermopylæ of America, and it was consecrated to a new race of martyrs.

Sixty patriots stood on the green at Lexington under their officers on the morning of April 19, 1775, as the English, numbering about 1,200 appeared. The patriots were a regularly organized militia under the law and so subject to the command of their officers. It was a time of peace, but their muskets were loaded. They prepared no defenses and did not intend to attack, but they were in line because the English were coming. The Americans knew that these English troops had killed citizens of Boston, and that Parliament had just passed an act permitting English troops to kill Americans without being tried for murder. The Americans were assembled to stop the English greed that had called down upon America the stamp tax, the tea tax, the Boston port bill, which closed the harbor of Boston and starved its people, the military act, and the restraining act, all of which were known as the regulating act. Exasperated by these oppressions, Lexington had written to Boston, "We trust in God that should the state of our affairs require it we will sacrifice our estates and everything we hold dear in life, yea even life itself, in the common cause."

Whittier has said of these men of Lexington:

"No maddening thirst for blood had they,
No battle joy was theirs who set
Against the alien bayonet
Their homespun breasts in that old day."

Lexington had set aside a day of fasting, humiliation, and prayer, for the patriots were religious men and wanted the guidance of a reliable God in their terrible emergency.

Some of these militiamen had fought side by side with some of the approaching English regulars in the French and Indian war. They had fought side by side at Crown Point, Ticonderoga, Louisburg, and Quebec. They had also fought as subjects of the same Government in the West Indies. Indeed, the very standard bearer of the Americans at Lexington had borne the royal banner through Louisburg. Indeed, the very drum that summoned the Americans to arms had often thrilled the American colonists and English regulars to victory for St. George. American colonists and English troops had been thrown in the same pits, having been killed in battle for the old country. So America had resolved to endure everything short of shame before falling back on force. America had resolved that England must strike the first blow.

Capt. John Parker had given this command to his 60 patriots: "Don't fire unless you are fired on; but if they want war, let them begin it here." Major Pitcairn, subsequently killed at Bunker Hill, a marine commander placed in command of the Light Infantry by General Gage for the occasion, with an oath ordered the Americans to disperse and to disarm. They remained silent. He then ordered his command to fire, and the English, wild with the lust for blood, shot down their blood brothers and former comrades. The Americans, "too few to resist, too brave to fly," lost in killed and wounded 13 men at Lexington that day.

Thirteen Americans fell that day at Lexington, but there are now over 100,000,000 freemen in the United States. Thirteen Americans fell that day, but there are millions here to-day whose parents were attracted here by the liberty of Lexington. Thirteen Americans fell that day, but there are millions of free colored men here to-day due to the emancipation proclamation, whose seed was sown in Lexington.

It is a strange fact that a wounded patriot named John Brown was shielded from the British by a negro slave named Prince Esterbrook. This was probably prophetic of the John Brown of Harpers Ferry and his death for the negro slave. Thirteen American patriots fell that day at Lexington, but 13 Colonies became 13 free States. The English, before the day was over and Lord Percy had saved them by coming to their assistance and bringing them under the protection of the English fleet, lost 273 in killed and wounded. Truly has it been said of the Americans who fell that day at Lexington—

"* * * who seem to die in such a cause
We can not call them dead."

Jonothan Harrington fell before the eyes of his wife, who with the wives, mothers, daughters, and sweethearts of Lexington were gazing from their windows on a scene the most significant since Calvary. She rushed to him as he lay with the warm lifeblood bubbling at his breast, but before she reached him the soul of that patriot became the first star of liberty. The English perpetrated atrocities as outrageous as any in the history of shame. Before noon of the 20th patriotic bands set out from New Hampshire, Rhode Island, and Connecticut. One band from New Hampshire marched 55 miles in 24 hours. Israel Putnam rode 100 miles in 18 hours and was on Cambridge Commons shortly after sunrise on the 21st. Daniel Webster has said of the men of Lexington:

"They poured forth their patriotic blood like water, because they knew not whether it would fertilize a land of freedom or of bondage."

It fertilized a land of freedom, and, more than that, prolific blossoms of freedom were carried by the winds and the waves to the Old World.

Lexington was the beginning of a new world—it sputtered, "Live and let live!" and created manhood. Kings had been somewhat between God and men, but Lexington made men of kings and kings of men. Lexington showed that kings could do wrong and Lexington was the germ of democracy. Our liberty inspired the French to their gruesome revolution of '93, which had such bright results. The beheading of Louis XVI followed the defiance of George the Third by Patrick Henry and ushered in a nation where all were heads. Lexington spelled an earth ruled by its people. Lexington spelled the end of despots, and thank God for it. All the world holds forth to every man the reward of virtue, of genius, of talent, and of industry. Countries are ruled by cabinets, not by courtesans.

All because of Lexington—at 5 a. m., April 19, 1775, a new world was born, a world that could welcome and house a Washington, a Franklin, a Jefferson, a Lincoln, a Gladstone, an Edison, and a Wilson.

Lexington was the great divide between moats and castles and free schools. Lexington crowded back the serfdom of the past and blessed the freedom of the future. Lexington smiled through its tears in '75, just as Paris beamed through its blood in '98. Thirteen patriots fell on Lexington green, but free men arose from it in millions.

The English officer who shouted fire, warmed humanity to the healthy glow of liberty, without which life itself is cold as death.

The patriots of Lexington were martyrs to equal opportunity to the sons of men. They redeemed the earth from the bondage of the Cæsars. They died creating liberty, and it is ours to protect and to die to preserve. It is loaned to us for a time, to be passed on to the Americans of 2024, and by them on and on to judgment.

On a monument in Lexington, erected to its heroes of '75, are these words:

"They nobly dared to be free. The peace, liberty, and independence of the United States was their glorious reward."

### M'NARY-HAUGEN FARM BILL

Mr. RICHARDS. Mr. Speaker, one of the most important, if not the most vital condition before the American people to-day, is the plight of the American farmer. Any legislation that has for its purpose a change for the farmer's financial condition is likewise important legislation. This made the McNary-Haugen bill one of the real measures of this session of Congress. With 42 per cent of our population affected either directly or indirectly through legislation, makes one taking part in the enactment, or defeat, consider it most carefully. That is the part of a conscientious legislator, and from my limited observations all Members of Congress are conscientious. No one can doubt their sincerity of purpose, even though their views might be directly opposite to your own.

None approached the consideration of this measure with a greater desire to vote for or against it, delivering their vote for the benefit of the American farmer, than did the delegation from Nevada. None were freer to act. That delegation caucused and caucused and caucused. The measure was studied and the delegation deliberated night and day. Its ambition was to view the provisions of the bill and conclude as to their effect on our farmer. This was done impartially. The delegation flung party allegiance and party ideas to the wind. Its membership had never eaten at the trough of special privilege, and our farmer constituency instructed that delegation to use its own judgment. It was with an unwarped, unbiased, and open mind that I approached the hearing of the case of the farmer versus the financier. I went into the jury box with the avowed purpose of giving my best services as juryman to the American people. My unbiased open mind was soon confused. I readily appreciated the viewpoint of an orthodox Democrat, and when not serving as an American juror for the American people I shared this political viewpoint. Under normal conditions we Democrats dislike an unjust, insane, discriminatory tariff and are opposed to price fixing or price adjusting by the Government. We are sure this is sound political policy and justified on the ground that it unduly burdens our people. We then listened to the "hard-boiled" protective-tariff Republicans who have been fed and fostered and nurtured and nursed and prospered through a Government policy that fixed a price and added cost to consumers through stimulation by law. His evidence at the bar was against the interest of the farmer. He could not share in the idea of placing him in a similar position. In fact, to do so would injure his cause, although he has prospered through similar laws. This was an angle that was difficult to understand. It looked like the Democrat was consistent and fair and this kind of Republican inconsistent and selfish.

As the cause progressed it was evident that the farmer had inveigled himself into the hearts of the congressional American jury and split party lines. He was apparently so misunderstood, or deliberately misunderstood, I know not which. Some of us believed he was making legitimate legislative demands for economic ills that ailed him. Others had no hesitancy in saying he was under a delusion and had no cause; and if he did, he was not seeking relief in the proper place; that if we passed the bill, we would commit the greatest blunders for him and our country. As the argument continued we all agreed that the "old boy" had a reason for complaint but disagreed on the diagnosis. That the farmer had slipped from a most prosperous and independent position to one of bankruptcy, from a bank account and all that goes with it to debts, interest, mortgage, and loss of home and all was a reality. It all happened through a Republican administration, another indisputable fact. Democrats lay the cause to high tariffs; Republicans said the present protective tariff was the best the farmer ever had. The father of the bill, a staunch Republican from Iowa, said the tariff was of no consequence, that when the President raised it 12 cents per bushel on wheat by Executive order the price of wheat dropped 10 cents in a week thereafter. Democrats and Republicans were agreed that farmers sold their product in a free market and bought their needs in a protective market. Republicans say tariff does not injure the farmer, because farm implements are on the free list. Democrats and Republicans were sure the free list was of little or no benefit.

A Republican from Kansas and a Democrat from Texas informed the jury that we are exporters of hogs and cattle, and here we find another Texan informing us with equal certainty that we were importers of hogs and cattle. The hog and cattle controversy was most illuminating when the jury discovered the source of information of these parties was indentical. A Republican from New England recalled the "basic" economic law. He informed us that it was useless to endeavor through legislation to get away from the law of "supply and demand." This witness was flabbergasted in this contention when his Republican brother from Washington interrogated him as to the price of his pocketknife, which article was tariff protected and price fixed as a result of congressional legislation and not the "basic" economic law of supply and demand. Thence comes another Texan, who claimed the economic condition was unbalanced, that we had one of the farmer's legs high on the pedestal of protection, and that we were, through faulty and unsound legislation, going to make the farmer lift himself by his own bootstraps to an economic level. We were going to balance him with the rest of the world, although through an unbalanced, unsound, uneconomic law.

There came a time when all the evidence was in. We were to vote our verdict. Where did I find myself as an unbiased, impartial, American juror? Convinced that high protective tariff laws against importations from without and in favor of railroads within, without the possibility of legislative remedy, and though, for the sake of argument, the remedy offered for the farmer was just as unsound, my inherent interest for the welfare of my fellow American made me cast my vote for the farmer. If defective and unsound and uneconomic laws work to the benefit of some of our population, I was forced to vote for a possibly similar law in order that we put a large percentage of forgotten American farmers on an equal basis with protected American financiers. If it were necessary to put a double-hooked legislative block and tackle on to the bootstraps of my farmer friends and pull them to an economic level with the rest of his American brothers, I am for that if there is no other alternative. There is no reason why the American farmer should not be held to an economic level with his protected brothers through similar Government processes. All may be wrong, but what is to be done under such conditions? Without a saner program there was but a single choice. My decision meant more ruin to the farmer, according to some of my colleagues, but I was unable to contemplate a worse plight for my farmer friends. It was a theory, and I was confident that dollar-and-a-half wheat and better prices for hogs and cattle were the real practical things they needed. That is what I sought. My verdict was for the American farmer.

### OUR FUTURE FOREIGN POLICY

Mr. GOLDSBOROUGH. Mr. Speaker, under leave given to print I insert the following speech which I delivered before the graduating class at Washington College, Chestertown, Md., on commencement day, 1924:

In casting about for something appropriate to say here to-day at this the one hundred and forty-second Washington College commencement it seemed to me, as a graduate of the college just 25 years ago—I freely admit that my youthful appearance does not justify such a statement, although the records of the college are against me—that the occasion justified a real effort to visualize the governmental aspirations and achievements of the years immediately to come, of the years when to-day's graduates and the present students at this school will assume the responsibility of American citizenship and occupy the arena of human action, which is continuously being emptied and refilled. There are in every community immediate needs which have to be looked after. There is in every county the necessity for change to provide for social evolution. There comes in every State a time when governmental machinery can be simplified to follow the advancement in the average standard of citizenship due to better education. It is on behalf of the teeming millions of the Nation necessary constantly to modify governmental machinery in order to protect this or that emergency, and there is always danger in the stress and strain of class competition that proper attention will not be given to the larger issues, to fundamental policies, to the problems which, if solved, will do away with class clamor, equalize economic opportunity, and give the fullest possible opportunity to individual initiative and ingenuity, which, of course, is the only legitimate aim and end of all government.

I have not, of course, in mind saying anything which would or could by any possibility be construed into partisan political expression. Time and time again in the sessions of the Sixty-eighth Congress, just closed, I was restrained from taking the floor by the thought that partisan feeling was somewhat high, and that whatever I said, however sincere the expression, might be construed in a partisan light and interfere with whatever influence I might have in guiding the action of the Congress over a very difficult period, and certainly any partisan color would be the very last thing to be injected into an address delivered on an occasion of this kind.

But there are certain truths which are eternal, and the expression of those truths in one way or another will be revealed from time to time in human action. One of these truths is the

necessity for human cooperation, and within the next few years, if I am able to visualize the future at all, that truth will be expressed by our people in a larger way than ever before, will be expressed in a stabilized currency and in international cooperation. It is of this last I would speak to-day to you, symbolizing as you do the youth of America and the hope of the future.

Many of those who oppose anything like international cooperation use as their argument that "man is a fighting animal" and that therefore there is no way to avoid destructive wars; that these wars are bound to take place from time to time; and that it is only when people have fought themselves to exhaustion there can be a respite from war, and that this respite will last only as long as is required for recuperation. This, roughly speaking, is their argument, but their premises are not sound. People, as distinguished from the individual, fight only when warfare is their only means of settling a difficulty. Originally there was no protection by law and each individual had to protect himself or herself. Family quarrels were settled as Cain and Abel settled theirs. To rid the family of fratricide and patricide a family government evolved, as among the ancient Hebrews, the patriarch representing the family group to settle the family quarrels and so preserve the peace as between individuals within the family, and so within that family peace reigned as a rule because there was a means of settling a difference without resort to physical force. But other family groups sprang up, and in course of time the groups clashed and there was fighting, fighting because at first there was no other way to settle a difference. When population was sparse sometimes fighting could be prevented by isolating the family group, and when this could be done it was as a rule done. You will remember how Abram and Lot resorted to this method:

> And there was a strife between the herdmen of Abram's cattle and the herdmen of Lot's cattle, and Abram said unto Lot, "Let there be no strife, I pray thee, between me and thee, and between my herdmen and thy herdmen; * * * separate thyself, I pray thee, from me; if thou wilt take the left hand, then I will go to the right; or if thou depart to the right hand, then I wil go to the left."

But the spread of population would not permit for long of peace by isolation, so that family groups began to join, began to combine to protect themselves against other family groups, and these combined groups grew larger until finally communities were formed and then tribes, and the tribes combined into small states, and the states into larger ones, the peace group becoming larger each time, and finally culminating in the combination of states for mutual protection into great countries. Within the last 800 years in Europe we have seen the feudal lord absorbed into the earldom, the dukedom, the principality, the small kingdom, and the great country, the peace group becoming larger with the evolution of civilization. The culmination of the system is shown here in the United States, the original theory of our federation of States being for mutual protection and mutual economic benefit.

People do not want war, people realize that war means destruction, people understand that in war both sides lose, and in the last analysis war is only used in the absence of any other weapon of protection. The civilized nations of the world, and especially the people of the United States, are ready to build the permanent legal machinery to settle international differences without war. A great deal of this machinery has already been built, and while political or class economic selfishness may for a time prevent the full cooperation of the United States, the sound sense, the clear vision, and the spiritual elevation of America will inevitably bring about the result which so many of our people consciously and so many subconsciously desire.

The scope of this address will not permit of a historical review of the peace movement. I will only say this: That after breathing the breath of life into the League of Nations we abandoned it, presumably to die. Eleven nations had become members of it. They looked to the United States for leadership. That leadership was withdrawn, but the miracle happened, and without American leadership the league gathered unto itself the peoples of the world, until 54 nations, representing seven-eighths of the globe's population, are now members of the League of Nations. All of Europe is now in the league except Germany and Russia; all of North and South America except the United States, Mexico, and Ecuador; all Asia except Afghanistan, and all Africa.

Aside from its other activities, what has the League of Nations done to prevent war? Finland and Sweden were drifting inevitably into war over the Aaland Islands. They were claimed by Sweden because their population was chiefly Swedish and by Finland because before the war they had been a part of the Russian Duchy of Finland. The League of Nations took over the controversy. The award, chiefly in Finland's favor, was accepted by both nations. The league then called a conference of 10 nations which provided for keeping the islands unfortified and neutral under the auspices of the league, so as to remove all chance of their again becoming the bone of contention.

Next, Poland and Lithuania became involved in a boundary dispute. Armies were on the march and war was imminent when the league took over the controversy, and without moving a soldier or firing a shot the league of peace proved sufficient to avert war.

Again, Germany and Poland were contending over the partition of Upper Silesia. Rich coal fields and important cities and racial differences were stirring the passions of war when the league was applied to. For the third time, without purse or sword, soldier or ship, the Council of the League of Nations brought about a solution.

Later there was another boundary dispute between Yugoslavia and Albania. Albania was invaded, but the League of Nations threatened a world-wide boycott against Yugoslavia under article 16 of the covenant. Yugoslav exchange fell. An international loan to her was suspended; she was brought to her senses, and within 30 days her army was back within her own boundaries and the dispute settled.

And then came the Corfu crisis. Corfu had been a possession of Venice for about 400 years, and for a long time Italy has desired to repossess this island because of its strategic position in the Adriatic Sea; and when on August 27 last the dastardly murder of General Tellini and his party took place on Greek soil Italy made the following demands upon Greece:

(1) Full and formal apology by Greece.

(2) Solemn funeral service for victims in Catholic cathedral at Athens.

(3) Italian flag, hoisted by Italian squadron off Phalerum, to be saluted by Greek battleships flying the Italian flag, the salute not being returned till departure of Italian squadron at sunset the same day.

(4) and (5) Greece to carry out within five days a very strict inquiry "with the assistance of the Italian military attaché."

(6) All persons found guilty to be sentenced to death and Greece to pay Italy, within five days, 50,000,000 lire—say, £500,000—as penalty.

(7) Military honors to bodies of victims on embarkation.

The Greek Government expressed itself as being unable to accept demands Nos. 4, 5, and 6, but stated that unless some modification of Italy's demands could be agreed to it would, in accordance with the provisions of the covenant of the League of Nations, appeal to the league and undertake to accept its decisions. To that reply Mussolini's rejoinder was short and sharp. At 3 o'clock on the afternoon of August 31, a day after the reply of the Greek Government had been handed to the Italian minister at Athens, an Italian naval squadron approached Corfu, its commanding officer informing the prefect that he would occupy the island and demanding immediate surrender. The surrender not being immediate, the fortress was shelled and some 15 Greeks and Armenian refugees were killed and many wounded. The fortress then surrendered. On the day of the occupation of Corfu the Greek Government referred the controversy to the League of Nations, while during the first and second weeks of September Corfu as well as several adjacent islands of purely strategic value were occupied by an increasing number of Italian troops. The situation was very delicate and reminded one of the tragic days of July, 1914, when a brutal murder at Sarajevo, in Serbia, served to light a torch which plunged the world into a war the like of which it had never seen. But in 1914 there was no League of Nations in existence; there was no accredited clearing house through which the public opinion of the world could find legitimate expression. There was no body to which could be referred matters involving the peace of the world and in which neutrals could speak without taking an unwarranted position in matters outside of their own immediate concern and thereby endangering their own peace. This was not so in 1923. The League of Nations, that organization into which this country had breathed the breath of life, was in existence and prepared and ready to take up this international controversy; and without delay, on September 1, the first session of the Council of the League of Nations to consider the controversy between Italy and Greece was held. At this meeting Salandra, Mussolini's representative in Geneva, stated with an air of finality that the matter was not within the competence of the league. His attitude raised a storm. Italy found itself alone at Geneva. At the first meeting of

the assembly, on September 3, of all the vice presidents and other honorary officers that were elected not one was an Italian. It was a vote of protest. It spoke the belief of 50 nations that this open proclamation of violence, if unchallenged, would smash the frail structure of the world's peace and proclaim to the whole earth that brute force was once more unleashed.

On September 4 the council of the league again met, with Salandra elaborating and defending in detail the point which he had arrogantly announced on September 1. At the meeting of September 5 he was repeating over and over that the occupation of Corfu was only temporary and that Italy would make every provision for the families of the victims of the bombardment. On the 6th, with the perspiration rolling down his face, he was attempting to sidetrack the point at issue with a vehement defense of Italy as being the center of art and the home of sunshine and beauty. By September 17 he was freely arguing the matter from every angle with M. Politis, the representative of Greece, who sat across the table at the meeting of the council. Without going into further detail, in less than four weeks the whole controversy was settled and the danger of war obviated by the intervention of the League of Nations.

In times of quiet the League of Nations, through its permanent secretariat and the meetings of its council and assembly, considers world needs and issues warnings of controversies which if not promptly settled may lead to future serious rupture. In times of stress the League of Nations is primarily the great clearing house of world public opinion, before the bar of which no nation can afford to stand and be proclaimed in the wrong.

What a change of heart the action of the League of Nations and several months of contemplation have given to Mussolini. Three days after Corfu was abandoned Mussolini said, "The league has the inadmissible defect that it permits small nations to intervene, discuss, and regulate the affairs of great powers." On Decoration Day last, only about two weeks ago, in answer to the question, What do you think of the League of Nations, Mussolini said:

I think everything possible should be done to realize the ideal of the league—the ideal of universal peace based upon justice. At times in their long history Italians have been almost too wide in their thinking and in their sympathies. Still if they were, I reckon it among their first titles to greatness. Remarkable thinkers, Reman among them, have feared universalism as leading to national decay. But our world is different from what it was before the war. All humanity has a wider vision, a keener sense of fellowship, a quickened conscience toward those who must bear the brunt of war, if war comes.

Peace with honor, peace with justice, peace that does no violence to any nation's healthy and righteous self-respect; that, indeed, is something worth struggling for, despite any peril inhering in internationalism. Internationalism would not be safe for a single nation; it is safe for all nations moving in concert toward a rational scheme of political, economic, and cultural intercourse. Nations need, and generally realize that they need, a lasting foundation of pacific coexistence. Such a foundation can not be had without skillful and patient building, and such building is out of the question without established machinery for conducting international affairs in accordance with deliberately developed world opinion. Governments and peoples must work together. They can work together only by understanding one another. They can understand one another only, so to speak, by foregathering in a common council chamber or forum.

Now, what is our relationship with the League of Nations? From the 4th of March, 1921, until September of that year the State Department of this Government did not answer a single communication directed to it by the League of Nations, but the public began to protest, and in September, 1921, 15 communications were answered. It is true they were almost identical and all ended with the following sentence:

The Secretary of State has taken note of this information for any purposes of relevancy to the United States as a state not a member of the League of Nations.

Nine were acknowledged in November and 11 in December of 1921.

By 1922 the relations of the State Department to the League of Nations became more friendly. Mr. Hughes wrote the league sympathetically in reply to letters concerning white slavery and the arms traffic. An official of the Department of Agriculture was sent to the League of Nations Commission on Anthrax.

Shortly after Assistant Surgeon General Blue was appointed to the opium committee, and at the next session of the committee a delegation of Chairman STEPHEN G. PORTER, of the Foreign Affairs Committee of the House of Representatives; Bishop Brent; Doctor Blue again; and Edward Aneville, of the State Department, was appointed. American proposals were adopted, and at a meeting of the assembly of the League of Nations in September, 1923, the United States represented by the same delegation, the American plan was unanimously approved.

Miss Grace Abbott, head of the Children's Bureau of the Department of Labor, was appointed to the league's committee on the traffic in women and children, and the plan for an international inquiry was adopted upon her recommendation.

Surgeon General Cummings, of the United States Public Health Service, represented America on the health committee of the league, and a meeting of the public-health officials of some 20 countries was recently held in Washington at his suggestion.

At the league's conference in London on antitoxic serums the United States was represented by Assistant Surgeon General Blue.

When it became evident last June that the American relief organization must retire from Greece, Secretary Hughes sent a representative to the financial committee of the league, and later to a special committee of the council, where a comprehensive plan of relief was worked out.

In October, 1923, the United States sent a delegation of five to the league's conference on customs formalities, and in November Mr. Lewis W. Haskell, the American consul at Geneva, was ordered to attend the league's conference on communications and transit.

The American minister to Switzerland was ordered to participate, and did participate, in the deliberation in the recent conference at Geneva on the suppression of the traffic in arms.

The Government has now been represented in the league committees on health, anthrax, opium, customs formalities, communications and transit, traffic in arms, and the trade in women and children, and STEPHEN G. PORTER, chairman of the Foreign Affairs Committee of the House of Representatives, is to attend another meeting of the opium committee of the league in September.

The scope of this address will not permit me to undertake to detail our vast unofficial cooperation with the league, nor can I undertake to detail the number of private organizations in this country who send representatives to, or are in communication with, various league activities.

I will add, however, that more Americans than persons of any other nationality visit the league headquarters at Geneva; more American journalists follow its sessions; and more league documents are sold in America than in any other country; and I call attention to the fact that the International Health Board of New York has pledged $33,000 a year for five years to the health service of the league to assist in the publication of reports of current diseases, and has pledged $60,000 a year for three years to facilitate the league's plan for the interchange of public-health officers among the nations of the world, and contributed $30,000 to promote the league's study of vital statistics; and that the American Society of International Law has given $7,500 for the printing of the league's treaty series in English; that the bureau of social hygiene has subscribed $75,000 for the study of the international aspects of the white-slave traffic; and that American investors bought $25,000,000 of the loan worked out by the league for the reconstruction of Austria.

Of course, the forces of pure conservatism are opposed to the League of Nations; of course, the high priests of favored industries are afraid of international cooperation, as they see in it the battering down of the tariff wall which has caused more than half of the class hatred in this country for 75 years; of course, the political reactionary will always fight any widening of the scope of human sympathy and cooperation; but the common sense of the American people is finding expression in the ever-increasing sympathy of the present administration with the activities of the League of Nations. In his Memorial Day address on May 30 last, the President of the United States, in speaking of the World Court of the League of Nations, says:

But we have an opportunity before us to reassert our desire and to lend the force of our example for the peaceful adjudication of differences between nations. Such action would be in entire harmony with the policy which we have long advocated. I do not look upon it as a certain guaranty against war, but it would be a method of disposing of troublesome questions, an accumulation of which leads to irritating conditions and results in mutually hostile sentiments. More than a year ago President Harding proposed that the Senate should authorize our adherence to the protocol of the Permanent Court of International Justice with certain conditions. His suggestion has already had my approval. On that I stand. I should not

oppose other reservations, but any material changes which would not probably receive the consent of the many other nations would be impracticable. We can not take a step in advance of this kind without assuming certain obligations. Here, again, if we receive anything we must surrender something. We may as well face the question candidly, and if we are willing to assume these new duties in exchange for the benefits which would accrue to us let us say so. If we are not willing, let us say that. We can accomplish nothing by taking a doubtful or ambiguous position. We are not going to be able to avoid meeting the world and bearing our part of the burdens of the world. We must meet these burdens and overcome them or they will meet us and overcome us. For my part, I desire my country to meet them without evasion and without fear in an upright, downright, square, American way.

While there are those who think we would be exposed to peril by adhering to this court, I am unable to attach great weight to their arguments. Whatever differences, whatever perils exist for us in the world will come anyway, whether we oppose or support the court. I am one of those who believe we would be safer and that we would be meeting our duties better by supporting it and making every possible use of it. I feel confident that such action would make a greater America, that it would be productive of a higher and finer national spirit and of a more complete national life.

Ninety-six per cent of our Government expenditure is for war, past, present, and future. The great War College, brooding over Washington Barracks, studying the economic resources of the great nations of the world and our military course in case of war with any one or more of them, is a warning that the problem of international cooperation must be undertaken and solved.

The great poet of the present is the great prophet of the future, and in 1842, 82 years ago, my young friends will remember that Lord Tennyson, speaking through his poem, Locksley Hall, foresaw aerial and gas warfare followed by a league of peace:

> For I dipt into the future, far as human eye could see,
> Saw the vision of the world, and all the wonder that would be;
> Saw the heavens fill with commerce, argosies of magic sails,
> Pilots of the purple twilight, dropping down with costly bales;
> Heard the heavens fill with shouting, and there rained a ghastly dew
> From the nations' airy navies grappling in the central blue;
> Far along the world-wide whisper of the south wind rushing warm,
> With the standards of the peoples plunging through the thunderstorm;
> Till the war drum throbbed no longer, and the battle flags were furled
> In the parliament of man, the federation of the world.
> There the common sense of most shall hold a fretful realm in awe,
> And the kindly earth shall slumber, lapt in universal law.

About this time seven years ago the stars looked down upon a strange, new flag of war crossing the broad Atlantic. It landed in France, it passed through Paris and on to Chateau Thierry, Belleau Wood, and Verdun. This flag always advanced, never went back; and at night the angel came close to the sleeping doughboy and whispered—"What flag is this? This is not the lion of England, or the great bear of Russia, or the eagle of Germany, or the tricolor of France, or the dragon of Japan. We have seen these flags through the ages on many a stricken field, but this flag that always advances and never goes back; what flag is this with its flowing stripes of red and white and its stars of silver on a blue field?" And the boy whispers in his sleep: "Why, this is a war to end war. The stripes of crimson speak of the blood of the youth of the world who, through the ages, have been sacrificed on the altar of human liberty, and sometimes on the altar of human ambition; the field azure is the dome of Heaven, and the stars are the stars of hope."

Fifty thousand of these boys will sleep forever on alien soil. More than a hundred thousand more are back, it is true, but back to carry with them the devastating marks of war through all the years of their lives to come. The backs of our people are bowed down by an additional debt burden of twenty-five thousand million dollars due to this war. Is all this sacrifice to be in vain, or shall the stars of silver on the field of azure of the flag of America symbolize the stars of eternal peace?

### THE FARMER'S REWARD

Mr. EVANS of Montana. Mr. Speaker, the farmers have been producing food since 1920 for practically nothing; and in many cases at an actual cash loss for the three years, even without counting their own time and labor and that of their families as being worth anything at all. As a result, they have come to the end of their rope. Thousands of men who owned their land have lost it. Thousands more who were tenant farmers have seen their savings swept away and have gone through bankruptcy, being forced to begin again with nothing after spending their lives in hard and honest toil in the most essential of all industries. The standard of living has been reduced to the lowest possible point; the farmer who has bought a new suit of clothes in the past four years is a conspicuous exception. In many localities nearly every man who knows how to do any other kind of work has left the farm, never to return if he can avoid it. Social standards in rural communities are going steadily down. The farm boy who in former years would have gone to the State agricultural college to learn scientific methods and return home to aid his father or to start in with his bride on a near-by quarter section is to-day studying for some other occupation.

The Secretary of Agriculture reports that in the 15 principal wheat-growing States more than 108,000 farmers since 1920 have lost their farms through foreclosure or bankruptcy; that more than 122,000 have surrendered their property without legal proceedings, and that nearly 375,000 have retained possession of their property only through the leniency of their creditors, making a total of more than 600,000, or 26 per cent of all farmers, who have virtually been bankrupted since 1920 in these 15 States alone.

The poverty of the farmers is reflected, of course, in the cities and towns. Thousands of men and women, not alone in my State but all over the West, are not only bankrupt but at the door of the poorhouse.

Realizing the condition of the agricultural people of the country, an effort was made to relieve the situation by legislation. For 10 days this House had before it the McNary-Haugen bill, which on Tuesday, June 3, was defeated by a vote of 224 to 164 amid the plaudits of the beneficiaries of the Fordney-McCumber tariff law.

Now that the shouting is over, Mr. Speaker, we can calmly survey the wreck, and it will be of interest to the country to know who voted for and who voted against the only bill that promised relief for this great industry.

You will recall in December last the President of the United States sent a message to Congress on this subject. He had sent Frank W. Mondell and Eugene Meyer, jr., directors of the War Finance Corporation into the agricultural districts of the country to make him a report on the subject and had otherwise professed interest for the distressed industry, and yet when the vote is taken we find Massachusetts, the home of the President of the United States; the home of John W. Weeks, a member of the President's Cabinet; the home of HENRY CABOT LODGE, leader of the majority in the United States Senate; the home of Mr. GILLETT, Speaker of this House; the home of Mr. WINSLOW, chairman of the Committee on Interstate and Foreign Commerce, which controls railroad legislation; the home of Mr. DALLINGER, chairman of the Committee on Education in this House; the home of Mr. LUCE, chairman of the Library Committee of this House; the home of WILLIAM S. GREENE, chairman of the Committee on Merchant Marine in this House; casting its vote solidly against the bill with one exception. One lone man from Massachusetts—may his tribe increase—voted with us, while every other man in that delegation voted against us. Perhaps we should be thankful for that one vote, because we did not get a single other one from all New England. New England, that section of the country that for 50 years has prospered and grown rich at the expense of the American people because of special-privilege legislation passed in her behalf, gives us not a single vote—save the one from Massachusetts.

Out of 43 votes from the Empire State of New York the suffering agriculturists of the country must content themselves with 1 vote. The States bordering on the Atlantic coast from Maine to Florida—all largely engaged in commerce and manufacturing give agriculture in this crisis 3 votes.

Throughout the discussion of the bill the attitude of the Members from the Atlantic coast and particularly from New England has been to decry this bill on the theory that it granted special privilege to a part of the people. We have heard, over and over, these men say it was wrong to tax all the people for a part of the people. Why, Mr. Speaker, it has not been three weeks since the Massachusetts delegation led by Mr. WINSLOW, chairman of the Interstate and Foreign Commerce Committee, put through this House a bill to take from the American people $11,000,000 to build Cape Cod Canal; and yet they have the temerity to complain that the McNary-Haugen bill is special legislation.

The prosperous manufacturing section of the country is thriving on the results of special privilege granted them through laws of the land. The Fordney-McCumber tariff bill permits the manufacturers to take from the pockets of the American people $3,000,000,000 to $4,000,000,000 annually by compelling them to pay 50 to 100 per cent more for every article they consume than they would otherwise be compelled to do; but whenever any legislation is attempted in an effort to do something for the farm population it is denounced as class legislation.

The gentleman from Massachusetts [Mr. LUCE] spoke of this legislation as a "bonus" to the farmer; on another occasion he called it a "subsidy" to the farmer, and suggested in time the farmers would work out their salvation under the natural economic laws of supply and demand. During his speech in opposition to the bill the following colloquy took place:

Mr. LUCE. I will yield to the gentleman from Washington.

Mr. SUMMERS of Washington. The gentleman had a good deal to say about supply and demand and economic forces and all that sort of thing. Does that apply to this knife, which cost me 75 cents but which I believe could be made to sell at 30 cents, but it would have been manufactured in Japan or Germany instead of Pennsylvania or Connecticut?

Mr. LUCE. I am a Yankee, and it is said to be the prerogative of a Yankee to answer one question by asking another. Did the gentleman vote for the tariff which produced that price? [Laughter and applause.] And if he voted for the tariff, why?

Mr. SUMMERS of Washington. It is the first time I have had the opportunity of saying I will never vote for a tariff that does not give its benefits to all classes and all parts of the country. [Applause.]

Mr. Speaker, perhaps the gentleman from Washington [Mr. SUMMERS] has the key to the situation. When gentlemen from the State of Washington and other agricultural States refuse longer to vote for bills like the Fordney-McCumber tariff bill the financial distress of the farmer will begin to lessen.

A brief review of the votes cast for the Fordney-McCumber tariff bill by men representing these distressed agricultural States might now be illuminating.

The imperial State of Iowa, which probably produces more agricultural products than any other State in the Union, has 11 votes in this House, and she cast 11 votes for the Fordney-McCumber tariff bill.

Kansas, which produces almost twice as much wheat as any other State, has 8 votes to give, and she gives all for this tariff bill.

Nebraska gives her total of 6 votes to the cause of special privilege.

Washington, the home of Mr. SUMMERS, who now says he will never again vote for a tariff bill that does not give equal benefits to all classes, casts her 5 votes for the bill.

Every vote cast by Colorado, South Dakota, New Mexico, and Wyoming was cast for the benefit of New England.

When the roll was called Oregon, Montana, Utah, and Idaho found every Representative in his seat, and every man cast his vote for the Fordney-McCumber tariff bill.

North Dakota alone, out of all that empire stretching from the Mississippi River to the Pacific Ocean, cast 1 vote against this tariff bill.

Now when these 15 stricken States ask the great industrial interests of the country to reciprocate the favor bestowed, that great beehive of industry, New England, gives us 1 vote.

Mr. Speaker, if New England industries were in the stricken condition that agriculture finds itself west of the Mississippi, there would be riots in the Capitol to-day in an effort to secure legislative relief.

Mr. Speaker, there is now pending before this House a resolution introduced by myself exempting from tariff duty all articles imported from foreign countries which are exchanged for American farm products for exportation. I believe the passage of this resolution would largely solve the agricultural problem of this country. It would in a few months deplete the agricultural surplus and thus raise the price to the producer, and it would permit this same producer to purchase a large part of his goods on the same basis that he sells his produce. I quote the resolution:

[House Joint Resolution 289, Sixty-eighth Congress, first session]

Joint resolution exempting from tariff duty all articles imported from foreign countries which are exchanged for American farm products for exportation

*Resolved, etc.*, That from and after the passage of this resolution all articles imported from any foreign country into the United States and exchanged for American farm products for exportation shall be admitted free of any tariff or import duty, regardless of whether the exchange is made directly with the producer of such farm products or not; and all laws and parts of laws in conflict with this resolution are hereby repealed.

This resolution, Mr. Speaker, can be passed in an hour's time. The Congress has already voted to adjourn on Saturday evening, and this is the last possible opportunity to do anything for the stricken farmers of this country. Pass this resolution, put it into effect, and you gentlemen who are to meet in Cleveland next week will not need to pass a lot of inane resolutions about what will be done for the farmer when Congress meets again in December. It is little short of criminal for this Congress to adjourn at this time, but that die is cast. In the few hours yet remaining this resolution or some similar resolution could be passed and hundreds of thousands of worthy people could be saved from bankruptcy, the insane asylum, and a suicide's grave.

## RÉSUMÉ OF FIRST SESSION SIXTY-EIGHT CONGRESS

Mr. SIMMONS. Mr. Speaker and gentlemen of the House, it is my purpose to review this session of the Sixty-eighth Congress, to discuss briefly the major questions which have been submitted to us for decision, and to state my position on them. In considering these matters I have had but one ambition, and that is to represent my people and to vote both for the best interests of my district and of our common country. Whether or not I have succeeded is for the voters of my district to decide.

### TAX-FREE SECURITIES

One of the first legislative matters with which we had to deal was the tax-free securities amendment. "Must a system of taxation which permits a man with an income of over $1,000,000 a year to pay not one cent to the support of his Government remain unaltered?" This question asked of Senator COUZENS by Secretary Mellon was answered in the affirmative by the House of Representatives, when it failed to secure the necessary two-thirds vote to submit a constitutional amendment to the States authorizing the taxation of income from Federal, State, and municipal bonds.

The opposition to this amendment came largely from Democratic leaders, who argued that it was not the right of the Federal or State Governments to interfere with the credit or finances of the other sovereignty.

The Nebraska State Legislature in 1922 indorsed this amendment. It was indorsed and supported by the American Farm Bureau Federation, labor organizations, and other representative groups of taxpayers.

I voted for the amendment. This would refer it to the people to decide whether or not we would have a class in America who live on an income derived from securities not taxed, who pay nothing to support the Government, and have accordingly a lack of interest in or responsibility to governmental agencies.

Securities exempt from income taxation are not consistent with a high surtax rate, because the man of great wealth has found that he can avoid them by investing in tax-exempt securities. The result is that the producer of great wealth and the employer of labor is becoming a nonproducer and is putting his money in securities upon which he pays no taxes. The Government is losing one of its chief sources of revenue. I believe that the holder of great wealth should bear a proportionate burden of taxation. So long as an avenue of escape is provided by these securities he will not do so.

### TAX REDUCTION

Last fall Secretary Mellon surprised the country by announcing a $329,000,000 surplus after estimating in 1922 a deficit of $650,000,000. Tax reduction at once became a paramount issue in Congress. The feasibility or advisability of tax reduction was not disputed. The issue was "how to reduce." The "Mellon plan" was proposed. The country apparently instantly demanded its adoption by legislative action. My belief then was that the apparent immediate approval of the idea by the public was not of the Mellon plan but of tax reduction without regard to plan. Subsequent events have confirmed that belief.

The President asked for nonpartisan consideration of the tax reduction issue. The hope of that was dissipated by the Democratic caucus proposing the Garner plan with its subsequent disapproval by President Coolidge.

There are about 3,500,000 income-tax payers in the United States. There are about 35,000,000 wage earners. The Mellon plan, as I saw it, gave a too liberal reduction to those receiving large incomes, but at the same time gave a substantial reduction to all income-tax payers. The Garner plan ostensibly following the principle of taxing those best able to pay, proposed the greater reduction on small incomes. It had, however, this

serious defect—it would not raise sufficient revenue. The loss of revenue would have had to be made up by indirect or consumption taxes had the Garner plan been adopted. These consumption taxes would be paid by those still less able to pay a Federal tax—those who are that part of the 35,000,000 wage earners and their families who pay no Federal income tax making up the greater part of the 110,000,000 people. I could not support the Garner plan.

The plan finally adopted was practically that urged by a group of Republicans—60 in number—of whom I was one, coming mostly from the agricultural States between the Mississippi and the Rocky Mountains. It reduces the normal tax on incomes up to $4,000 from 4 per cent to 2 per cent; on incomes up to $8,000 from 6 per cent to 4 per cent; and on incomes above $8,000 from 8 per cent to 6 per cent. The surtaxes on the average are reduced 25 per cent. An additional 25 per cent reduction is given on earned incomes. This is the general plan which I supported throughout the consideration of the measure.

In 1921, 70,245 residents of Nebraska reported incomes of $8,000 or less; 1,451 reported incomes of from $8,000 to $25,000; only 155 reported incomes above $25,000. Nebraska's greater direct concern was in the reduction of taxes on small incomes. Her direct and indirect concern is in the economic prosperity of the whole country. The bill as passed works advantageously for all concerned in that regard. It is a fair bill and will bring prompt and effective tax relief.

In addition to the above a general 25 per cent reduction on 1923 incomes was granted.

It seems proper to again call attention to the fact that the passage of this bill does not reduce the amount of personal and real estate taxes paid in the State. Congress has no authority to change those levies. In 1921 Nebraska paid $2.57 per capita Federal income tax. The State and local taxes the same year were $46.02 per capita. Federal legislation can not reduce the $46.02. It can and has reduced materially the $2.57.

ADJUSTED COMPENSATION

In the discussion of tax reduction there has been associated the question of adjusted compensation. Congress, following the war, called upon the service men of America to suggest an equitable adjustment of their economic losses caused by their armed service. The service men left the matter to Congress. The "five-fold plan" resulted. Congress failed to pass it on the plea of economy and inability to pay—proceeding at the same time to adjust losses of war contractors, the railroads, and other interests. Congress finally passed the "four-fold plan," which President Harding vetoed. The issue was thereby thrown into the elections of two years ago. The Republican and Democratic platforms in Nebraska in 1922 indorsed adjusted compensation. The State Legislature of Nebraska memoralized Congress to pass it. Candidates were pledged to support the measure. Everyone knew of these promises—given because it was believed that the proposition was morally justified, economically sound, and a distinctly patriotic act for a grateful Nation to recognize this obligation.

The bill reported by the committee provided for 20-year endowment insurance policies based on age, length of service, and whether or not performed overseas. Personally, I felt that we should have passed the bill as vetoed by President Harding. That was the bill the veterans knew and the public knew.

President Coolidge vetoed the bill. I gladly acknowledge his right and hold it his highest duty to approve or disapprove of legislation as it is given him to judge. Likewise, giving due consideration to the President's views, I claim the right and duty to vote as my judgment dictates. No other course is honorable. I was pledged to support this measure. I believe it right and highly just. I voted to override the President's veto. America's service men should, and I believe will, accept this act as a full adjustment of their economic losses and shoulder to shoulder—in peace as in war—continue to carry on in their patriotic and loyal service to our common country.

Before this measure became a law its enemies claimed that there could be no tax reduction and adjusted compensation. The tax bill passed and approved by President Coolidge reduces taxes $22,000,000 more than the Mellon plan. It gives a 25 per cent reduction in taxes being paid this year. The Treasury Department estimates show that all this can be done, adjusted compensation paid in an orderly way, the obligations of the Government met in every respect, and a substantial surplus be left in the Treasury. The threatened bankruptcy of the country and paralysis of business need not and will not follow the enactment of this measure.

VETERANS' LEGISLATION

I count it a great opportunity for service to have been a member of the newly formed Committee on Veterans' Affairs. This committee held extensive hearings. The bill which it reported and which passed Congress and was approved by the President is a forward move for better and more complete care of our sick and disabled service men. It is not a perfect bill. Neither does it do all some of us desired. It provides for hospitalization of veterans—complete care—without regard to whether or not the sickness is service connected. It increases the compensation to the widows and orphans and to dependent parents. It extends the period of presumption of service-connected disability in tuberculosis and other diseases until January 1 next. In general, it liberalizes the present act. America is keeping faith with those entitled to her first care. Last year the Government paid out in the care of her sick and disabled service men the sum of $381,556,495.

IMMIGRATION

That immigration into the United States is a privilege granted by a sovereign people, and not a right of the immigrant, and that the United States alone will regulate who may come, when they may come, and how many may enter has been affirmatively established by legislative act.

Objection to the immigration bill came from those who wanted more than a 2 per cent quota, from those who objected to fixing the basis of the quota on the nationals in this country in 1890, and from those whose people were excluded as undesirable, principally Japan.

The bill, as it passed the House, will allow about 160,000 to enter for permanent residence each year. The 1890 census as a basis gives the races from northern and central Europe an advantage over those from southern Europe. Around that alleged "discrimination" a great deal of opposition centered. Those nationals favored by the bill have shown themselves more assimilable and better citizenship material than have those from the south. The northern and central races have not colonized in cities, but have spread generally throughout the agricultural sections of the country, while an unhealthy civic condition exists in practically all of our large cities from the colonizing of southern European nationals. This bill will better balance the races entering and stem the tide until America can assimilate her foreign populaton.

It is significant that no country based its opposition to the bill on the ground that to exclude their nationals would be against the interests of the United States or that to allow them to enter would help America—and yet this land is ours, and this bill is designed to benefit our America.

I supported this bill in every respect. It is a distinct, practical, effective step toward the solution of our most difficult Americanization problem. It benefits and protects American labor, and at the same time provides for a healthy influx of European nationals.

A grave situation developed following the passage of this bill in the Senate. Japan was offended by its terms. The President fully supporting Congress in its exclusion provisions, asked that it be changed so that diplomatic action might be taken with a friendly nation to "ease off" the inevitable decision. I supported the President in this request. A majority vote of the House denied it. It is to be sincerely hoped that this act of Congress will not permanently affect the friendly progress of our Nation and Japan. That it has made the President's task more difficult is certain.

THE RAILROAD PROBLEM

President Coolidge, in his annual address to Congress, called for the "entire reorganization of the rate structure for freight" and stated that the farmer "must be assisted by the reorganization of the freight-rate structure which could reduce charges on his production."

I stated then, and still believe, that the carrying out of this program was of far more importance, and its benefits far more reaching to the people of the Central West than tax reduction. Tax reduction reaches relatively few in proportion to the great number that freight-rate reduction, such as suggested by the President, would reach and benefit. Preliminary legislation intended to bring this about has been passed. For example, the Mellon plan would bring an estimated tax reduction to Nebraska of $1,253,154. That is a material reduction. In 1922 the total freight revenue paid Nebraska carriers was $79,290,720. A 1.6 per cent reduction in freight rates will equal the saving in Nebraska by Federal tax reduction. I submit these figures not as an argument against tax reduction but to show that reasonable adjustment of the freight burden of the West will bring benefits materially greater than

tax reduction, and in addition will reach those more in need of relief. But the country demanded tax revision; a few of us demanded freight-rate revision. Tax reduction came—the transportation problem remains unsolved.

THE HOWELL-BARKLEY BILL

The President in his message said:

The settlement of railroad labor disputes is a matter of grave public concern. The Labor Board was established to protect the public in the enjoyment of continuous service by attempting to insure justice between the companies and their employees. It has been a great help, but is not altogther satisfactory to the public, the employees, or the companies. If a substantial agreement can be reached among the groups interested, there should be no hesitation in enacting such agreement into law. If it is not reached, the Labor Board may very well be left for the present to protect the public welfare.

A bill introduced late this session in the House by Mr. BARKLEY, of Kentucky, and in the Senate by Mr. HOWELL, of Nebraska, dealt with this problem. Shortly after it was introduced the "discharge rule" was invoked to bring this bill before the House for consideration. I supported the measures liberalizing the rules of the House, including a rule which provided that 150 Members could file a petition and force a vote as to whether a measure pending in committee should be considered by the House. The rule is right. It prevents the killing of important legislation by committees. The committee considering the Howell-Barkley bill could not hold hearings and report it to the House in time for action this session. I felt that the subject matter of this legislation was of sufficient "public concern" to entitle the House to pass upon it. I voted to discharge the committee and bring the Howell-Barkley bill up for discussion. It was done.

In its title it is declared the bill is "to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials." With that purpose I am in hearty accord. The country has been told that the purpose of the bill is to abolish the Railway Labor Board. If that were all, the bill would be simple, the issue plain. I would vote for it. But that is only a minor part of the bill. It abolishes the Railway Labor Board, composed of nine members, three representing the public, three the employees, and three the employers. These nine men receive a salary of $10,000 per year—a total of $90,000. This bill sets up in its stead four national boards of adjustment, with 40 members, at a salary of $7,000 each—a total of $280,000. These are divided equally between the employers and employees. The public has no representation upon these boards. It further provides for a board of mediation and conciliation composed of five members representing the public—each at a salary of $12,000, or a total of $60,000; a grand total of $340,000 in salaries as compared to $90,000 under the present law. To this, of course, must be added salaries of attorneys, clerks, and office expenses of undetermined amount. The salary cost of this bill is equal to the total salary paid to the President, Vice President, the entire Cabinet, the entire Supreme Court, the President of the Senate and the Speaker of the House. This increased cost alone raises a grave doubt of the advisability of its passage.

The Government is asked to pay the expenses of these four boards of agreement, and at the same time we have been told that the public is not entitled to any representation upon them, or, as one official of the brotherhoods told me, "The public is not competent to be represented on these boards."

One-half of the membership of these boards is to be appointed from representatives of the nationally organized crafts. But there are great groups of employees that do not belong to these nationally organized crafts. They do not want to join. They feel that they are entitled to representation in the settlement of industrial disputes, and that representation is denied them under this bill. The President said, "There should be no hesitation in enacting new legislation if a substantial agreement can be reached among the groups interested." The protests filed by employers, employees, and the public indicate that there can be no "substantial agreement" on this bill in its present form. This bill provides only for "national boards." It sets up no boards for settling disputes by adjustment between employees and the roads for which they work.

The bill does not affect transportation charges directly. It does not raise wages. It does not reduce freight rates. It does not apply to transportation charges. It brings no relief to the people of the West in this, their big item of expense. The lowering of transportation charges must come. Organized labor has indicated its willingness to accept wage reductions concurrent with a reduction of transportation charges and general living costs. This bill will greatly increase the difficulties of bringing about that adjustment in a friendly, amicable way, "satisfactory to the public" and insuring "justice between the companies and their employees."

Our whole scheme of legislation regarding railroads is leading directly to Government ownership. I do not favor Government ownership and operation of the railroads. I favor a simplification of our legislation instead of complicating it. A reduction of costs instead of increased costs; fewer Government boards instead of more. I can not support the Howell-Barkley bill in its present form.

INTERSTATE COMMERCE COMMISSION

The Labor Board adjusts wage differences. The Interstate Commerce Commission adjusts rates and charges. These two boards, one fixing the big item of cost of operation and the other fixing the revenue of the roads, have no connection and work independently of each other. It is an illogical, makeshift plan. If a new plan and new boards must be, then there should be a consolidation of these two boards in one new group, so that the income and expense of the roads may be adjusted economically by the same body and for the best interests of the public. My view is that it would be better to do away with the Labor Board entirely, curtail the powers of the Interstate Commerce Commission, restore the power of our State railway commissions, and give the railroads a legitimate opportunity to efficiently serve the American people.

SECTION 15-A AND THE ESCH-CUMMINS ACT

The farmers of the West have been told, and generally believe, that their transportation troubles come from this act and especially section 15-A, or the so-called "guaranty" clause.

The Esch-Cummins Act is not a sacred instrument to me. I stand ready to vote to amend it or repeal it whenever better legislation is proposed. Many in the West have demanded its repeal. They have not stopped to think that with its repeal must come some other plan, some other regulatory legislation. The building of a new transportation act must be worked out. We can not tear down the present law without putting something in its place. To repeal the Esch-Cummins Act and put nothing in its place is to lose a great part of that which has been gained for the people in two generations of struggle with this problem.

The Interstate Commerce Committee is now holding hearings on section 15-A. Legislation affecting it will be proposed. The truth about this section and its effect on freight charges should be definitely determined. New legislation should definitely make certain that the rates on the bulky farm commodities, upon grains, foods, cattle, livestock, and so forth, will be materially reduced. Agriculture can not continue to pay the present charges. If the income from the railroads is disastrously affected by this plan, then let the difference be made up by an adjustment of our through-freight charges and placing the burden upon less bulky and greater value commodities.

The minimum-rate rule, fixing a rate below which carriers can not go, should be abolished so that the roads may return to an actual competitive basis.

INLAND WATERWAYS

An integral part of our transportation problem is the question of developing the inland waterways of the Nation. Experimental work on the lower Mississippi has shown its feasibility. The opening of the St. Lawrence, the deepening of the Mississippi and the Missouri, and their connection with the Great Lakes, means much to the Central West. It will place us nearer the world's markets, decrease our transportation charges, and thus increase the price received by the farmer and at the same time relieve the railroads of the East of the congested traffic which they now carry. Committees of Congress have been considering these matters, plans are being matured, and some progress by legislation has been made. The agricultural prosperity and future industrial development of the West depend much upon this program. Legislation carrying out these plans should have immediate and favorable consideration.

M'NARY-HAUGEN BILL

There are three great economic groups in America—industry, labor, and agriculture. The industrial enterprises are organized and prosperous, labor is organized and better paid to-day than ever in its history. Agriculture is unorganized and not receiving the same measure of prosperity as the other groups. In many sections there is real distress. The purchasing power of the farmers' products is much below that of the other groups. Our problem has been to place agriculture, so far as it can be done by law, on an equality with industry and labor. The farmer must produce at a profit; his purchasing power must be restored. Additional credit relieves but does not cure. Reduced interest rates are equivalent to reduced

taxes, but unaided will not bring prosperity. Cooperative marketing is of great assistance, but it can not entirely solve the problem. It has not been possible to bring the general farmer of the West and North into one great cooperating organization, although great progress has been made. Diversification is producing good results. The solution is better and more adequate prices for what he sells. The farmer wants no gifts; he seeks no charity. Relief is not asked because of the farmers' poverty. It is asked as a matter of right and justice. The McNary-Haugen bill proposed a plan whereby the pre-war purchasing power of the farmer would be restored. It proposed to put agricultural products, for which there was an exportable surplus, on a ratio price basis equal to that of other commodities. Its opponents said it might not work, but if it did not, agriculture would be no worse off, and if it did succeed 25 per cent of what is claimed for it agriculture would immeasurably gain. They told us it is a new idea and without precedent. The West is not afraid of new ideas nor does it fear the making of precedents. The bill failed to pass. Industry is protected by a tariff, labor is protected by restricted immigration and favorable legislation. Is the farmer alone to be denied relief? If that is the answer, then the agricultural States must insist upon a revision of tariff rates. There is no other alternative.

The present tariff law has as a revenue measure succeeded beyond the expectations of its sponsors. It has produced industrial prosperity. The McNary-Haugen bill would have brought that prosperity to the farmer. He is entitled to it. It has been denied to him. Tariff rates that operate against agricultural prosperity should be lowered, keeping in mind always that agriculture can not prosper without industrial prosperity. Neither can industry remain permanently prosperous without a prosperous agriculture. Certain provisions of the present tariff law have benefited our western people. A striking illustration is the benefit given our cattlemen by the tariff on "feeders," which has kept out Canadian cattle. The cattlemen of the West are in need of better prices, but their condition would be worse without this protection. Where beneficial the present tariff law should be supported.

CHILD LABOR

We failed to pass the tax-free securities amendment, but by an overwhelming vote we submitted to the States an amendment authorizing Congress to regulate child labor. By so doing we recognized this as a national problem and have taken the first step to stop their exploitation by capital in the industries. The problem now rests with the States.

PROHIBITION

Political gestures toward the repeal of the eighteenth amendment and the weakening of the Volstead Act have been made. They have accomplished nothing. They will accomplish nothing. Industrial centers of the East may want it. The great agricultural States of the West will not permit of the weakening of the enforcement law nor its repeal. They will give every aid and assistance to its vigorous enforcement.

MUSCLE SHOALS

The facts regarding Muscle Shoals have been stated in this House, in the press, and from the public platform. Further statement of them can serve no beneficial purpose. I was unable to support the Ford bill.

President Coolidge recommended that this "Congress appoint a joint committee to consider offers, conduct negotiations, and report definite recommendations." His suggestions were ignored.

Muscle Shoals alone is important. If the Ford offer is accepted the Government loses over $100,000,000 invested there; it enters into burdensome and expensive obligations; it leases the power dams there at a rental netting but 2.85 per cent on the investment; it ties its own hands for 100 years; it secures no adequate return of funds and no adequate covenants. The Ford bill violates the fundamental idea of the conservation of our natural resources. Nebraska has great streams with undeveloped power possibilities. We have no coal in our soil. We can provide electrical energy from our streams for industrial uses. I am not without hope that the time will soon come when, with governmental cooperation, this development can be brought about. To sell Muscle Shoals under the conditions of this bid is to admit the failure of the Government to develop the Nation's water power. I can not admit that that failure exists. I believe that the Government should complete this development, dispose of the power under the Federal water power act, keep the ownership of the nitrate plants for peace and wartime uses, producing fertilizer for peace activities and munitions for war.

PRESIDENT COOLIDGE

President Coolidge came to the Presidency under most trying circumstances. Meeting every issue without flinching, squarely facing every problem, he set himself to the service of the American people. He has succeeded. The American people believe in him. His ability is known, his character is unassailed and unassailable; his courage proven, cool, calm, determined, God respecting, he goes about his task. Congress, reserving the right to act finally as its judgment dictates, has given full consideration to his views. He, giving full consideration to the views of Congress, has maintained his own position and views on public matters. The legislative and executive branches of the Government have performed their constitutional powers. The country has generally approved. Criticism comes from those who have been unable to dictate either the policies of the President or Congress. I favor the reelection of President Coolidge. He is preeminently the man best suited and fitted for the difficult tasks ahead. I confidently believe that the American people will retain his services in the Presidency.

THREE YEARS OF REPUBLICAN ADMINISTRATION

Mr. TILSON. Mr. Speaker, with the close of the present session of Congress the record of the Republican administration of governmental affairs is made up for the little more than three years since the party came into power. In view of the approaching general election, it is fitting to briefly review what has been accomplished. In order to do this with any degree of fairness or accuracy it is necessary to at least outline briefly the condition that prevailed at the time the Republican administration came into power.

Our international affairs were then in a deplorable state. More than two years had elapsed since hostilities had ceased and we were still technically at war with the Central Powers. Our relations with other countries were strained. The mad competition in building navies and naval armament was again in full swing among the principal nations of the world.

Foreign governments owed this country more than $10,000,000,000, on which more than $1,000,000,000 due and unpaid interest had accumulated, and no provision whatever had been made for the payment or refunding of this enormous indebtedness.

The public debt had grown from $1,000,000,000 to the staggering sum of $24,000,000,000, to which should be added $2,000,000,000, which is about the present cash value of the bonus, plus administrative expenses, recently voted as adjusted compensation for war service; so that the national debt left by the war was in fact more than $26,000,000,000. About $7,500,000,000 was due to mature within two and a half years and no provision for its refunding had been made. Enormous amounts of this debt were carried in short-time certificates, which were turning over monthly with consequent unsettling effect on the markets.

Liberty bonds which had been sold to the public at par to pay the cost of the war were selling at 85 cents on the dollar.

The interest charge alone on the public debt had grown from $23,000,000 before the war to about $1,000,000,000 per annum, considerably more than the annual running expenses of the entire Government at the beginning of the war.

The annual ordinary expenditures of the Government had risen from about $740,000,000 in 1916 to $5,500,000,000 in 1921.

War-time taxes still remained in force and were becoming a serious burden on the entire people through their effect on business.

A large number of merchant ships had been built, at a cost of more than $3,000,000,000. In 1921 this vast fleet was estimated to be worth less than $500,000,000, while claims growing out of our shipbuilding venture amounting to $200,000,000 were pending against the Government. Many of the ships were entirely worthless.

The railroads of the country had been thoroughly demoralized by Government operation and by management characterized by extravagance and recklessness which in the end cost the taxpayers of the country $3,000,000,000 and left the railroad properties so crippled as to seriously handicap them for a long time in rendering service to the public.

The agricultural interests of the country had been brought face to face with financial disaster as a result of the sudden fall in the prices of agricultural products, so that the problem of relieving the resulting distress has proved to be about the most difficult and perplexing one left by the preceding Democratic administration.

Widespread unemployment prevailed. Estimates made by the Department of Labor, then under Democratic control, and by the American Federation of Labor placed the number of

the unemployed during the early months of 1921 as high as 5,000,000 persons.

Such in brief was the situation when by an overwhelming vote of lack of confidence the Democratic administration went out and the Republican Party came into power. What has been accomplished since coming into power is here referred to broadly as the work of the Republican administration, and includes both Congress and the Executive.

Coming into power by so large a vote much was expected of the administration, and no one who is disposed to be fair can deny that much has been accomplished. It has already solved many of the pressing problems inherited from a discredited Democratic administration and has made substantial progress toward the solution of many others.

It has established peace with Germany and Austria, restored commerce and friendly intercourse with those nations, and preserved for the United States all of our rights under the Versailles treaty without involving us in the meshes of European entanglements.

It has maintained friendly relations with all the other nations of the world.

It suggested the plan for an expert commission to consider the vexed problem of reparations in Europe, and these experts, under the brilliant leadership of Charles G. Dawes, worked out and offered a practical plan for the salvation of war-torn Europe.

Through the friendly mediation of this country, it has provided a means for the settlement of a long-standing dispute between Chile and Peru, thus avoiding a possible war in South America.

It has restored friendly relations with Mexico and maintained the security of the treaty rights of American citizens.

By the Conference for the Limitation of Armament it has made the greatest advance in history toward universal peace and the abolition of war.

It has established a budget system which, by placing our finances on a business basis, has already resulted in great economies and assures greater economies in the future.

It has reduced the national debt by nearly $2,500,000,000.

It has either retired or refunded the $7,500,000,000 of maturing debt, and in its place has issued a new class of short-dated debt aggregating $5,000,000,000, with maturities distributed so as to permit of refinancing with the minimum of disturbance to business.

By rigid economies it was made possible to reduce the tax burden over $800,000,000 in the first year of the administration and at the same time show a substantial surplus each year. On the basis of the showing made within two years the Treasury recommended a further tax reduction of more than $300,000,000, which has been made.

Sound principles of tax reduction and tax reform have been initiated and made understandable to the people, which upon their insistence will be eventually enacted into law.

The total operating expenses of the Government, including fixed debt charges, have been reduced from $5,500,000,000 during the last year of Democratic administration to an expenditure for the present fiscal year of approximately $3,500,000,000, a reduction of 40 per cent in the running expenses of the Government, without in any wise crippling any useful activity.

The debts due this country by Great Britain and Finland have been refunded so that the total payments of principal and interest will aggregate $160,000,000 a year during the next 10 years, with somewhat larger amounts thereafter.

Through an administration of the Treasury that has been characterized by remarkable financial ability and a complete mastery of fiscal problems, banking and credit conditions throughout the country have been improved so that Liberty bonds have appreciated to par and so that no one who loaned money to the Government during the war need lose a dollar.

Liberal appropriations have been made for carrying into effect the desire of all good citizens everywhere that the obligation of the Nation to the disabled veterans of the World War be fulfilled to the uttermost. More liberal legislation has been enacted for their benefit and a standing committee to consider matters relating to the welfare of all veterans has been provided for in the House of Representatives.

A protective tariff has been enacted to meet the conditions growing out of the World War. The need for protection to American labor and industry was never greater than in 1921, when an influx of foreign-made goods was being encouraged not only by the low tariff then in force and by the low labor costs abroad but by a depreciated exchange, which gave to countries having depreciated currency a great temporary advantage.

Owing to the rapid changes taking place in Europe the provisions of the new tariff law were made flexible, and the President was invested with discretionary power within prescribed limits to meet changing conditions. While fully protecting our home market in most instances, more than 60 per cent of all imports now come in duty free, and the average rates on dutiable articles are lower than in any previous Republican tariff law.

Except in a comparatively few instances where the rates of duty have been found too low to give needed protection, the only Americans who have been displeased by the operation of the present tariff law are the Democratic spellbinders and campaign-literature writers, who have been shown up so effectively as false prophets. They predicted freely that the new tariff rates would restrict imports to such an extent that the revenues from this source would not be $300,000,000 per year, and that our exports would be seriously curtailed. Republican proponents of the new law claimed that it would produce $450,000,000 in revenues and that it would not reduce exports. The result for the period during which the law has been in operation has been even more favorable than the most sanguine Republican prediction. Revenues from tariff duties are now coming into the Treasury at a rate approximating $50,000,000 per month, or $600,000,000 per year, while exports have actually increased in like proportion. In fact, it can not be successfully denied that no tariff in our history has in so short a time produced results so satisfactory. Within a year unemployment had ceased to be a problem and has not returned to plague us.

In short, the record stands that in the brief space of three years a Republican administration has placed the country once more on the high road of orderly progress and assured prosperity. This summary of what has been accomplished is submitted with pride and confidence to the unprejudiced judgment of the American people. It is a record of achievement never before equaled by any national administration within so short a period of time and one that could well be submitted to the calm, dispassionate consideration of the people with confidence of approval.

The party that has done so much in so short a time under such unfavorable conditions is worthy of continued confidence. It should be again commissioned to go on with the orderly development of its policies to which the country expressed its adherence by an overwhelming vote at the last presidential election. The country can not afford to turn back or to halt in its forward march. The Republican Party has always stood for orderly progress along safe and sane lines of constructive legislation and administration. With Calvin Coolidge in the White House and a safe Republican majority in Congress the next four years will prove no exception to the rule already so well established.

### TAX-EXEMPT SECURITIES—ALL IS NOT GOLD THAT GLITTERS

Mr. VINSON of Kentucky. Mr. Speaker and gentlemen of the House, in my days of childhood I marveled at the craftiness of the wolf in its attempt to lure the unsuspecting Red Riding Hood to her death. Later, in my school days, I learned a trite and significant statement, namely, that we should "fear Greeks bearing gifts"; but until I observed with my own eyes the representatives of the moneyed interests of the East boldly advocating the adoption of this constitutional amendment as a benefit to the people of our country did I realize in what modish manner wolves could wear sheep's clothing.

Sworn in as a Member of Congress on January 31, 1924, with the vote on this resolution to be cast on February 8, I gave practically all my time to the study of this problem. I do not hesitate to say that when I began the consideration of this amendment to our Constitution I was strongly inclined toward its submission and ratification. The articles which I had read upon the subject, together with the catchy name affixed to it, had about convinced me that it was the panacea for all our financial ills. It had been debated in the previous Congress, in which it had failed of passage, and I had much authority at my disposal upon the subject. Until I began close study of the question I had received no information that, while clothed as a placid, harmless sheep, the amendment contained the most deadly attack against the people of our country which the financial wolves of Wall Street could launch.

### THE WOLVES OF WALL STREET SPONSOR THIS AMENDMENT

President Coolidge and Andrew Mellon advocate its adoption. There is no need to waste time in placing them where they rightfully belong. They are the spokesmen for and the leaders of the Republican Party, which undoubtedly is the party representing the moneyed interests in this country. The National City Bank, of New York, the Standard Oil bank; J. P. Morgan & Co.; Kuhn-Loeb Co., international bankers, the Shylock mortgage association, openly espouse the passage of this resolution. Mr. Mellon, Secretary of the Treasury, is

said to be the richest man in America. It is more than we can conceive that these interests and those representing them would voluntarily request the passage into law of legislation that would prevent them from escaping taxation which they so blandly insist this amendment would do.

The chief spokesman in support of the amendment was the gentleman from New York [Mr. MILLS], who, according to his own statement in the Congressional Directory of the last Congress, is a director in many large New York corporations and is a member of the firm representing the banking house of J. P. Morgan & Co. Not only is he the wealthiest Member of the House but he is reputed to be forty times a millionaire. Every Republican leader vigorously and vehemently supported Mr. MILLS in his effort to put this amendment into force. Every Democratic leader vigorously opposed it. Being a Democrat, this would be reason enough for my opposition to the resolution.

The same Republican crowd, the old guard of Republicanism, that wrote the high protective tariff into our laws, thereby wringing untold millions from the people of America, sponsored this legislation. This was the same Republican crowd that fought the Federal reserve banking system that deprives Wall Street staging a financial panic at will; it was the same Republican crowd that opposed the income tax law, which, if properly adjusted, should equalize the tax burdens in conformity with the ability to pay. The wolves of Wall Street through their agent, the Republican Party, again attempted to lure the people of America into the arms of the octopus. Once there, nothing could protect them from its merciless grasp.

EXISTING TAX-EXEMPT SECURITIES ARE NOT AFFECTED

The proposed amendment possesses no curative remedy for the evils that obtain at the present time, growing out of the amassing of large fortunes, evidenced by tax-exempt securities. There are those who do not understand the terminology of the proposed amendment and erroneously conclude that the amendment under consideration would put an end to the unjust discrimination in tax burdens.

However, this proposed amendment to the Constitution did not affect, and was not intended to affect, the tax-exempt securities now owned by the spokesmen for the measure and their masters. It would not reach the existing securities and their owners.

There can be no mistake about the accuracy of this statement. The amendment itself clearly sets forth that only "income derived from securities issued after the ratification of this article" should be affected. Hence the proposed amendment would not reach the evils which we all recognize to exist. Having been formulated by the representatives of the owners of such securities, it is not strange that it would not reach the existing evils. And every effort made to amend the resolution, to the end that this loophole could be closed, was withstood by the solid phalanx of the old guard. I supported every effort made to put teeth into the amendment and to protect the American people from such underhanded attack.

We all admit that there is discrimination in the tax burdens; but any illustration of the evils under the present system could still be used even though this constitutional amendment was submitted to and ratified by the States, as this amendment does not change the status now occupied by the existing tax-exempt securities.

IT WOULD NOT REDUCE CITY, COUNTY, OR STATE TAXES

There are those who think that if this amendment should be adopted there would be a reduction of city, county, and State taxes. Not only is this premise unfounded but, on the contrary, the city, county, and State taxes, in my judgment, would be increased.

Quoting from an editorial in the Lexington Herald, Lexington, Ky., which was referring to Secretary Mellon's advocacy of this amendment, we find a clear statement in support of our view:

> His plea for the taxation of income from tax-exempt securities of States and municipalities is something that must be submitted to the States in the form of a constitutional amendment; and even if Congress should vote to submit it, might fail of ratification by the States.
>
> It would increase the interest burden of the States and cities and be a shifting of taxes rather than a reduction.

This proposed legislation would give the Federal Government the right to tax bonds and securities issued by a city, county, State, or under Federal authority. The money realized therefrom would go into the Federal Treasury, and the city, county, and State would receive no part of it.

Under the present law the States, all of them, have the power to tax securities issued by a State, a municipality, or a county. The only power granted to the States under this law would be the power to tax Federal securities which were issued after the ratification of this amendment. But, according to the amendment itself, before my State—Kentucky—could tax such Federal securities it would be necessary for them to enact into law a State income tax measure. At this time there are only four States in this Union having income tax laws. Speaking for a people already overburdened with taxes, I respectfully submit that I can not support an amendment which in self-protection would necessitate the adding to the tax burden of my people. The cry of the times is to reduce taxes; and if the people of this Nation understood that further burdens in the form of a State income tax must necessarily follow in the wake of this amendment, they would unanimously oppose it. It will not be my purpose while a Member of Congress to vote for any measure in that body that will add to the tax load of my people.

IMMEDIATE INCREASE IN THE VALUATION OF THE OUTSTANDING SECURITIES

Sponsored as it is by the money kings of America, we have seen that the existing securities affected by this measure will remain tax-exempt. Of course tax-exempt securities would compete in the market with taxable securities. The value of the existing tax-exempt securities approximates $12,000,000,000. They are owned in the main by the ultrarich of the country; and should this amendment become law, there would be an immediate increase in value of the existing tax-exempt securities, between 10 per cent and 20 per cent. Thus overnight these money kings would receive a gift in the staggering sum of between $1,200,000,000 and $2,400,000,000. This gift would be made without the receipt of one cent in taxes, either city, county, State, or Federal. No wonder they so anxiously supported this proposition. Speaking for my people, I do not propose to bestow this munificent gift upon the money barons of our country.

THE INTEREST RATE UPON SECURITIES AFFECTED BY THE AMENDMENT WOULD BE INCREASED

It is an economic truth that the purchasers of the securities issuing subsequent to the ratification of this amendment must receive at least the rate which tax-exempt securities would bear plus the tax to be levied against said securities. Then, as now, the tax would be paid by the people residing in the city, county, or State of their issue. The interest rate upon all securities would be increased at least 1 per cent per annum, and this amount would necessarily be an added tax burden to the people.

To illustrate it in cold figures: Take a city or county that desires to issue bonds for the purpose of building a schoolhouse, a courthouse, waterworks, or to refund its debt. For example, an issue of $100,000 is desired. At present these bonds are tax exempt and can probably be sold on the market for a premium to yield the purchaser 5½ per cent per annum. The interest charge would be $5,500. If these securities were taxable, the rate would be at least 6½ per cent per annum and the annual interest would be $6,500. The taxpayers of your county would be compelled to pay this extra amount. If the difference in the interest was $1,000 per year and the bonds were to run for 30 years, there would be an extra $30,000 paid out because of this amendment.

Most probably, every one of these bonds would be purchased by some one living out of the county and the State—40 per cent of the municipal bonds are owned in New York City—in which event there would be no return in taxes, either to the county issuing the bonds or to the State in which it was located, that would offset the extra interest paid.

As a general proposition, there must be refunding bonds issued to retire bonds at maturity. If this law became effective, we would view the spectacle of retiring our city, county, State, and Federal bonds, which are tax exempt, with bonds the income of which is taxable. These last-named bonds must bear a higher rate of interest than the bonds to be retired. Untold millions would be collected from the people of America to pay this added interest upon these securities. This same condition applies to all securities now outstanding which will be refunded at maturity.

To bring this statement home to you, by way of illustration, let us assume that $10,000,000,000 of the tax exempts now outstanding must be refunded. Taxable securities are to be issued and sold to retire the nontaxable securities. It is agreed by all that the interest rate upon the taxable securities must yield at least 1 per cent per annum more than a similar tax-exempt security. Assuming, for the sake of illustration, that the average yield upon tax exempts is 5 per cent per annum we find $500,000,000 to be the annual yield.

Increase the interest yield the necessary 1 per cent to 6 per cent per annum and these securities will yield $600,000,000. In other words, the extra taxes to be paid upon these taxable securities are $160,000,000 per annum.

The people of the United States would be compelled to pay this extra burden. There are 48 States in the Union. If Kentucky paid one-forty-eighth of this added tax, her people would pay more than $2,000,000. There are 120 counties in Kentucky and the average increased tax per county would be more than $16,000 per year.

THE FARMER

The Washington Daily News, in an editorial in its issue of January 16, 1924, so fully expressed my apprehension that I must quote that editorial, which is as follows:

WHY SO HORRIFIED

For many days Representative OGDEN L. MILLS, millionaire representative of New York's financial aristocracy, has been telling a committee of the House all about the horrors of the tax-exempt securities. Mr. MILLS is no "voice in the desert crying alone." No, indeed. He is ably seconded by a multimillionaire Secretary of the Treasury, Andrew Mellon, by many of Mr. Mellon's friends and partners, by the Western Farm Mortgage Association, another multimillionaire concern; by the National City Bank, the Morgan interests, the Kuhn-Loeb interests, the Saturday Evening Post, the Wall Street Journal, and a host of other "tribunes of a down-trodden proletariat."

Why all this sudden and tender solicitude for the common people? Why this sudden hatred of the wealthy by the rich?

The spokesmen for the proposed amendment repeatedly stated that it would not affect the rate of interest upon the farm mortgages carried in the farm-loan banks throughout the country. Mr. Farmer, please keep in mind that the interests behind this bill fought to the bitter end the farm loan bank act and by court action delayed its operation for two years. The mortgage association, referred to in the above editorial, before the farm loan bank act charged the farmers as high as 15 per cent per annum for loans, even though secured by a mortgage upon their farms. The record vote in Congress found upon page 2141 of the CONGRESSIONAL RECORD destroys every vestige of truth in their statement that they sought benefit for the farmers of America, who yet remain the bulwark of our Government.

In a motion to recommit, the following amendment was offered:

*Provided*, That the provisions of this article shall not apply to securities issued under the authority of the Federal farm loan act.

It can be seen from the language of this amendment that the securities therein named would not be affected by the resolution. In other words, had this amendment carried it would save to the farmer 1 per cent per annum upon all farm loans obtained subsequent to the ratification of the amendment. I voted for this amendment, but the old guard was too strong, and it was defeated.

So if this amendment to the Constitution should have become the law of the land the interest rate upon every farm loan secured under the Federal act would have been increased at least 1 per cent per annum. This added interest rate must be earned with the sweat from your brow.

MISCELLANEOUS OBJECTIONS

There are many other valid objections from the viewpoint of the common people. It is a further encroachment by the Federal Government upon the rights of the States and the individuals comprising them.

Should the amendment be submitted and ratified, the spectacle of the Government taxing the evidences of its own obligations is viewed.

From the days of Alexander Hamilton, the first Secretary of the Treasury, this Government has followed the principle laid down by him that it is unsound for a government to tax its securities. In that early day he pointed out that in buying a tax-exempt bond the purchaser paid a tax by reducing the interest rate below what he would receive upon a taxable bond. In foregoing the higher rate, in giving up the chance of larger returns, he was paying a tax in advance.

With a tax levied upon governmental securities, the purchaser, because of the uncertainty of the tax to be paid in the future, would necessarily protect himself in demanding a much greater increase in yield above that which a tax-exempt security would yield, and because of that uncertainty millions of dollars per year would be collected from the people to pay this added rate of interest.

The high yield upon governmental securities results from the tremendous sum raised to wage our World War to a successful conclusion. This high rate of yield makes an attractive investment. In my recollection I can recall United States Government bonds—Panama issue—par value $100, yielding 2 per cent per annum, selling for $117. While it will be several years, if ever, before our Federal securities can be sold for such low rate, yet the certainty of the rate of yield, coupled with the soundness of the investment, will permit the saving of many hundred millions of dollars in the refunding of the national debt should the organic structure remain intact in this particular.

Another formidable objection to the amendment is contained in the fact that more than 75 per cent of the outstanding tax exempts are held and owned in the Eastern States. The tax exempts owned in Kentucky are of negligible quantity. Should an income tax law be passed in Kentucky—I would oppose such law at this time—the revenue received from tax-exempt securities in Kentucky would be nothing as compared to the extra burden placed upon our people by the personal income tax to be paid by them and numerous other tax burdens flowing therefrom. Our present indebtedness as a State approximates $6,000,000. To pay the increased interest rate upon this debt would require extra taxes of approximately $60,000 a year. Of this item the district which I have the honor to represent would pay approximately one-sixth of this added tax, or approximately $10,000 per year more money than under the present law.

CONCLUSION

I quote from the speech delivered by the gentleman from North Carolina [Mr. POU], who is the ranking Democratic member of the Committee on Rules. His service extends over a period of 21 years. His statement follows:

Mr. Speaker, there should be no misunderstanding relative to the constitutional amendment proposing to prohibit hereafter the issuance of tax-exempt bonds. The proposed amendment to the Constitution gives nobody a single dollar. It does, however, add to the burden of the people. It is a proposal to add new taxes to the already enormous burden which the people are forced to bear. * * * When men who own the $12,000,000,000 of tax-free bonds are clamoring for such an amendment to be adopted the rank and file of the people may well take warning. * * *

This legislation means the ruin of the credit of the agricultural States of the Union. The great commercial centers perhaps will receive enormous benefits. You gentlemen who contemplate voting for this measure who represent agricultural constituencies had better be careful and examine this amendment, because it is loaded; it is loaded with destruction for the agricultural States of this Union.

* * * * * * *

To my mind there is not one single logical and proper argument in favor of this legislation. It will, however, kill the credit of the States, the counties, the school districts, and the road districts. It will probably mean the ruin of our Federal farm-loan system. It will add greatly to the burden of the people of the agricultural States. It will enormously enhance the market value of the $12,000,000,000 of tax-free bonds already issued. It will place under the control of the Federal Government even the bond issues of the towns, the school districts, and the road districts as well.

Having listened to every word of debate upon this subject, having given careful consideration to all the arguments presented, and with no purpose other than to perform true service to my district and State, I do not hesitate to join the ranks of those who are actually striving for reduction in taxes.

In the experience of life we find that the bitterest pills are generally covered with the thickest coat of sugar. The most vicious bills ofttimes bear the most attractive titles. "All is not gold that glitters." Coated over with a sweet-sounding title, an examination of the measure under its surface will disclose a bitter pill for the people. Satisfied in my own mind to the exclusion of all doubt, I hesitate not to follow the teachings of Democracy in its effort to secure fair treatment for the rank and file of our people, rather than join the ranks of those who, wearing sheep's clothes, with soft, persuasive manner, would, if the proposed amendment became law, feed with the rapacity of wolves upon an unsuspecting public. In its present form the tax burden of my people would be increased. I do not intend that this be done with the aid of my vote.

LEGISLATION PASSED DURING THIS CONGRESS FOR THE BENEFIT OF EX-SERVICE MEN OF ALL WARS

Mr. JAMES. Mr. Speaker, there was more propaganda used against the adjusted compensation bill than against any bill introduced in the 10 years I have been in Congress.

POSSIBLE TO HAVE ADJUSTED COMPENSATION AND TAX REDUCTION

The chief argument used was that we could not have tax reduction and adjusted compensation, and that anyone who voted for the adjusted compensation bill was in reality voting against reduction in taxes.

This was denied by the majority of the Ways and Means Committee of the House and the Finance Committee of the Senate, the committees that had charge of the legislation on both bills.

Many of us claimed that those making the above charges would commence to "straddle" as soon as they found that the bonus or adjusted compensation bill was the law.

"FIGURES DO NOT LIE BUT LIARS CAN FIGURE"

We know now that "figures do not lie" but that "liars can figure." We find now—and it is admitted by most of the most ardent opponents of the adjusted compensation bill—that on July 1 next we will not only have money to take care of the adjusted compensation and the reduction in taxes but that we will have several million dollars left—probably a good deal more.

The Treasury Department gave out a statement to the effect that if the adjusted compensation bill went through that the price of Liberty bonds would fall; also that interest rates would go up and that stocks and bonds would drop in price, and that we would have to give up all idea of passing a tax reduction bill for at least another generation. In fact, they came close to predicting national bankruptcy if the bonus bill passed. The exact opposite in every particular is the real truth.

CHAIRMAN GREEN STATES THERE WILL BE A LARGE SURPLUS ON HAND

The tax reduction bill passed by Congress by a nearly unanimous vote gave $22,000,000 more reduction than under the plan proposed by the Treasury. Chairman GREEN, chairman of the Ways and Means Committee of the House, puts the surplus on hand on July 1 as high as $138,000,000, after making deductions for both the adjusted compensation bill and the tax reduction bill. Senator SMOOT, chairman of the Senate Finance Committee, and who has always opposed adjusted compensation, admits that there will be a surplus after all.

Those of us in Congress who voted to override the veto of President Coolidge knew the facts, but the public at large, who depend in a very large measure on the great city papers, did not have the same means of learning the truth as we had, and until very lately they believed everything the large city papers had to say. It is only at this date that they are learning that they were misled by the propaganda given out by the city press and others.

Many of the Members of Congress, especially from States like New York, Pennsylvania, all of the New England States, and Kansas, have been bitterly slandered by some of the large papers and by some of their people back home that did not know the truth. During and after the war promises and pledges were made to the ex-service men by the American people and their representatives, and yet five years after the war we find the great city press asking us to "plead poverty" to escape this very just obligation. In many of the above States the voters have been urged to defeat every man who voted for the bonus.

REPUBLICAN STATE CONVENTION OF MICHIGAN FAVORED THE BONUS

The Republican State convention of Michigan was one of the very few political conventions that took a stand for the bonus. At their late convention, held a few days after the adjusted compensation bill had passed, the convention by a unanimous vote passed a resolution commending the Michigan congressional delegation for voting for the bonus. While those of us who favored the bonus needed no mandate from our convention to vote for the adjusted compensation bill, it is pleasing to the ex-service men of Michigan to know that they were supported in their stand by the Republicans at home.

Some of the Members of Congress who are to have opposition because of their stand on the adjusted compensation seem to be worried a little as to the outcome of the fight. While we have no such fight in Michigan, I am positive that when the time comes the Members facing opposition will find that the ex-service men have not forgotten their friends.

The following editorial from the Stars and Stripes explains itself:

[The Stars and Stripes, Saturday, May 31, 1924]

THE LEGION SHOULD HELP

No sooner had the bonus bill been passed over President Coolidge's veto than opponents of the legislation all over the country opened war on the legislators who voted in favor of the measure.

In every section of the country a determined effort is being made to defeat the Congressmen and Senators who voted to override the veto. Practically all of the large newspapers are opposed to the legislation and will aid in the fight. Their cry is that these legislators deserted the President in time of need and voted to increase the tax burden of the people. From now until the election is over in November this cry will be kept up, and the men who stood by the bonus bill to the end will find considerable of a scrap on their hands.

In this fight will they have the support of the men for whom they passed the bonus? Will the American Legion, sponsor of the legislation, come to the front and aid its friends, or will it stand back, hiding behind the cloak of "policies not politics"?

This is a big question, and on its answer rests the influence the Legion is to wield in Congress in the future. If the Legion deserts its friends this time, it can hardly look for support in the future.

Many Congressmen and Senators voted for the bonus and to override the President's veto in the face of no little opposition. In almost every congressional district there is an organized minority opposed to this legislation, and that minority is working now to see that the Congressmen who went against its dictates do not return to Congress. Voting to override the veto of a President is no laughing matter to a Congressman or Senator belonging to the same party. On the contrary, such action requires considerable courage, and the legislator who takes that action is almost certain to find rough sledding when election time comes around.

It is likely that many of the Congressmen who voted against the veto will be beaten this fall if the ex-service men do not get out and work for their reelection. The American Legion particularly has a job on its hands to do all in its power to see that its friends are returned. Otherwise the Legion need not look for support in the future. Any Congressman who is opposed because of his vote on the bonus—and there will be many of them—should expect and should receive the assistance of the Legion in his district. It's all very well and good for the Legion to say that it's not in politics. Such phrases sound well when voiced by Fourth of July orators, but it's another thing to desert one's friends.

This the Legion should not do. Regardless of party affiliations, it should step out in the primaries and in the election and see that its friends are returned to Congress. To do less would display a marked lack of appreciation. It would be almost as bad as going over to the enemy.

[Applause.]

I believe the following letters addressed to me explain the attitude of the members of the American Legion everywhere:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMITTEE,
*Washington, D. C., June 10, 1924.*

Hon. W. FRANK JAMES,
*House of Representatives, Washington, D. C.*

MY DEAR CONGRESSMAN: Now that Congress has adjourned I wish to take this opportunity, on behalf of the American Legion and the ex-service men and women of the World War, to thank you for the splendid manner in which you supported the legislative program in which we were vitally interested.

The present Congress enacted into law the adjusted compensation bill, which had been pending for more than four years; the Reed-Johnson bill, extending the benefits of the war risk insurance act to thousands of disabled veterans; and the Fernald-Langley bill, providing sufficient money to complete the hospital building program. These were, of course, all matters of major legislation.

We appreciate the fact that you cast your vote for the adjusted compensation bill when it was before the House; but more particularly do we appreciate the fact that you supported this legislation after it had been vetoed by the President, and in the name of the service men and women of America I wish to thank you for your undeviating adherence to the cause of the veteran. The great mass of the citizens of America desired you to take this action, and they now approve it. This has been clearly demonstrated in every instance where the people have voted upon the question.

The progress of human rights in America is the history of clashes of administrative authority with the forward-looking ideas of the chosen Representatives of the people. Ever since election of the House of Burgesses at Jamestown in 1619, when the right of taxation by consent of the people alone was established as a fundamental American principle, the representatives of the people have enlarged the scope of human rights only over the protests of administrative authority.

But in spite of the desires of those who would retard progress the representatives of the people have slowly but surely made additional gains for the rights of the constituents whom they represent and to whom they are responsible.

The unfairness in the methods employed by the opposition to this legislation made the task of Congress a difficult one. The avenues of publicity available to them were closed to the advocates of the measure and the editorial comment often misleading regarding questions of fact and the motives actuating the Congress. The members of the American Legion and the veterans of the World War, understanding these facts, appreciate more deeply the sincere manner in which you supported this legislation.

The Legion will never forget its friends.

Sincerely yours, JOHN THOMAS TAYLOR,
*National Legislative Committee.*

THE AMERICAN LEGION,
OFFICE OF THE NATIONAL COMMANDER,
*Indianapolis, Ind., September 30, 1922.*

The Hon. W. FRANK JAMES,
*Hancock, Mich.*

MY DEAR CONGRESSMAN JAMES: The service men and women are deeply grateful for the way you have stood by us, fought for us, and, in the face of a great and well-financed attack by what we can not help but feel to be sordid and selfish opposition, refused to desert your convictions for the right. Those whom you represent appreciate your high stand. The Nation is behind us all in this fight, and no one can continue to prevent the people's wishes from being carried out in a Republic.

We have only begun this battle. We are right, and right always prevails in America.

At our national convention next month the adjusted compensation legislation will be indorsed more strongly than ever. The American Legion is more unanimous and stronger in its conviction of the justice of this legislation than ever before. You will be interested to know that even in this year of financial depression and industrial troubles our membership has increased. Nearly half of the States of the Union have more members now that at the end of last year.

I am writing you that you may know that we are grateful for all your endeavors in our behalf. We shall not forget, and we shall win this fight.

Yours very sincerely, HANFORD MACNIDER.

WHY HARDING VETOED BONUS

The late President Harding would not have asked Congress to veto the Fordney-McCumber adjusted compensation bill in the last Congress if he had not been given to understand by the Treasury Department that on June 30, a year ago, there would be a deficit of $600,000,000. Believing as he did one can not blame him for taking the stand that he did. We all realize that it was extremely hard for him to appear before the Senate and ask for a veto when he had made the promise before the last presidential election that he favored the adjusted compensation bill. We can all understand how he felt when he was told later that instead of there being a deficit on July 1, 1923, there was a surplus of $370,000,000.

ADJUSTED COMPENSATION BILL IS BRIEF AND EASY TO UNDERSTAND

The bill passed by Congress is brief and easy to understand.

1. No one receives cash except under $50.

2. Will cost about $100,000,000 per year, and will be spread over 20 years. The General Staff figured that the war was costing us $44,000,000 per day. If this is correct, the total cost is less than two months of war.

3. Provides substantial insurance policies for living, and beneficiaries of those who died since discharge.

4. Partial history of adjusted compensation.

1919

Fifty-six bills were introduced in Congress.

1920

May 29: House of Representatives passed the "fivefold bill" by a vote of 289 to 92. Bill went to the Finance Committee of the Senate and was not reported out when we adjourned. In September of that year Senator Harding, the Republican candidate for President, declared he was in favor of the bill.

1921

June 30: The Senate Finance Committee reported out the above bill with a favorable report.

July 6: Treasury Department sent a letter to the Senate asking the bill be defeated.

July 12: President Harding, believing the figures given him by the Treasury, appeared before the Senate and asked that the bill be referred back to the committee. On the same day the bill was recommitted to the Finance Committee, where it died.

1922

March 23: House passed the bill by a vote of 333 to 70.

June 30: According to figures of the Treasury, instead of a deficit of $24,000,000 for 1922, as predicted by the Treasury on February 2, there was a balance on hand of $313,000,000.

August 31: Bill passed the Senate by a vote of 47 to 22.

September 19: President Harding vetoed the bill, stating that the Treasury Department claimed the deficit on June 30, 1923, would be $650,000,000.

September 20: The House of Representatives passed the bill over the veto of President Harding by a vote of 258 to 54.

September 20: Forty-four Senators voted to sustain the veto and 28 against, and the bill was dead.

1923

Figures of the Treasury showed that on June 30, 1923, there was a surplus of $310,000,000 instead of the deficit of $650,000,000 claimed by the Treasury Department when they desired President Harding to veto the bill.

1924

Adjusted compensation again before Congress and more propaganda used against it than any bill before Congress for many years.

March 18: Bill passes the House by a vote of 355 to 54.

April 23: Senate passes the bill by a vote of 67 to 17.

May 15: President Coolidge vetoes the bill.

May 16: By an overwhelming vote, 313 to 78, the House of Representatives overrides the veto.

May 19: Senate, by a vote of 59 to 26, repasses the bill over the veto, and "all is well."

LAFAYETTE, LINCOLN, GRANT, AND LEE ALL RECEIVED A BONUS

One hundred years ago, December, 1824, Congress presented a bonus to the immortal Lafayette.

On the 6th day of November, 1850, U. S. Grant, then a lieutenant, stationed in Wayne County, Mich., applied for a bonus.

On August 21, 1855, Abraham Lincoln applied for a bonus.

On February 20, 1854, Robert E. Lee applied for a bonus.

The following affidavits and statements explain themselves:

PRESENTATION OF BONUS TO GENERAL LAFAYETTE

[An act of Congress, December, 1824]

*Be it enacted*, That the sum of $200,000 be, and the same is hereby, granted to Major General Lafayette, in compensation for his important services and expenditures during the American Revolution, and that, for this purpose, a stock to that amount be issued in his favor, dated the 4th of July, 1824, bearing an annual interest of 6 per cent, payable quarter-yearly, and redeemable on the 31st of December, 1834.

SEC. 2. And be it further enacted, that one complete and entire township of land, be, and the same is hereby, granted to the said Major General Lafayette, and that the President of the United States be authorized to cause the said township to be located on any of the public lands which remain unsold, and that patents be issued to General Lafayette for the same.

MONDAY, *December 20, 1824.*

Here follows an address to General Lafayette by a committee of Congress, delivered January 1, 1825:

"General: We are a committee of the Senate and the House of Representatives, charged with the office of informing you of the passage of an act, a copy of which we now present. You will perceive from this act, sir, that the two Houses of Congress, aware of the large pecuniary as well as other sacrifices which your long and arduous devotion to the cause of freedom has cost you, have deemed it their privilege to reimburse a portion of them, as having been incurred in part on account of the United States.

"The principles that have marked your character will not permit you to oppose any objection to the discharge of so much of the national obligation to you as admits of it. We are directed to express to you the confidence, as well as the request of the two Houses, that you will, by an acquiescence with their wishes in this respect, add another to the many and signal proofs you have afforded of your esteem for a people whose esteem for you can never cease until they have ceased to prize the liberty they enjoy and emulate the virtues by which it was acquired. We have only to subjoin an expression of our gratification in being the authors of this communication, and of the distinguished personal respect with which we are,

"Your obedient servants,

"SAMUEL SMITH.
"ROBERT Y. HAYNE.
"B. BOULIGNY.
"WILLIAM S. ARCHER.
"S. VAN RENSSALER.
"PHILIP S. MARKLEY."

And here follows the reply of the Marquis de Lafayette on the same day, accepting the bonus:

"Gentlemen of the committee of both Houses of Congress, the immense and unexpected gift which, in addition to former and considerable bounties, it has pleased Congress to confer upon me, calls for the warmest acknowledgments of an old American soldier and adopted son of the United States, two titles dearer to my heart than all the treasures of the world.

"However proud I am of every sort of obligation received from the people of the United States and their representatives in Congress, the large extent of this benefaction might have created in my mind feelings of hesitation, not inconsistent, I hope, with those of the most grateful reverence. But the so very kind resolution of both Houses, delivered by you, gentlemen, in terms of equal kindness, precludes all other sentiments but those of the lively and profound gratitude of which, in respectfully accepting the munificent favor, I have the honor to beg you will be the organ.

"Permit me also, gentlemen, to join a tender of my affectionate personal thanks to the expression of the highest respect with which I have the honor to be,

"Your obedient servant, "LAFAYETTE.

"WASHINGTON, *January 1, 1825.*"

In the second place, it might be of moment to know how big men and outstanding Presidents have considered questions of this kind. Here is how Grant, Lee, and Lincoln viewed the proposition:

APPLICATION FOR BONUS

[By Gen. Ulysses S. Grant]

STATE OF MICHIGAN,
*County of Wayne, ss:*

On the 6th day of November, A. D. 1850, personally appeared before me, a justice of the peace within and for the county and State aforesaid, First Lieut. Ulysses S. Grant, aged 28 years, an officer of the Fourth Regiment United States Infantry, in the service of the United States who, being duly sworn, according to law, declares that he is the identical Ulysses S. Grant who was a second lieutenant and regimental quartermaster in the Fourth Regiment of United States Infantry, commanded by Col. William Whistler, in the war with Mexico declared to exist on the 13th day of May, A. D. 1846; that he graduated at West Point, in the State of New York, about the 30th day of June, A. D. 1843, and continued in actual service during the entire period of the war, as will be shown by the muster rolls of the field and staff of the Fourth Regiment of United States Infantry.

He makes this declaration for the purpose of obtaining the bounty lands to which he may be entitled under the "act granting bounty lands to certain officers and soldiers who have been engaged in the military service of the United States," passed September 28, 1850.

U. S. GRANT,
*First Lieutenant and Regimental Quartermaster, Fourth Infantry.*

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STATE OF MICHIGAN,
*County of Wayne, ss:*

I, Silas A. Bagg, clerk of said county of Wayne, do hereby certify that George Clancy, whose name is subscribed to the affidavit of the annexed instrument and therein written, was, at the time of taking affidavit, a justice of the peace for said county, duly elected and qualified, and duly authorized to take the affidavit. And, further, that I am well acquainted with the handwriting of such justice and verily believe that the signature to the said jurat is genuine.

In testimony whereof I have hereunto set my hand and affixed the seal of said county at the city of Detroit this 6th day of November, A. D. 1850.

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DETROIT, MICH., *November 6, 1850.*

SIR: Will you please forward me my land warrant on the inclosed certificate? I am, sir,

Very respectfully, your obedient servant,

U. S. GRANT,
*First Lieutenant and Regimental Quartermaster, Fourth Infantry.*

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APPLICATION FOR BONUS

[By Abraham Lincoln]

TO JAS. L. EDWARDS,
*Commissioner of Pensions.*

STATE OF ILLINOIS,
*Sangamon County, ss:*

On this 21st day of August, A. D. 1855, personally appeared before me, a justice of the peace within and for the county and State aforesaid, Abraham Lincoln, aged 46 years, a resident of Sangamon County, in the State of Illinois, who, being duly sworn according to law, declares that he is the identical Abraham Lincoln who was captain of a company in the regiment of Illinois Mounted Volunteers commanded by Col. Samuel M. Thompson, in the war with the British Band of Sacs and other tribes of Indians on our northwestern frontier in A. D. 1832, known as the Black Hawk War. That he volunteered at the State and county aforesaid on or about the 21st day of April, 1832, for no definite time and continued in actual service in said war for about 40 days; that he has heretofore made application for bounty land under the act of September 28, 1850, and received a land warrant, No. 52076, for forty (40) acres, which he has since located and can not now return.

He makes this declaration for the purpose of obtaining the additional bounty land to which he may be entitled under the act approved the 3d day of March, 1855. He also declares that he has never applied for nor received, under this or any other act of Congress, any bounty land warrant except the one above mentioned.

ABRAHAM LINCOLN.

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APPLICATION FOR BONUS

[By Gen. Robert E. Lee]

STATE OF NEW YORK,
*County of Orange:*

On the 20th day of February, A. D. 1854, personally appeared before me, a special judge within and for the county and State aforesaid, Robert E. Lee, aged 45 years, an officer of the United States Army, who, being duly sworn according to law, declares that he is the identical Robert E. Lee who was a captain in the Corps of Engineers of the Army of the United States in the late war with Mexico; that he was commissioned on or about the 7th day of July, A. D. 1838, and continued in actual service in said war until its close; that he still remains in the military service of the United States, as will appear by the records of the Engineering Department.

He makes this declaration for the purpose of obtaining the bounty land to which he may be entitled under the "act granting bounty land to certain officers and soldiers who have been engaged in the military service of the United States," passed September 28, 1850, and avers that he is not entitled to nor has he received bounty land under any other act of Congress.

R. E. LEE,
*Captain, Corps of Engineers.*

Every State that has voted on the matter of adjusted compensation, save one, has voted favorably. Oklahoma, for purely local reasons, defeated it.

The compensation votes in the States in which referenda were held, according to official figures furnished the American Legion Weekly up to November 23, 1923, by the secretaries of state, were:

| State | For | Against | Ratio for— |
|---|---|---|---|
| Illinois | 1,220,815 | 502,373 | 2.4-1 |
| Iowa | 383,335 | 195,898 | 1.9-1 |
| Kansas | 375,015 | 148,898 | 2.5-1 |
| Maine | 105,712 | 32,820 | 3.2-1 |
| Michigan | 471,150 | 185,092 | 2.5-1 |
| Missouri | 210,238 | 100,131 | 2.1-1 |
| Montana [1] | 67,500 | 62,100 | 1.1-1 |
| New Jersey | 534,532 | 165,555 | 3.2-1 |
| Ohio | 949,109 | 324,447 | 2.9-1 |
| Oregon | 88,219 | 37,866 | 2.3-1 |
| Rhode Island | 10,535 | 1,303 | 8.1-1 |
| South Dakota | 93,459 | 56,356 | 1.7-1 |
| Washington | 224,356 | 88,128 | 2.5-1 |
| Wisconsin | 165,762 | 57,324 | 2.7-1 |
| Total | 4,899,746 | 1,958,811 | 2.5-1 |

[1] The exact and official figures in Montana are not yet available

*Cash bonus paid by the States to their veterans of the World War*

| | |
|---|---|
| Illinois | $55,000,000 |
| Iowa | 22,000,000 |
| Kansas | 25,000,000 |
| Massachusetts | 22,275,000 |
| Maine | 3,211,397 |
| Michigan | 30,657,576 |
| Minnesota | 23,500,000 |
| Missouri | 15,000,000 |
| New Hampshire | 1,961,423 |
| New Jersey | 11,250,000 |
| New York | 45,000,000 |
| North Dakota | 11,000,000 |
| Ohio | 22,500,000 |
| Oregon | 20,000,000 |
| Rhode Island | 2,588,000 |
| South Dakota | 6,000,000 |
| Vermont | 1,500,000 |
| Washington | 13,500,000 |
| Wisconsin | 16,102,096 |
| Colorado | 8,000,000 |
| Montana | 4,500,000 |
| Pennsylvania | 35,000,000 |

The two great political parties in their last national conventions took the following stand with respect to the soldier boys:

DEMOCRATIC PARTY

We believe that no higher nor more valued privilege can be afforded to an American citizen than to become a freeholder in the soil of the United States, and to that end we pledge our party to the enactment of soldier settlements and home aid legislation which will afford to the men who fought for America the opportunity to become land and home owners under conditions affording genuine Government assistance unencumbered by needless difficulties of red tape or advance financial investment.

REPUBLICAN PARTY

We hold in imperishable remembrance the valor and the patriotism of the soldiers and sailors of America who fought in the Great War for human liberty, and we pledge ourselves to discharge to the fullest the obligations which a grateful Nation justly should fulfill in appreciation of the services rendered by its defenders on sea and on land.

In every instance where the American people have registered their will directly upon this question, they have voted overwhelmingly in favor of it. In 22 States the people have voted for State compensation, and the majorities have been as high as 8 to 1. All national polls taken on the question show the people favor it overwhelmingly.

This legislation has now passed the House of Representatives six times, and the Senate five times. The dates, with votes cast, are as follows:

HOUSE OF REPRESENTATIVES

May 29, 1920: 289 votes for, to 92 votes against.
March 23, 1922: 333 votes for, to 70 votes against.
September 14, 1922: Passed without record vote.
September 20, 1922: 258 votes for, to 54 votes against.
March 18, 1924: 355 votes for, to 54 votes against.
May 2, 1924: Passed without record vote.

SENATE

August 31, 1922: 47 votes for, to 22 votes against.
September 15, 1922: 36 votes for, to 17 votes against.
September 20, 1922: 44 votes for, to 28 votes against.
April 23, 1924: 67 votes for, to 17 votes against.
May 1, 1924: Passed without record vote.

In the fourth place, by way of contrast, it may be refreshing, though surprising to many, may be, to hear how foreign nations have acted toward their own World War heroes.

*Bonus paid by foreign countries to their veterans*

| Country | Base of bonus, maximum rate | Maximum possible | Probable average | Total cost |
|---|---|---|---|---|
| Great Britain | £5 plus 10s. per month's service in excess of one year; maximum 48 months. | £20 ($101.50) | | £78,831,556 ($275,910,446) to men and officers. |
| Canada | Pay and allowances they would have received if not demobilized, for from 1 to 6 months, depending on service. | $600 ($540) | | $164,000,000 ($147,600,000). |
| Australia | 1s. 6d. per day of service. | £117 ($409.50) | £83½ | £30,000,000 ($105,000,000); mostly paid in 5½ per cent bonds, maturing May 31, 1924. |
| New Zealand | Same as Australia | £117 ($409.50) | £58½ | £5,225,900 ($18,290,650) to May 20, 1920. |
| France | 250 francs plus 20 francs per month for service at front, between Aug. 2, 1914, and Nov. 11, 1918. | 1,270 francs ($95.25). | | 4,964,948,670 francs ($372,371,150); payable in monthly installments of 100 francs. |
| Belgium | 75 francs per month for services at front, Aug. 1, 1914, to Nov. 11, 1918, less family allowance. | 3,825 francs (less family allowance) ($287). | | 141,230,000 francs ($10,592,250); in budget for 1921. |
| Germany | | 65 marks ($0.97). | 65 marks | |

Czechoslovakia, no bonus; gratuity to those 20 per cent or more incapacitated and to widows and orphans.

NOTE.—At the time of the aforementioned payments to enlisted men of the World War, the currency of such countries was worth in United States money about as follows: Great Britain, $3.50; Canada, $0.90; Australia, $3.50; New Zealand, $3.59; France, $0.075; Belgium, $0.075; Germany, $0.015.

Foreign currency is converted in the above table into dollars at these rates.

Mr. Speaker, the war contractors demanded and received hundreds of millions of dollars in payment of work never done. The railroads were guaranteed against loss. The war profiteers have retained the millions they defrauded the Government out of during the war. These and others of their kind have received cash from the Treasury of the United States on every occasion attempted and under any old pretext.

Another bill of great interest to the veterans of all wars—especially the late war—was the Johnson-Reed bill providing for the reorganization of the Veterans' Bureau and the codifying of the laws, modifying the activities of the bureau, and taking care of the interests of the ex-service men.

HOSPITALIZATION OF THE VETERANS OF 1898

It is a splendid piece of legislation. One particular part, providing that ex-service men of 1898 can be admitted to the hospitals the same as the veterans of the late war, will be appreciated by all who are suffering from disease contracted in the Spanish-American War.

TIME WILL TELL THE ADJUSTED COMPENSATION BILL IS A GOOD BILL

I voted for the above bill and all other pieces of legislation for the benefit of the ex-service men.

I voted for the adjusted compensation bill every time it came before the House, including the veto of President Harding and the veto of President Coolidge. I believed in it when it was first introduced in 1919, and I never saw any reason to change my mind as to the righteousness of the cause. I am glad that after all the ups and downs—especially downs—it is now the law of the land. Time will tell that it was the wise thing to do, and that it will cost less than if it had not been done and other legislation was later advocated and passed.

THE WORLD WAR VETERANS' ACT OF 1924

Mr. LEAVITT. Mr. Speaker and gentlemen of the House, it is with a deep sense of gratification that I consider this bill, S. 2257, an act to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau, and the administration of the war risk insurance act, and the vocational rehabilitation act.

I say this because the passage of this act is based on justice and reflects the sincere appreciation cherished by the American people for the services of those for whom the Great War is not over. The price of human progress is always sacrifice and service, but when that price is paid in the time of war it takes on its most terrible forms. It places its marks of suffering on the bodies and souls of men and women. Our common humanity calls on us to turn from war as the arbiter of events, but wars have come and out of their necessities have risen examples of devotion to country and ideals which inspire and light the way to true citizenship. Such a thought and such an issue call for a response by the country which they have served and saved which will in some small degree show that the Nation's heart beats true to a sacred obligation.

This measure will go far in the correction of certain abuses and injustices which have developed in the administration of veterans' relief. It liberalizes the provisions for hospital and medical treatment for the veterans of all wars. As one example, let me quote:

(10) That all hospital facilities under the control and jurisdiction of the bureau shall be available for every honorably discharged veteran of the Spanish-American War, the Philippine insurrection, the Boxer rebellion, or the World War suffering from neuropsychiatric or tubercular ailments and diseases, paralysis agitans, encephalitis lethargica, or amebic dysentery, or the loss of sight of both eyes regardless whether such ailments or diseases are due to military service or otherwise, including traveling expenses as granted to those receiving compensation and hospitalization under this act. The director is further authorized, so far as he shall find that existing Government facilities permit, to furnish hospitalization and necessary traveling expenses to veterans of any war, military occupation, or military expedition since 1897, not dishonorably discharged without regard to the nature or origin of their disabilities: *Provided*, That preference to admission to any Government hospital for hospitalization under the provisions of this subdivision shall be given to those veterans who are financially unable to pay for hospitalization and their necessary traveling expenses.

Much difficulty has been encountered in establishing service connection in cases of tuberculosis and neuropsychiatric disease, and also because patients discharged from hospitals with arrested cases of tuberculosis often brought their disease back into active form because they must at once go to work. Here are two provisions which will go far to meet these conditions:

An ex-service man who is shown to have or, if deceased, to have had, prior to January 1, 1925, neuropsychiatric disease, an active tuberculous disease, paralysis agitans, encephalitis lethargica, or amebic dysentery developing a 10 per cent degree of disability or more, in accordance with the provisions of subdivision (4) of section 202 of this act shall be presumed to have acquired his disability in such service between April 6, 1917, and July 2, 1921, or to have suffered an aggravation of a preexisting neuropsychiatric disease, tuberculosis, paralysis agitans, encephalitis lethargica, or amebic dysentery in such service between said dates, and said presumption shall be conclusive in cases of active tuberculous disease, but in all other cases said presumption shall be rebuttable by clear and convincing evidence; but nothing in this proviso shall be construed to prevent a claimant from receiving the benefits of compensation and medical care and treatment for a disability due to these diseases of more than 10 per cent degree (in accordance with the provisions of subdivision (4), section 202, of this act) on or subsequent to January 1, 1925, if the facts in the case substantiate his claim.

And—

That any ex-service man shown to have had a tubercular disease of compensable degree, and who has been hospitalized for a period of one year, and who in the judgment of the director has reached a condition of complete arrest of his disease, and who shall be discharged from further hospitalization, shall be rated as temporarily totally disabled, and such rating shall not be decreased within a period of six months.

Note that the presumption is conclusive in the case of active tuberculosis up to January 1, 1925, that it has a service connection. Also that at least six months of total compensation continues after discharge from a hospital with an arrested case of tuberculosis, to prevent worry and the necessity of work which may reawaken the malady.

Again, the provision for dependents is made comprehensive, for—

If death results from injury—

If the deceased leaves a widow or child, or if he leaves a mother or father either or both dependent upon him for support, the monthly compensation shall be the following amounts:

(a) If there is a widow but no child, $30.

(b) If there is a widow and one child, $40, with $6 for each additional child.

(c) If there is no widow but one child, $20.

(d) If there is no widow but two children, $30.

(e) If there is no widow but three children, $40, with $5 for each additional child.

(f) If there is a dependent mother (or dependent father), $20, or both, $30. The amount payable under this subdivision shall not exceed the difference between the total amount payable to the widow and children and the sum of $75. Such compensation shall be payable whether the dependency of the father or mother or both arises before or after the death of the person, but no compensation shall be payable if the dependency arises more than five years after the death of the person.

The work of vocational rehabilitation is carried on until June 30, 1926, by which time it is expected that the work will have been completed and the obligation of the Government in that direction discharged. But the hospitalization work will go on and the compensation will continue to be paid in every just instance, for it is the determined purpose of this great Nation to go forward without stint in repaying as far as it can its debt of honor and gratitude.

The further provisions of this measure would be of interest, but I can not cover them all in so brief a time. I have quoted enough to give reason for my gratification that this measure, the result of devoted study and labor by the Veterans' Committee, by the soldiers themselves, and their friends, is before us, and that I have had the privilege of giving it my support.

SOLDIERS' ADJUSTED COMPENSATION

Mr. VAILE. Mr. Speaker, for a Member of Congress to have disagreed on any point with the head of his own political party, with his own candidate for the Presidency, with a great conservative and at the same time constructive leader, seems to be a rather anomalous situation.

I believe that President Coolidge has amply earned the respect and confidence of the American people. I am as sure that he will be reelected as I am that he is entitled to reelection, and that is a conviction of absolute certainty.

But that does not mean that I have any regret for disagreeing with him on a particular point in which my humble judgment is that I am right and that he is mistaken. The particular point to which I refer is the "soldiers' bonus."

I voted to override the President's veto on this bill, and I would do exactly the same thing if it had to be done over again, for two reasons:

First. I believe in it.

Second. I was committed to it prior to my election.

Referring first briefly to the second point, in the Sixty-sixth Congress—the first of my own service—the House of Representatives passed a soldiers' adjusted compensation bill. It failed to pass the Senate. I voted for this measure in the House of Representatives. My vote, of course, was well known in my home district. I was reelected to the Sixty-seventh Congress by people who knew how I had voted and who knew that I would vote the same way again.

The Sixty-seventh Congress passed a soldiers' adjusted compensation bill. In accordance with my well-understood position, I voted for it. I was reelected to the Sixty-eighth Congress by people who were under no misapprehension as to how or why I had voted on this question.

The Sixty-seventh Congress had been elected in a presidential election year, and Warren G. Harding had been chosen as our standard bearer. In the platform upon which he was elected, with a Republican Congress, appeared the following language:

> We hold in imperishable remembrance the valor and patriotism of the soldiers and sailors of America who fought the Great War for human liberty and we pledge ourselves to discharge to the fullest the obligations which a grateful Nation justly should fulfill in appreciation of the services rendered by its defenders on sea and on land. Republicans are not ungrateful. Throughout their history they have shown their gratitude toward the Nation's defenders.

It should be stated, in fairness, that a substantially identical plank was contained in the Democratic platform of that year.

The Republican State platform of Colorado, which, under the statute I helped to frame as a candidate and which therefore became my own official and personal statement to my constituents, the statement upon which I sought and received my election, contained a similar declaration.

This plank was understood and was intended to be understood as a declaration of party policy in favor of soldiers' adjusted compensation just as soon as it could be enacted without serious detriment to the finances of the country.

Mr. Harding, in a speech at Cleveland, Ohio, a few days before his election, committed himself definitely to this extent in favor of the bonus.

Later, as President, addressing the United States Senate, on July 12, 1921, advising against the passage at that time of the then pending measure, because in his judgment it would create a deficit in the Treasury, he said:

> In a personal as well as in a public manner, which ought to be a plight of good faith, I have commended the policy of generous treatment of the Nation's defenders, not as a part of any contract, not as the payment of a debt which is owing, but as a mark of the Nation's gratitude.

For the expressed reason that he thought the "bonus bill" passed by the Sixty-seventh Congress would create a deficit President Harding vetoed it, using language which would clearly indicate that he was no more opposed to the principle then than he had been at the time of his preelection statement.

President Coolidge is in a quite different position. Not only had he never announced himself in favor of such a measure, but, on the contrary, in his first message to the present Sixty-eighth Congress he had stated baldly: "I am not in favor of a soldiers' bonus."

My constituents may prefer his position to mine; but they should, in fairness, credit me with equal consistency.

The final vote on soldiers' adjusted compensation came in the Sixty-eighth Congress at a time when, instead of being faced with a deficit, as had been feared by President Harding, we had just been asked by the President and the Secretary of the Treasury to distribute, in the form of a rebate of taxes, a surplus of some $329,000,000 which had accumulated through four years of the thrift of Republican Congresses—Congresses which, while receiving plenty of abuse for their alleged shortcomings, are seldom credited with the fact that have been reducing the principal of the national debt at the rate of approximately $2,000,000 a day since March, 1919.

According to the estimates of the Secretary of the Treasury himself, this fund of $329,000,000 would be enough to pay approximately one and one-half times the first year's cost of the proposed soldiers' bonus.

Furthermore, we receive annually on account of principal and interest of Great Britain's war debt to us, nearly twice the annual cost of the present bonus plan. Without the services of our soldiers Britain could never pay and we could never receive one cent of this money. It and much more, together with our national honor and possibly our dearly bought independence, would have been a total loss.

I agree that tax reduction is not only desirable but essential to the free development of industry. I regret that we have not had in the present Congress a majority of real Republicans to pass the plan submitted by Secretary Mellon, for which I voted throughout the contest. The compromise which the Republicans in Congress and the Republican President accepted must be regarded as a measure which was taken because it was the best we could get until we have a clear and bona fide Republican majority.

But if, notwithstanding the urgency of tax reduction, we have a clear way of paying the soldiers' adjusted compensation, then I say that if anybody at home expected me to vote against it at practically the very moment when we were asked to distribute a large surplus of accumulated revenue, if any of my constituents expected me to vote against it after I had been twice elected on the distinct understanding that I had voted and would vote for it—then, I say, such constituents have a very different idea of political consistency and political obligation from the idea which is entertained by their present Representative.

Let me suggest before leaving this branch of the subject that the bonus plan finally adopted is particularly free from some objections which have been urged against former plans. It merely gives to the soldier a paid-up life-insurance policy. For the thrifty this will be a godsend; for the improvident an anchor.

Second. Aside from my personal commitments which I, having undertaken, regard as binding, I believe in the principle of the soldiers' adjusted compensation. The temper of the American people, rightly or wrongly, will not endure a large, permanent Military Establishment. Whether we are wise in this or not, the fact is that we resent a large body of professional soldiers. This means that in time of national emergency we

have always relied and must always rely upon the citizen soldier, upon the man taken from the ranks of peaceful industry, to defend the country with his life. This being so, it has always seemed to me that it should be a matter of national policy to see that, so far as we are able to accomplish it, there should be no discrimination against the soldier and in favor of the man who was not taken for military service.

Now, what did we do in the World War? We took the youth from the store or the shop and paid him $30 per month. We took half of that away from him for allotments to his dependents. We charged half of the remainder against him for insurance. We put him under virtual duress to buy Liberty bonds with half of the remaining quarter, and we left him with about $3 a month, 10 cents a day, for spending money. His friend who was excepted from the draft because he was in "essential war industry" we paid as high as $20 a day.

Broadly speaking, and subject, of course, to many splendid exceptions, the soldier was the only member of the body politic who did not demand and receive higher prices than formerly for everything he did and everything he sold. Labor demanded more, claiming, with considerable justice, that living expenses were much higher. The merchant, the manufacturer, demanded more, claiming, also with considerable justice, that labor was much higher. And many individuals, with no justice at all, profiteered most heartlessly. Whether consciously selfish or not, we were all a part of the vicious circle of high prices caused by the war—all, that is, except the soldier.

Now, I do not think that the soldier got an "even break." I do not think he was treated with the fairness, not to say the generosity, which a Republic should display toward those whom it requires, for its protection, to hazard life and health and endure the hardships of war.

I do not expect that these views will be acceptable to all of my constituents. But they are views which I have a right to hold as an American Congressman and they are views which my constituents have known for at least four years that I do hold.

I submit for comparison two sample letters on this subject out of a great many received. One is from a young gentleman who occupies a very important place in my own community. He has recently erected a new office skyscraper, further devoting to useful enterprise the fortune left him by a millionaire grandfather. He had a very creditable record in the World War as captain, I believe, serving with the energy and the directness and the downrightness which would be expected of one who could write such a letter. He would be an asset to any community. I have no quarrel with his opposition to the "bonus." Many of my best friends—including my own brother, who, above the draft age, left a good position and came at his own expense from Alaska to the United States to enlist as a private in the Regulars—have the same opposition to this measure.

But I do hope that with the ripening years this particular correspondent may take a more tolerant view of those who disagree with him. I think he will find there are many such. This is his letter, copied verbatim, with the omission of his name and office address:

SIR: In common with the rest of the voters of this country, I have watched with considerable amusement and not a little despair the antics of that small group of hand-picked hysterical morons which we are pleased to call our "Representatives in Congress assembled." To the most casual and unbiased observer it must be apparent that our much-boasted democracy has degenerated into a government of the minority, by the nit-wits, and for the politicians. Certainly the passage of the so-called bonus bill over the President's veto and the presentation to the dear "peepul" of the mangled and disfigured remains of the Mellon tax bill form a fitting climax to the reign of hectic oratory and fanatical nonsense which have characterized the present Congress.

As for the bonus bill, it is certainly gratifying and flattering to know that, since our omniscient solons have neither the moral courage nor the mental ability to prosecute the criminals who robbed the country during the last war, we can pay additional taxes and suffer a further increase in the cost of living in order to "compensate" our soldiers and sailors for not being slackers. The most insulting feature of this compensation is the implication it carries with it: That since a man did not receive yegg's wages in a factory or shipyard during the war his risk of life and financial reward for not being a quitter are to be valued at a maximum of $1.25 a day. That compensation sounds more like an optimistic estimate of the true worth of your services as a "Representative."

Before you leave Washington I request you to perform just one act of real service to me: Present my regards to the newly created bonus bureau and pray them to apply my share of this compensation, which you have so generously provided for me, toward the founding of a compulsory course in written and spoken English, arithmetic, and elementary political science for all Congressmen.

It is, indeed, deplorable that the Congress of these United States should have become a refuge for mental incompetents, moral degenerates, and physical monstrosities—not to mention business failures and foreign illiterates. However, I can assure you that I shall take great pleasure in seeing to it that, beginning with the termination of the present Congress, you will have to earn your living.

May I in closing suggest that the most pleasant way for you to spend this summer and fall would be for you to take a nice, long trip abroad—the farther abroad the better? And may I ever remain,

Your most humble, most obedient servant,

——— ———.

There is also in my file a letter from one of the men who started with me in 1916 in our little National Guard service on the Mexican border. When he enlisted in June of that year he was 16 years old and 64 inches tall. He was continuously in the military service of the United States till long after the armistice, nearly three years. He was shot in the face, which was toward the enemy, in the second Battle of the Marne. In 1919 he came into my office to see me, a seasoned and tried and tested veteran at the age of 19. He asked me then if I could not help to hurry the passage of the bonus, because, he said, he had not been able to help his father any in the last three years, and his father, on a dry Colorado homestead, was very greatly in need of a little money.

Recently he wrote me:

DEAR LUTENANT—

Several of these boys still affectionately call me that—

Im glad you men in Congress have passed our bonus law and I am writeing to thank you. Of course I would of liked the money & I could use it but prehaps the insuranc policy will be better because Im maried now and I cant aford much insurance. Best wishes to you and hoping to see you when you get to Denver.

Yrs respectfuly.

——— ———.

Well, neither of these men was a quitter, as described in the captain's letter. I am determined that neither of them shall ever have cause to think that I am one.

The little wounded private could hardly provide insurance for his bride without Government assistance. The captain's bride will need no insurance, though during his lifetime and afterwards she may have difficulty in figuring her income taxes.

I appreciate both of these difficulties and sympathize with them, though I have not experienced the latter. I believe we shall be better off when we are able to further reduce taxes all around—for the rich no less than for the poor. Certainly in my four campaigns for Congress no one has yet accused me of demagogic clamor against wealth as such or against its fortunate possessors. I am convinced that the reduction of taxation is the way toward an industrial prosperity which will benefit all of us, whatever our lot or station. But some of the reduction can wait.

I can not help thinking that my "most humble, most obedient servant," the captain, zealous as he is for compulsory training in "elementary political science," has himself failed to appreciate two quite elementary principles of that subject. One is that a man who is elected to office is in honor bound to carry out his preelection pledges.

The other is that it takes humble people as well as wealthy and powerful people to make a Republic and to defend it.

## FIRST SESSION OF THE SIXTY-EIGHTH CONGRESS

Mr. VOIGT. Mr. Speaker, I desire to discuss some of the more important matters which came before the first session of the Sixty-eighth Congress, which comes to a close on Saturday, as well as other matters of public interest. This session, to some of us at least, has been unusually interesting on account of the political line-up in the House. To that element in the Republican Party which regards "regularity" as the highest virtue in a Representative of the people, the session was six months of irritation and agony. When the House met on December 3, 1923, it developed that the stand-pat Republicans and Democrats were about equally balanced, and that the Wisconsin delegation of progressives, together with about a dozen progressives from other States, held the balance of power. To start with, we used this balance of power to bring about a change in the rules of procedure of the House. For several days we cast our votes for Congressman HENRY ALLEN COOPER, of Wisconsin, for Speaker; the regulars voted for FREDERICK H. GILLETT, of Massachusetts, and the Democrats voted for their

leader, FINIS J. GARRETT, of Tennessee. Mr. GILLETT had been the Speaker in the prior Congress. Messrs. GILLETT and GARRETT received 196 or 197 votes each, Mr. COOPER 17, and a number scattered, but none received a majority. On the third day we forced an agreement that the rules of the prior Congress should be adopted for 30 days only, and that during the 30 days amendments to the rules could be offered and should be reported on by the Committee on Rules and that reasonable debate should be permitted thereon in the House. When this agreement was reached we voted for Mr. GILLETT for Speaker, and he was reelected. While Mr. GILLETT and I hold conflicting political views, I wish to say that I have the highest admiration for him as a presiding officer. As a Speaker he is patient, courteous, fair, able, and absolutely impartial. I have observed him closely and many times have admired his judicial conception of his trust. While in the chair he is the same to friend and foe.

It will be observed that we did not, as the price of our votes for Mr. GILLETT, demand specific amendments to the rules; if we had, we should have been guilty of foisting our will as a minority on the majority. All we demanded was a fair opportunity to bring before the House certain amendments we had in mind. For lack of support we were not able to do a complete job, but we got some amendments through which are of the highest value to the American people, and which make the House a more representative body. The public generally is not interested in rules, but let me just say that the rules constitute the machinery through which legislation is enacted, and he who can control the machinery can control the legislation. Nearly all of the rules of the House are contrived to prevent legislation, to give a clique of insiders power to stifle the wish of the majority. In the last Congress we witnessed the spectacle of a chairman of the Committee on Rules carrying proposed rules around in his pocket, refusing to bring them up, although desired by the majority of his committee and of the House, and there was no rule to compel him to do it. We have a rule now that makes that sort of performance impossible. Prior to this Congress we had no workable rule under which a committee which refused to act on a bill referred to it could be discharged, although such a rule exists in every other legislative body in this country. We forced the adoption of a rule that if a committee fails to report on a public bill or resolution in 30 days 150 Members of the House may sign a petition and thus force a vote in the House whether the House will consider the proposed legislation without a report from the committee. We also procured the adoption of a rule which permits amendments to tax bills, and which prevents the presentation of bills in such manner that Members will have to vote for or against them as they stand without opportunity for amendment. The adoption of these rules is a decided blow to the big business bloc in Congress. We hear much denunciation nowadays of various blocs in Congress, especially the farm bloc. Heretofore there has only been only one bloc, and that was the big business bloc, and those who do all the shouting against blocs usually mean that there should be only their one favorite bloc.

TAXATION

Mr. Speaker, early in the session a tremendous propaganda was launched at Members of Congress for the Mellon plan. Millions were spent to make it appear that there could be no prosperity in the country unless we enacted this plan into law. In this propaganda Secretary of the Treasury Mellon was hailed as the economic savior of the country; no one but he could draw a scientific tax law. Men seemed to forget that it is the duty of Congress to make laws, including the tax laws, and that it would have been cowardly for Congress to swallow, hook, sinker, and line, a prescription prepared by Mr. Mellon and handed over to us by President Coolidge. The Mellon plan, in a few words, was a plan to relieve the rich from taxation. The Wisconsin delegation and other progressives insisted on an equitable tax bill. We were in favor of tax reduction as much as others, but we were more interested in the question whose taxes are going to be reduced. We finally secured the adoption of a very fair tax bill, and if we had done nothing else in this session, we would have reason to be proud of our achievement. We fought for and obtained increased taxes on inheritances and gifts. On inheritances and gifts the law starts with a rate of 1 per cent on $50,000 and runs to 40 per cent on anything over $10,000,000. This is an excellent way to break up huge fortunes and prevent the ever-increasing concentration of wealth. It is really a benefit to children of the ultrarich, to whom untold millions in most cases prove to be a curse. When the law of 1924 is understood by the people it will be accepted as a great improvement over the Mellon plan. The new law reduces taxes for the year ending June 30, 1925, by $361,000,000 and will reduce taxes for the next year by over $400,000,000. It also reduces the taxes for 1923 by 25 per cent. In order to show the difference between the law of 1924 and the proposed Mellon plan, and also to show some of the other tax reductions, I insert the following tables:

*How income taxes are reduced by the revenue act of 1924*

[What the income-tax payer SAVES under the new law as compared with the Mellon plan. Compiled from statistics furnished by the Government Actuary, Treasury Department]

| Income (married man without dependents) first $5,000 considered as earned income | Total amount saved from act of 1921 | | Percentage of total saving from act of 1921 | |
|---|---|---|---|---|
| | By the act of 1924 | By the Mellon plan | By the act of 1924 | By the Mellon plan |
| $3,000 | $12.50 | $8.75 | 62.50 | 43.75 |
| $4,000 | 37.50 | 28.25 | 62.50 | 43.75 |
| $5,000 | 62.50 | 43.75 | 62.50 | 43.75 |
| $6,000 | 102.50 | 62.50 | 64.04 | 39.06 |
| $7,000 | 162.50 | 92.50 | 65.00 | 37.00 |
| $8,000 | 212.50 | 122.50 | 62.50 | 36.03 |
| $9,000 | 262.50 | 152.50 | 61.05 | 35.47 |
| $10,000 | 312.50 | 182.50 | 60.10 | 35.10 |
| $15,000 | 502.50 | 332.50 | 47.41 | 31.35 |
| $20,000 | 702.50 | 482.50 | 40.84 | 28.05 |
| $25,000 | 952.50 | 682.50 | 37.21 | 26.66 |
| $30,000 | 1,202.50 | 882.50 | 34.16 | 25.07 |
| $35,000 | 1,502.50 | 1,102.50 | 32.45 | 23.81 |
| $40,000 | 1,802.50 | 1,322.50 | 30.86 | 22.65 |
| $45,000 | 2,152.50 | 1,612.50 | 29.98 | 22.46 |
| $50,000 | 2,502.50 | 1,982.50 | 28.97 | 22.95 |
| $55,000 | 2,862.50 | 2,442.50 | 27.98 | 23.88 |
| $60,000 | 3,262.50 | 2,982.50 | 27.32 | 24.97 |
| $65,000 | 3,712.50 | 3,612.50 | 26.94 | 26.22 |
| $70,000 | 4,162.50 | 4,322.50 | 26.44 | 27.46 |
| $75,000 | 4,642.50 | 5,112.50 | 26.04 | 28.73 |
| $80,000 | 5,162.50 | 5,982.50 | 25.76 | 29.85 |
| $85,000 | 5,712.50 | 6,942.50 | 25.63 | 31.02 |
| $90,000 | 6,302.50 | 7,982.50 | 25.37 | 32.14 |
| $95,000 | 6,902.50 | 9,112.50 | 25.16 | 33.23 |
| $100,000 | 7,522.50 | 10,322.50 | 24.96 | 34.25 |
| $200,000 | 21,022.50 | 35,822.50 | 24.26 | 41.35 |
| $300,000 | 35,022.50 | 62,822.50 | 24.21 | 43.50 |
| $500,000 | 61,022.50 | 116,822.50 | 23.41 | 44.82 |
| $1,000,000 | 121,022.50 | 251,822.50 | 21.96 | 45.73 |
| $2,000,000 | 241,022.50 | 521,822.50 | 21.32 | 46.15 |
| $3,000,000 | 361,022.50 | 791,822.50 | 21.11 | 46.29 |
| $4,000,000 | 481,022.50 | 1,061,822.50 | 21.00 | 46.35 |
| $5,000,000 | 601,022.50 | 1,331,822.50 | 20.94 | 46.39 |

*Estate tax*

[Comparison of the rates under the revenue acts of 1921 and 1924]

| Net estate (gross estate less certain deductions and specific exemption of $50,000) | | Rates | |
|---|---|---|---|
| Exceeding | Not exceeding | Act of 1924 | Act of 1921 |
| | | *Per cent* | *Per cent* |
| | $50,000 | 1 | 1 |
| $50,000 | 100,000 | 2 | 2 |
| 100,000 | 150,000 | 3 | 2 |
| 150,000 | 250,000 | 4 | 3 |
| 250,000 | 450,000 | 6 | 4 |
| 450,000 | 750,000 | 9 | 6 |
| 750,000 | 1,000,000 | 12 | 8 |
| 1,000,000 | 1,500,000 | 15 | 10 |
| 1,500,000 | 2,000,000 | 18 | 12 |
| 2,000,000 | 3,000,000 | 21 | 14 |
| 3,000,000 | 4,000,000 | 24 | 16 |
| 4,000,000 | 5,000,000 | 27 | 18 |
| 5,000,000 | 8,000,000 | 30 | 20 |
| 8,000,000 | 10,000,000 | 35 | 22 |
| 10,000,000 | | 40 | 25 |

***What the revenue act of 1924 does in addition to reducing income taxes***

| Article: Repeals tax on— | Saved to tapayer |
|---|---|
| Telephone and telegraph messages | $34,000,000 |
| Beverages and constituent parts thereof | 10,000,000 |
| Admissions of 50 cents and under | 33,000,000 |
| Excise taxes: | |
| Auto trucks and bodies, chassis costing $1,000 and body $200 exempt from 3 per cent tax | 5,000,000 |
| Tires, tubes, parts, and accessories, tax reduced from 5 per cent to 2½ per cent | 20,000,000 |
| Smokers' articles, 10 per cent tax on humidors and smoking stands repealed | 1,000 |
| Candy, 3 per cent tax repealed | 13,000,000 |
| Slot device weighing machines, tax reduced from 10 per cent to 5 per cent | 30,000 |
| Knives, dirks, daggers, etc., tax is repealed | 140,000 |
| Liveries and livery boots and hats, 10 per cent tax repealed | |

| | Saved to taxpayer |
|---|---|
| Excise taxes—Continued: | |
| Hunting and shooting garments and riding habits, 10 per cent tax repealed | $180,000 |
| Yachts and motor boats and pleasure boats and canoes if sold for more than $100, 10 per cent tax repealed | 319,000 |
| Carpets and rugs (square yard tax); trunks, sold in excess of $35; valises, traveling bags, suitcases, etc., if sold in excess of $25; purses, pocketbooks, shopping or hand bags, sold in excess of $5; portable lighting fixtures, lamps, and lamp shades, sold in excess of $10; fans, sold in excess of $1; 5 per cent tax on all the foregoing repealed | 1,800,000 |
| Jewelry: 5 per cent tax does not apply on articles sold for $30 or less; on watches sold for $60 or less; on church goods, musical instruments, and silver-plated flat tableware, irrespective of price. (Eyeglasses and spectacles and surgical instruments are exempt) | 11,000,000 |
| Stamp taxes: | |
| Sales of produce on exchange, cut from 2 cents to 1 cent per $100 | 4,000,000 |
| Promissory notes, drafts, or checks, payable otherwise than at sight or demand, tax of 2 cents per $100 or fraction thereof repealed | 2,150,000 |
| Occupational taxes: | |
| Brokers exclusively negotiating sales of produce or merchandise, exempt from $50 tax | 400,000 |
| Theater seat tax, etc., repealed | 1,600,000 |
| Total reduction | 136,620,000 |

MISCELLANEOUS ITEMS

| Item: | Increase |
|---|---|
| While the bill reduces the tax on slot-weighing machines from 10 per cent to 5 per cent, it now applies the 5 per cent tax to all classes of coin-operated machines, which will increase the revenue from this source about | $150,000 |
| Playing cards: Rate increased from 8 cents to 10 cents per pack | $700,000 |
| Mah jongg, pung chow, and similar tile sets taxed at 10 per cent | 1,000,000 |
| Total increase | 1,850,000 |
| Total taxes eliminated | 136,620,000 |
| Total taxes added | 1,850,000 |
| Net total reduction | 134,770,000 |

ADDITIONAL EXEMPTIONS

Tax on pool tables and bowling alleys of $10 per table or alley does not apply if no charge is made for use of same.

Seat tax on automobiles for hire does not apply in respect of automobiles used exclusively for conveying school children to and from school.

ADJUSTED COMPENSATION

Mr. Speaker, the Secretary of the Treasury determined to put a tax bill through for the benefit of the millionaire class, and also determined to save them from taxes by opposing adjusted compensation for our ex-service men. I want to say here for myself that I was one of the first Members of the House, in 1919, to introduce a real adjusted compensation bill on the basis of $1 and $1.25 a day. My bill provided for cash and not insurance. The bill as passed is adjusted pay in name only; it is really an insurance measure, but we voted for it because it was either that or nothing for the ex-service men. President Coolidge fought the bill with all weapons at his command and vetoed the bill, but it was passed over his veto by both Houses. When President Harding vetoed the bonus bill in 1922 he was told by Mr. Mellon that the country was facing a deficit of $650,000,000, yet in that same fiscal year we paid off $613,000,000 of the Government debt and at the end of the year there was a balance in the Treasury of $370,000,000. The Treasury estimates were over a billion dollars out of the way for the year, and yet propagandists would have the public believe that Treasury officials are the only ones who can frame what they please to call a scientific tax measure.

I am a man of peace, but I am with the fellow who has to face the privations and dangers incident to war. I do not want any man to risk his health and life for $1 a day when the Government is well able to pay more. The profiteers robbed the Government and the people out of billions. When the boys went they said nothing was too good for them, and so forth, but when they were back they fought them for the pittance which they will now get in insurance by way of adjusted compensation.

The other day I received a letter from the Washington office of the American Legion—and the Legion has not always been friendly to me—which said in part:

> Now, that Congress has adjourned, I wish to take this opportunity on behalf of the American Legion and the ex-service men and women of the World War to thank you for the splendid manner in which you supported the legislative program in which we were vitally interested.

It should be mentioned here that the session of Congress just closed also passed the Reed-Johnson bill, extending the benefits of the war risk insurance act to thousands of disabled veterans, and also the Fernald-Langley bill providing additional money for hospitals. There are many deserving veterans who have been unable to get compensation for their disabilities by reason of technicalities, and the Reed-Johnson bill was intended by Congress to do justice to these men.

GERMAN RELIEF

Congressman FISH, from New York, himself a veteran of the World War, introduced a measure to provide $10,000,000 worth of foodstuffs for the starving women and children of Germany. General Allen, who was in command of the American troops on the Rhine, fought nobly for the passage of this measure. The bill passed the House, and every progressive Member voted for it. The passage of this bill would have gone a long way to restore a feeling of good will between this country and Germany, and it was in line with the action of our Government on former similar occasions. Only a couple of years ago we gave twenty millions to the starving Russians. The bill was defeated in the Senate.

FARM RELIEF LEGISLATION

Mr. Speaker, on May 29, 1924, I made an extended speech in the House on the so-called McNary-Haugen bill, in which I demonstrated that the bill was opposed to the interests of the farmers; that it was unworkable; that it was political camouflage for the farmer; that it could not pass the House. I opposed this bill from the very beginning as a member of the Agricultural Committee in the House because I was convinced it could never become a law and that we were only wasting our time when we should have been at work trying to do something substantial for the farmer. I can not take the time here to go into that bill, but shall be glad to send anyone a copy of my speech. The farmer's troubles can not be cured with a quack remedy like the McNary-Haugen bill. If we are going to do something real for the farmer we must go at the job by getting back to first principles. We must first find the cause of his troubles and be sure we have found the right causes, and then remove the causes. That is the only remedy of any permanent value I know for the farmer's desperate economic condition. The farmer was forcibly deflated in 1920 and 1921 by the moneyed powers of the country operating through the Federal reserve system. The Wilson administration was to blame, and the Harding administration was to blame. I am sure that one of the chief causes of the farmer's plight in the last four years has been the economic chaos in Europe. On February 14, 1923, I introduced a resolution in the House protesting against the invasion of the Ruhr Valley by France, asking the President to transmit to France the protest of this Government, calling on France to arrange to pay what she owes us, and asking the President to call a world conference for the purpose of considering the economic problems confronting the world. I got no action on this resolution and did not expect any. I was abused as pro-German. I stated in the resolution that before the war Germany was the second best customer of the United States, taking large proportions of our cotton, grain, packing-house products, and other articles; that the Ruhr invasion disturbed our commerce, causing damage to our farming population; and that we had a right to protect that commerce irrespective of the moral question involved in the invasion. I believe now, as I did then, that the Ruhr invasion cost the farmers of America several billion dollars. Big business in the United States profited by that invasion. For instance, the Krupp Steel Works were put out of business, and it is a fact that almost from the moment the Ruhr was invaded the profits of the United States Steel Trust began to mount by the millions. Our Government not only failed to protest against that invasion but impliedly led France to believe that we approved it. I consider the disorder in Europe as the chief cause of the farmer's troubles.

In addition to this the outrageous tariff and railroad rates hurt him. I was one of about 50 Members to sign a petition to discharge the Interstate Commerce Committee from the consideration of a bill to repeal section 15a of the Cummins-Esch law, but we could not get enough signatures to make the petition effective. Restricted immigration hurts the farmer because it cuts down his home market and compels him to pay wages for help which he can not afford. Notwithstanding this, I felt obliged to vote for the restrictive immigration laws, except the conference report on the law just passed, as hereinafter explained. The farmer, like the city man, is also the victim of innumerable trusts and price-fixing combinations whose existence would be impossible if our antitrust laws were properly enforced.

It is a tragedy that it has taken bone-headed statesmen in Europe and spineless statesmen in America five years to realize

just plain, everyday, fundamental economic truths. They are now finding out that you can not kill the cow and get the milk too—these wonderful statesmen. They are just finding out that you can not live without letting live, and that a country can not sell if it will not buy. The light seems to be breaking over in Europe, and when economic rehabilitation once gets a start there it will mean untold millions for the American farmer. Complete restoration will not come to Europe until the treaty of Versailles is rewritten to comply with the terms of the armistice.

IMMIGRATION

For several years we have had in force laws restricting immigration to the United States. These laws were based on a percentage of those of the various nationalities who were in the United States according to the census of 1910. The law recently passed takes the census of 1890. I have voted for these laws because I felt that we could not permit the millions from Europe and other parts of the world who wished to come to flood this country. At one time, after the war, we had several million men out of employment, and their condition would have been made worse if we had permitted untold thousands to come in here and compete with them for jobs. I voted recently for the so-called Johnson bill, which provides for a quota of 2 per cent according to the census of 1890; but when this bill got into the Senate the Senate inserted a new provision, as follows:

(b) The annual quota of any nationality for the fiscal year beginning July 1, 1927, and for each fiscal year thereafter, shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100.

When this provision came back to the House in the form of the conference report I could not vote for it, and therefore voted against the report or what is equivalent to final action on the bill. Under the law the immigration quotas after July 1, 1927, will be determined by the Secretaries of State, Commerce, and Labor. They will have to decide the "national origin" of the entire population of the United States and make the quotas accordingly. I do not see how it can be done. Suppose an Irishman came here 100 years ago and married a woman of French descent, and their children and children's children married Englishmen, Norwegians, Germans, and so forth; of what nationality are their present descendants, for the purpose of determining immigration quotas? The Director of the Census stated that he would have to adopt arbitrary methods to establish the quotas. I am not willing to leave this question to officials; this matter should be regulated by Congress. Furthermore, I see no good reason for legislating on immigration now for all the years to come and limiting total immigration to 150,000 per year. In normal times I believe we can, with good advantage to ourselves, receive and assimilate more than that number per year. The proponents of this "national origin" scheme have produced some figures, and this is the way they claim it will work:

*Quotas*

| Nationality or country | Present law | 2 per cent of 1890 with minimum of 100 | National origins under the 150,000 limit proviso |
|---|---|---|---|
| Albania | 288 | 100 | 100 |
| Armenia | 230 | 100 | 100 |
| Austria | 7,342 | 990 | 1,840 |
| Belgium | 1,563 | 509 | 260 |
| Bulgaria | 302 | 100 | 100 |
| Czechoslovakia | 14,357 | 1,873 | 1,320 |
| Danzig | 301 | 223 | 100 |
| Denmark | 5,619 | 2,782 | 1,092 |
| Esthonia | 1,348 | 102 | 221 |
| Finland | 3,921 | 145 | 498 |
| Fiume | 71 | 100 | 100 |
| France | 5,729 | 3,878 | 2,763 |
| Germany | 67,607 | 50,129 | 22,018 |
| Great Britain and Ireland | 77,342 | 62,458 | 91,111 |
| Greece | 3,063 | 100 | 536 |
| Hungary | 5,747 | 488 | 1,259 |
| Iceland | 75 | 100 | 100 |
| Italy | 42,057 | 3,889 | 5,878 |
| Latvia | 1,540 | 117 | 253 |
| Lithuania | 2,622 | 302 | 444 |
| Luxemburg | 97 | 100 | 100 |
| Netherlands | 3,602 | 1,637 | 2,669 |
| Norway | 12,205 | 6,453 | 2,433 |
| Poland | 30,979 | 8,872 | 4,509 |
| Portugal | 2,465 | 474 | 275 |
| Rumania | 7,419 | 631 | 386 |
| Russia | 24,405 | 1,792 | 4,002 |

*Quotas*—Continued

| Nationality or country | Present law | 2 per cent of 1890 with minimum of 100 | National origins under the 150,000 limit proviso |
|---|---|---|---|
| Spain | 912 | 124 | 141 |
| Sweden | 20,042 | 9,561 | 3,707 |
| Switzerland | 3,752 | 2,081 | 781 |
| Yugoslavia | 6,426 | 735 | 602 |
| Other Europe | 86 | 125 | 100 |
| Palestine | 57 | 100 | 100 |
| Syria | 882 | 100 | 162 |
| Turkey | 2,654 | 100 | 119 |
| Other Asia | 92 | 100 | 100 |
| Africa | 104 | 100 | 100 |
| Egypt | 18 | 100 | 100 |
| Atlantic Islands | 121 | 100 | 134 |
| Australia | 279 | 120 | 100 |
| New Zealand | 80 | 100 | 100 |
| Japan | | | |
| Total | 357,801 | 161,990 | 150,001 |

It will be seen that under this scheme after 1927 Johnny Bull's quota is raised from 62,458 to 91,111. Germany is reduced from 50,129 to 22,018; Norway is reduced from 6,453 to 2,433; Sweden is reduced from 9,561 to 3,707; Italy and Greece are increased. Our immigration from northern Europe—the best we have had—is seriously cut and the gates are swung wide open for Johnny Bull. In addition to this the law does not restrict immigration from Canada. The consequence is that about three-fourths of our entire immigration after 1927 will be allotted to Great Britain; to her the door will always be open and to others it will be nearly closed. I think this legislation is a serious mistake. It is the greatest step we have yet taken to make the dream of Cecil Rhodes come true—"to reincorporate the United States into the British Empire." In addition to this the new law is a serious blow to seamen. About a million seamen per year from all parts of the world touch at our ports. Under the law impossible conditions can be imposed on these men before they are permitted to land temporarily. They will in many cases be kept prisoners on board their vessels, and will be unable to land and get jobs which may be more agreeable.

PROHIBITION

Mr. Speaker, since I have been in Congress I have consistently voted against prohibition. I voted against the eighteenth amendment and against the Volstead law. I feel the same about it now as I did then. My judgment is that prohibition can not be enforced. If we spent a billion a year, we could not begin to enforce it. Other countries have tried it and are repealing their prohibition laws. It is impossible to make people good by law, and we can not legislate away their appetites. From time immemorial men have had stimulating drinks, and always will have them. The amount of corruption incident to prohibition which has been uncovered in the investigations here in Washington in recent months is simply appalling. The bootleggers and higher grafters are the greatest friends of prohibition that we now have. Even Attorney General Daugherty said:

The liquor-smuggling business is the most gigantic criminal problem the United States has ever faced on the high seas. The amount of liquor smuggled into the United States annually can not be approximated.

Congressman KVALE, who succeeded Mr. Volstead in the House and who is a stricter prohibitionist than Mr. Volstead, admits that the nonenforcement of the eighteenth amendment is "breeding a Nation of hypocrites" and "is the greatest tragedy ever witnessed in civilization."

In 1919 the exports of Scotch whisky were 800,000 gallons, in 1922 they were 22,000,000 gallons, and in 1923 they were 25,000,000 gallons. General SHERWOOD says that in nine months in 1923, 3,000 barge loads of beer were shipped from Canada to Toledo, Ohio.

During the year ending June 30, 1923, 11,268,614 liquor prescriptions were issued by physicians in the United States. General SHERWOOD estimates that over 3,000 persons lost their lives from poison liquor during the past two years, and that the number killed in conflicts between prohibition agents and bootleggers was 1,210, making a total of 4,210. He says that this is more than were killed in the Revolutionary War, the Mexican War, and the Spanish-American War put together.

Murder, suicide, divorces, and arrests are on the increase.

Since prohibition the crime record of Minnesota shows an alarming increase, an 80 per cent increase in arrests for crime in general, 83 per cent increase in homicides, 56 per cent increase in drunkenness, and 625 increase in intoxicated autoists.

A recent editorial in the Detroit News states:

More than ten times as many persons are engaged in the liquor traffic in this country to-day than ever was the case before prohibition. Enticed by the enormous profits and the possibilities of sudden wealth, a large percentage of the youth of the land enter this outlaw trade and are being debauched physically and ruined morally.

In 1923 the police of Washington made 54,389 arrests, or 40 per cent more than in 1922, and that condition prevails almost over the entire country.

I am for temperance but not for prohibition. I want laws which are backed up by public sentiment and not such as are held in contempt and violated by the wholesale because they are not believed in by the majority of our citizens. At this session of Congress I introduced a bill for 2.75 beer, and about 60 other Members did the same. We had an extended hearing before the Judiciary Committee, but Congress adjourned before the committee reported. The demand for a light alcoholic beverage is getting stronger day by day, and in my judgment it is only a question of time when Congress will be compelled to grant the demands of the people. We can get rid of 90 per cent of the moonshine evil by giving the people a palatable beer.

RAILROAD LEGISLATION

We now have a Railroad Labor Board which is objectionable to the railroads, the employees, and the public. This board makes decisions, but the railroad companies have violated the decisions by the wholesale. The board has failed to render decisions in hundreds of cases, and many of these cases are several years old. It is very evident that our present law for the settlement of railroad labor disputes is inadequate. Under this law we had the greatest railroad strike in history. We ought to return to the plan which was used with good success in former years, as embodied in the Newlands and Erdman Acts. The Committee on Interstate and Foreign Commerce refused to report out the so-called Howell-Barkley bill, but under the new rules of the House, already referred to, over 150 Members, of which I was one, signed a discharge motion and the bill was considered in the House, but filibustering on the part of opponents prevented final action. It is expected to bring this bill up for passage in the next session. There was some anxiety expressed that this bill might be rushed through the House without consideration, but if it had come to a vote every Member would have had more than a month's time to acquaint himself with its provisions, and also had the opportunity to read the extended hearings on the bill before the Senate committee. It will be my ambition to contribute what little influence I have to the creation of a workable bill which will make for peace in the railroad labor world and which will be fair to all the interests concerned.

The ultimate solution of our railroad problem will be public ownership. We will have to follow England, France, Germany, Canada, and other countries in this respect. We should also as a Nation own our water powers and exercise control for the public welfare over coal, iron, oil, and timber resources.

READJUSTMENT OF POSTAL SALARIES

Mr. Speaker, our postal employees have long suffered an injustice in the matter of pay. I am for economy in government, but I do not want it at the price of injustice to any class of our people, and especially not our Government employees, who render faithful service with hand and brain. As a matter of fact, the salary of the postal employees in 1920 when measured in buying power was only about 65 per cent of the salary they were getting in 1913. They were given an increase in 1920, but when it was given it was on the understanding and with the expectation that the cost of living would rapidly decrease, and, judged by what the salary will buy, they are still underpaid compared to 1913. Many of our best postal employees have quit in order to go into other fields, which is a loss to the Government of valuable and trained help and in a way it is a loss to the employee, which should be prevented by doing these people justice. Not only has the pay of these employees failed to keep pace with the increased cost of living, but their work has heavily increased. The average mail carrier, for instance, does 50 per cent more work now than he did 10 years ago, and we all know how the work of the rural carriers has increased. These employees can not strike for higher pay, and therefore we should aim to do what is right and fair by them. Congress passed the recent bill for pay increases to these employees by a very large vote. Already there are rumors around the Capitol that the President will veto the bill. If he does, I feel certain it will be passed over his veto. I think it is better to pay these employees what they are entitled to; they have been underpaid for some years now, and I believe it better policy to save by cutting down on the hundreds of millions we are spending for war purposes.

The rural carriers up to now have had to furnish their own rigs or automobiles and pay for the upkeep out of their small salaries. Many of them have quit because it takes about a third of the salary to keep horses and automobiles, pay for feed, gasoline, and repairs. No private employer expects a man who needs a conveyance in his employment to do what Uncle Sam expects of these men, and it was a pleasure for me to vote for a modest equipment allowance for them which does not wholly cover the actual cost but which was a step in the right direction. Here again we must do justice before we can talk of economy.

Congress has voted to adjourn June 7, but I voted against the adjournment because I do not think we should go home before this matter, farm relief legislation, and other matters of great importance are disposed of.

TEAPOT DOME AND DEPARTMENT OF JUSTICE

The investigations which have been going on in Washington on these subjects reveal a rottenness in public life which is astounding. Due to the fact that the Navy was using oil for fuel in increasing quantities, President Taft in 1912 set aside oil lands in California—Nos. 1 and 2—to stand as a reserve for the Navy. Several years later President Wilson set aside reserve No. 3 in Wyoming, known as Teapot Dome. Shortly after Mr. Harding became President he signed an order transferring these reserves from the Navy to the Interior Department, of which Fall was Secretary. Fall leased reserves Nos. 1 and 3 to private companies. In the case of the Teapot Dome lease the Government gets about 1 barrel out of 16. Mr. Doheny stated that he expected to make a hundred million dollars out of the California lease. Doheny gave $75,000 to the Democratic campaign fund, and Sinclair gave the same amount to the Republican fund. In 1920, under Democratic rule, a law was passed which made the leases possible. These leases were made in secret. We know from the evidence before the Senate committee that Doheny "loaned" Fall $100,000 and that the money was brought in cash to Washington in a suitcase; also that he got a "loan" of $25,000 from Sinclair. Shortly after McAdoo retired from the Wilson Cabinet he was "retained" by the oil interests at $50,000 a year. It has been said this was for practicing "son-in-law" and not for practicing law. Congress has now declared that the leases were made in defiance of the settled policy of the Government, and that the reserves should be recovered, and that the leases were executed under conditions indicating fraud and corruption. The matter is now in the courts, and every friend of honest government hopes that the courts will see their way clear to cancel the leases. In the meantime Fall is still at large and has not been indicted.

The investigation of the Department of Justice showed that under Attorney General Daugherty there was no sincere effort to prosecute war grafters and profiteers; that recommendations for prosecutions made by the Federal Trade Commission were held up, sidetracked, or disregarded; that Daugherty's most intimate friend and go-between, Jesse Smith, collected hundreds of thousands of dollars as protection money from big whisky-ring men, bootleggers, exhibitors of prize-fight pictures, and law violators of every kind and description. Secretary of the Navy Denby, Fall, and Daugherty were compelled by force of public opinion to resign.

These investigations have been decried by the enemies of good government—big business and stand-pat politicians—but they are serving a very good purpose. They can uncover only a portion of the wrongdoing, but they serve to make it plain to the people that the demand of the hour is for men in public life who have courage and character, men who will stand for the rights of the mass of the people against graft and corruption.

Of late it has become fashionable for prominent men to belittle Congress. This is due to the fact that they can not boss Congress quite as much as heretofore. In my humble judgment, this first session of the Sixty-eighth Congress has shown more independence and more responsiveness to the rights of the people than any session I have attended since the spring of 1917. The progressive group in the House, although small in numbers, is entitled to claim credit for much of what was done. We not only pressed for the measures I have already discussed but we helped to put over the vote on the child-labor amendment; we brought about investigations of the Shipping Board and Air Service; progressives brought about the defeat

of the Muscle Shoals proposal to give away property and a water power worth hundreds of millions for a hundred years for a song.

The progressives can go back to the people who sent them to Washington with a consciousness of service well performed, and with the hope and prayer that they be sent back with reenforcements to carry on the fight for the people's rights against intrenched privilege, and so that the Government may be restored to the people.

SHOULD THE AMERICAN GOVERNMENT BUY FOREIGN-MADE GOODS

Mr. ROGERS of Massachusetts. Mr. Speaker, the newspapers of the United States have recently quite generally commented upon certain instances in which it was alleged the United States Government had purchased foreign-made goods of a character which could have been duplicated, although perhaps at a higher price, in the United States. Two of these transactions involved purchases of textiles. As everyone knows, the textile manufacturing industry in New England at the moment is at a low ebb. New England men and women, especially those dependent for a living on the textile industry, very naturally took an extremely keen and usually a critical view of the transactions which the newspapers described.

It has seemed to me important to ascertain from official sources the exact facts of the whole matter, as well as of certain other incidents related thereto.

KHAKI UNIFORMS FOR MARINES

Early in May a somewhat acrimonious discussion broke out with respect to the awarding of a contract by the Navy Department to a Manchester, England, concern for some 500,000 yards of cotton khaki cloth needed for Marine Corps uniforms. The implication in most of the news items and editorials which dealt with the matter was that the contract in question had only just been awarded and that the award had been made in the face of an extremely grave textile depression in New England.

On May 12 I wrote Secretary Wilbur, of the Navy Department, the following letter:

MAY 12, 1924.

Hon. CURTIS D. WILBUR,
*Secretary of the Navy, Washington, D. C.*

MY DEAR MR. SECRETARY: The New England newspapers have recently given much attention to the contract for uniforms of the United States Marines which was let to a Manchester, England, concern, which underbid the American competitors for the contract. Criticism of the award, which I believe dates back about a year, is general, both in Democratic and Republican newspapers.

I confess that I share the belief that irrespective of price American soldiers and sailors should not be clothed in foreign-made cloth. With the extreme textile depression which is now prevailing in New England, with much attendant unemployment, you can readily understand that the publication of this story at this time, even though relating to the transaction of a year ago, is having a most unfortunate effect.

A newspaper story published Friday in Massachusetts states that "it is understood that since then the Navy Department has made a rule not to make awards to other than domestic firms."

Is this last statement correct? If so, I think it will be most helpful if you will write me, for publication in New England, a statement of the policy of the Navy Department in the matter of awarding foreign contracts and any comment upon the past contract which may seem to you appropriate.

Sincerely yours, JOHN JACOB ROGERS.

Under date of May 15, Secretary Wilbur replied as follows:

THE SECRETARY OF THE NAVY,
*Washington, May 15, 1924.*

Hon. JOHN JACOB ROGERS,
*House of Representatives, Washington, D. C.*

MY DEAR CONGRESSMAN ROGERS: Replying to your letter of the 12th, I have to advise you that no contract has been made recently with a British concern in Manchester, England, or, for that matter, with any foreign concern, for cotton khaki cloth for the Marine Corps; furthermore, there is none in contemplation. An order was placed about a year ago, as you state, for some 500,000 yards of this cloth with a concern in Manchester, England. The contract for this material, which was approved by the department, was made in July, 1923.

In brief, the history of the situation is as follows: At the time this purchase was under contemplation American mills were fully occupied on production of staple goods. The department endeavored, by sending out specifications and invitations to bid to 55 manufacturers and dealers, by special letters to all concerns known to have fiber-dyeing apparatus, and by articles in trade papers, to obtain bids for this cloth. Bids were opened on April 9, 1923, and only one American manufacturer submitted a bid. This bid was submitted by the Amoskeag Manufacturing Co. at $0.642 per yard. This was approximately 100 per cent higher than the Marine Corps had previously paid for its khaki, even during war time, and was considered excessive. A quotation received from an English firm offered khaki suiting delivered in New York at $0.27 per yard. Adding the duty to this would bring this cost to only $0.37 per yard. The Amoskeag Manufacturing Co.'s bid, therefore, was approximately 80 per cent higher, and the Government stood to lose about $0.27 per yard if it was accepted; or, figuring it another way, the cost if purchased from the Amoskeag Manufacturing Co. would have been $321,000, whereas the cost purchased abroad, with duty, would amount to only about $185,000. However, no duty was paid, and the cost to the Marine Corps was therefore only $135,000.

Answering your inquiry as to the policy of the department, I have to advise you that the department naturally desires at all times to deal with American firms, and even at that time, with the wide differential in price, Secretary Denby did not authorize award to the foreign firm until he had consulted with Government experts and had been advised that no hardship could result therefrom to American manufacturers and workingmen, because of the fact, as I have said before, that the American textile mills were fully occupied on the production of staple goods.

I hope that the above information is satisfactory and what you require.

Sincerely yours, CURTIS D. WILBUR.

About the time I wrote Secretary Wilbur I had also written Maj. Gen. John A. Lejeune, commandant of the United States Marine Corps. On May 16 he wrote me the following letter:

HEADQUARTERS UNITED STATES MARINE CORPS,
*Washington, May 16, 1924.*

Hon. JOHN JACOB ROGERS,
*House of Representatives, Washington, D. C.*

MY DEAR CONGRESSMAN ROGERS: Replying to your letter of the 15th, I have to advise you that no contract has been made recently with a British concern in Manchester, England, or, for that matter, with any foreign concern for cotton khaki cloth for the Marine Corps; furthermore, there is none in contemplation. An order was placed about a year ago, as you state, for some 500,000 yards of this cloth with a concern in Manchester, England. The contract for this material, which was approved by the department, was made in July, 1923, and it is this contract that is now being discussed in the New England press.

In brief, the history of the situation is as follows: At the time this purchase was under contemplation American mills were fully occupied on production of staple goods. The Marine Corps endeavored, by sending out specifications and invitations to bid to 55 manufacturers and dealers, by special letters to all concerns known to have fiber-dyeing apparatus, and by articles in trade papers, to obtain bids for this cloth. Bids were opened on April 9, 1923, and only one American manufacturer submitted a bid. This bid was submitted by the Amoskeag Manufacturing Co. at $0.642 per yard. This was approximately 100 per cent higher than the Marine Corps had previously paid for its khaki, even during war time, and was considered excessive. A quotation received from an English firm offered khaki suiting delivered in New York at $0.27 per yard. The Government therefore stood to lose about $0.37 per yard if the bid of the Amoskeag Manufacturing Co. was accepted; or, figuring it another way, the cost of this material if purchased from the Amoskeag Manufacturing Co. would have been $321,000, whereas the cost purchased abroad was $135,000, no duty being paid. Had duty been included the cost would have been $185,000.

I hope that the above information is satisfactory and what you require.

Sincerely yours, JOHN A. LEJEUNE,
*Major General, Commandant.*

It should be noted that both letters call attention to the fact that the purchase was made about a year ago, at a time when American mills were fully occupied in the production of staple goods.

From the standpoint of business efficiency and economy Secretary Wilbur and General LeJeune unquestionably make out a strong case. Nevertheless the fact remains that the operatives at Manchester, N. H., where the Amoskeag Manufacturing Co. is located, had the pleasure of seeing Manchester, England, manufacture and furnish uniforms for our United States marines. I am not an Anglophobe, but I do not find it agreeable to contemplate the spectacle of American soldiers and sailors garbed in English-made fabrics.

As a side light on comparative costs of production in the manufacture of khaki cloth in Manchester, N. H., and Manchester, England, this instance is a classic. The English cloth could be imported to the United States, duty paid, at 37 cents a yard. Since the particular cloth was for the Marine Corps no duty was assessed. The price of the cloth, delivered in New York, was 27 cents per yard—about 42 per cent of the American bid. The low wage scale and cost of production in England

enabled the manufacturers to sell in the United States at a profit for 27 cents, whereas the American profit price was nearly two and one-half times as much. And what applies to cotton khaki applies to other British-made cotton cloth. This explains the competition from which we are now suffering at the hands of British textile manufacturers.

I feel very strongly that American soldiers should be clothed in American fabrics. Accordingly, upon receiving the quoted letters from Secretary Wilbur and General Lejeune, I wrote the former the following letter:

MAY 19, 1924.

The honorable SECRETARY OF THE NAVY,
*Washington, D. C.*

DEAR MR. SECRETARY: I beg to acknowledge with thanks receipt of your letter of the 15th instant relative to the cotton khaki cloth for Marine Corps uniforms.

You say that no further contract of this kind is "in contemplation." I feel very strongly that our Navy Department should not clothe our sailors and marines in foreign-made cloth. Would you not be able to announce that, barring unforeseen circumstances, you were opposed to the letting of such a contract in the future to any foreign concern?

Sincerely yours, JOHN JACOB ROGERS.

Up to the present time I have not received a reply thereto.

THE "LEVIATHAN" CONTRACT

Under date of May 28 last the Boston Post carried the following article:

[From Boston Post, May 28, 1924]

GAVE ENGLAND FAT CONTRACT ON "LEVIATHAN"

SHIPPING BOARD, DEMANDING PATRIOTIC AMERICANS USE AMERICAN SHIPS, SHOPS IN ENGLAND—BOUGHT ABROAD GOODS WHICH NEW ENGLAND MILLS COULD SUPPLY AND THEN REFUSES TO PAY DUTY

At a time when the United States Shipping Board is declaring that "patriotic Americans will travel on American ships only" and urging American shippers to patronize American ships the Shipping Board itself is revealed as refusing to take its own good advice.

An attempt by the officials of the Boston customhouse to collect $65,000 in duties from the Shipping Board shows that body prefers to deal with English firms rather than American manufacturers able to supply the same goods.

Some months ago the *Leviathan* needed a complete new outfit of bed sheets, blankets, towels, table linen, etc. American manufacturers and American jobbers have plenty of this material on hand.

BOUGHT ENTIRE SUPPLY IN ENGLAND

Nevertheless, the Shipping Board purchased the entire supply for the ship in England at a cost of several hundred thousand dollars and imported the goods through the port of Boston.

The shipment was so large that the duty amounted to $65,000. That charge was duly assessed against the Shipping Board, but because it was a Government agency the board was allowed to remove the goods on the promise to pay the duty later.

When no cash was forthcoming the Boston authorities made a demand on the Shipping Board. That body refused to pay the bill, saying their appropriation was exhausted.

It was then suggested that the customs department sue the Shipping Board for the $65,000. Finally, however, it was decided that this would be a useless move, as if the suit were successful the cash would come out of the United States Treasury anyway.

Therefore the Boston customs officials were directed to strike the bill from their books as "uncollectible."

TEXTILE INDUSTRY SLACK AT TIME

At the time when these goods were bought the textile industries of New England had run into a slack season. A contract of this kind—and every yard of the material furnished could have been obtained in New England—would have been a windfall to the New England mills and the cash would have been spent here.

Instead the English mills got the contract and the cash and also had the whole amount of duty due the Government waived.

And now the Shipping Board appeals to patriotic Americans to patronize American industry while they themselves do their shopping in England. The case of the *Leviathan* is only one instance where the Shipping Board spent their money in England rather than here. It may be that all their other ships were outfitted in the same manner.

I confess that I was disturbed at the facts set forth in this article. On May 30 I introduced a House resolution of inquiry, which I print herewith:

House Resolution 331

*Resolved*, That the chairman of the United States Shipping Board be requested to inform the House of Representatives:

(1) Whether, in connection with the renovation of the steamship *Leviathan*, purchases of certain supplies for said vessel were made in countries other than the United States.

(2) If the answer to paragraph (1) is in the affirmative, of what the purchases in question consisted; the prices therefor; the comparative prices at which similar commodities or articles could have been purchased in the United States; the total amount paid for foreign purchases; whether among the articles or commodities purchased sheets, table linen, towels, blankets, and other textile commodities were included; and if so, the value thereof; whether such purchases were made as a result of competitive bidding, and whether United States merchants or manufacturers were permitted to submit bids and did submit bids; what, if any, saving, with and without an allowance for customs duties, was effected by such purchases; and what amount of duty was assessed thereon, and at what port or ports.

(3) Whether, in connection with the renovation of any Shipping Board vessels other than the *Leviathan*, purchases of certain supplies for said vessels have been made in countries other than the United States.

(4) If the answer to paragraph (3) is in the affirmative, give the same details as those requested in paragraph (2).

I sent a copy of this resolution to Chairman O'Connor, of the Shipping Board.

Under date of June 5 I received the following reply from him:

UNITED STATES SHIPPING BOARD,
*Washington, June 5, 1924.*

Hon. JOHN JACOB ROGERS,
*House of Representatives, Washington, D. C.*

MY DEAR CONGRESSMAN ROGERS: I have your letter of May 31 inclosing copy of proposed resolution inquiring as to whether in connection with the renovation of the steamship *Leviathan* purchases of certain supplies for said vessel were made in countries other than the United States, and if so, in what the purchases consisted, prices therefor, etc.

In reply you are advised that the only articles involved in the $8,000,000 reconditioning of the steamship *Leviathan* which were purchased abroad were Irish linens, and these were purchased direct from the Irish Free State. It was found impossible to obtain the quantity and quality necessary to meet requirements in this country. The contract for furnishing these linens, however, was made to an American firm—Gimbel Bros.

Very truly yours, T. V. O'CONNOR, *Chairman.*

As the information contained in this letter was limited to the purchases for the *Leviathan*, I wrote a further letter to Chairman O'Connor asking for a reply to the third and fourth queries of the resolution.

Under date of June 13 I received a letter and memorandum from Mr. O'Connor, both of which I print herewith:

UNITED STATES SHIPPING BOARD,
*Washington, June 13, 1924.*

Hon. JOHN JACOB ROGERS,
*House of Representatives, Washington, D. C.*

MY DEAR CONGRESSMAN: Referring to your letter of June 6 inclosing copy of resolution of Congress and asking for reply as to the third and fourth paragraphs thereof, I am sending herewith a statement on the subject prepared by the operating department of our Fleet Corporation, which I trust will give you the information you desire.

Very truly yours,

T. V. O'CONNOR, *Chairman.*

INFORMATION CALLED FOR IN PARAGRAPHS 3 AND 4 OF HOUSE RESOLUTION NO. 331, DATED MAY 30, 1924

Question (3). Whether, in connection with the renovation of any Shipping Board vessels other than the steamship *Leviathan*, purchases of certain supplies for said vessels have been made in countries other than the United States.

Only in connection with the renovation of the steamship *Republic*, which was completed in April, 1924, did we require bids to show the name and location of the manufacturer, and therefore it is known that one purchase was made (in the United States) of supplies manufactured in a country other than the United States.

Question (4). If the answer to paragraph (3) is in the affirmative, give the same details as those requested in paragraph (2).

(a) Of what the purchases in question consisted:

Napkins, doilies, tablecloths, and table tops—all considered as table linens.

(b) The prices therefor:

| | | | |
|---|---|---|---|
| 2,400 dozen No. 1 napkins, 24 by 24 inches | dozen | $7.76 |
| 333⅓ dozen No. 2 doilies, 13 by 13 inches | do | 2.36 |
| 154 each No. 3 tablecloths, 48 by 48 inches | each | 2.38 |
| 399 each No. 4 tablecloths, 48 by 70 inches | do | 3.48 |
| 41 each No. 5 tablecloths, 48 by 90 inches | do | 4.47 |
| 382 each No. 6 tablecloths, 60 by 60 inches | do | 3.75 |
| 17 each No. 7 tablecloths, 72 by 72 inches | do | 5.44 |
| 710 each No. 8 table tops, 36 by 36 inches | do | 1.37 |
| 1,905 each No. 9 table tops, 36 by 58 inches | do | 2.17 |
| 175 each No. 10 table tops, 36 by 78 inches | do | 2.90 |
| 1,545 each No. 11 table tops, 45 by 45 inches | do | 2.08 |

(c) The comparative prices at which similar commodities or articles could have been purchased in the United States:

As all bids were submitted by United States merchants, although on table linen to be manufactured in countries other than the United States, no data are available as to comparative prices.

(d) The total amount paid for foreign purchases:

The foregoing table linen cost $31,624.28 with a cash discount of 1 per cent for payment within 10 days, or $31,308.04 net.

(e) Whether among the articles of commodities purchased, sheets, table linen, towels, blankets, and other textile commodities were included?

Only table linens as detailed above were included.

(f) And if so, the value thereof?

The net cost of this table linen was $31,308.04.

(g) Whether such purchases were made as a result of competitive bidding, and whether United States merchants or manufacturers were permitted to submit bids and did submit bids?

This purchase was made as a result of competitive bidding, and United States merchants or manufacturers were permitted to submit bids, and in fact only United States merchants or manufacturers did submit bids. In all 16 bids were submitted by 10 United States merchants or manufacturers. Of these, one United States vendor submitted five bids on products the source of which was not indicated, although it is presumed that the linen would come from countries other than the United States, as one other offer by this vendor was for goods of Irish origin, and the vendor is an importer rather than a manufacturer. All other bids submitted were for linens to be manufactured by manufacturers located in Belfast, Ireland.

(h) What, if any, saving, with and without allowance for customs duty, was effected by such purchases?

As all bids received were for products to come from Belfast, Ireland, except those five which did not specify but which presumably offered goods to be of foreign origin, any saving as compared to probable cost of domestic linens is not available.

(i) And what amount of duty was assessed thereon and at what port or ports?

As these linens were purchased from Gimbel Bros., of New York City, and were delivered to us in New York City, they were cleared through New York customs; and while the duty was assessed against Gimbel Bros., we are given to understand that it was assessed at the rate of 40 per cent of the declared value.

The substance of the material thus furnished seems to be:

(1) As to the *Leviathan*, the only articles purchased abroad were certain Irish linens in a quantity and quality impossible to obtain of American manufacture. The contract for these, however, was made through an American firm.

(2) As to other Shipping Board vessels, the form of bidding does not in general require bids to show the name and location of the manufacturer. The steamship *Republic*, completed last April, is the only exception. For the *Republic* the only foreign-made goods were table linens, of a cost of about $31,000. These were purchased through an American firm.

THE WANAMAKER BLANKETS

Under date of May 8 last the New York Times carried a two-column display advertisement of the John Wanamaker stores. This advertisement read as follows:

[From the New York Times, Thursday, May 8, 1924]

The John Wanamaker Store News, formerly A. T. Stewart; store hours, 9 to 5.30; telephone, Stuyvesant 4700; Astor Place, at Ninth Street.

Extra sales people and selling space in the blanket sale for quick service.

America's greatest blanket sale opens to-day.

Here's the *Minnewaska* prize cargo: New woolen blankets from England's best mills, averaging 88 per cent wool; weighing 4½ to 5 pounds; size, about 60 by 90 inches; $3.75 each, or $3.50 in bale lots of 25 blankets for $87.50.

This is the best blanket news that has come to America since the memorable Wanamaker sale of Army blankets in 1919, when the public broke down a door in its eagerness to get into the store. To get the price so low it was necessary to buy more than a million blankets. But of these England kept the greater part for home and colonial consumption, only a limited quantity being allotted for American sale, of which this is the first public offering.

These are Oxford gray blankets in medium and darker shades, entirely different from the usual Army blankets. They are cheerful and fashionable in color, shading in the various grays now so much in favor. The fabric is like a heavy cloth, making it a blanket, a robe, a throw over all in one.

They were made for the British Government, but were never in camps, as they were manufactured since the armistice, some of them as recently as two years ago. To reduce unemployment England kept on making blankets after the war closed. Most of them are stamped lightly with the broad arrow—the British Government inspector's mark—showing that they have complied with the rigid specifications.

All the blankets are brand new—clean as a hound's tooth.

Everybody will want these blankets.

They are ideal for summer camps, summer homes, sleeping porches, summer hotels, house boats, yachts, boathouses, for automobile robes, for a throw down on the grass or beach for baby.

They are fine enough to use in any home, city or country.

They are without competition—price, quality, and usefulness considered. You couldn't get the same practical use out of a blanket costing less than $6 or $7. Yet these are $3.75.

Buy the blankets by the bale.

You then save 25 cents more on each blanket—a saving of $6.25 on the bale. All bales are uniform. You choose the sample, selecting medium or dark shades, and the blankets in the bale will be all alike—in color, weight, texture, percentage of wool.

No blanket less than 82 per cent wool.

The average is over 88 per cent wool, and that percentage is a splendid combination for warmth and wear. Not too heavy, but warm. And the cotton adds to the strength.

Order by wire, phone, or mail (phone orders call Stuyvesant 4700).

We expect to receive orders from all over America, once the good news gets around. Whether we can supply the demand remains to be seen. The *Minnewaska* and other steamers have brought 50,000 of the blankets. Other shipments will follow.

Sale opens to-day, Thursday, with four selling places: Motor entrance, new building; Astor Place subway entrance of downstairs store; rotunda, street floor, old building; and in the regular bedding store, first floor, old building.

New building open at 8 o'clock to-day for the convenience of those who can not get to the store later in the day.

To the merchants of America: We are prepared to offer similar blankets in wholesale lots. Wire or phone the merchandise bureau.

The blankets have a hundred uses.

While the sale in question in no way involved the United States Government as such, the transaction seemed of sufficient interest and importance to warrant an inquiry. A woolen concern in Massachusetts wrote me as follows:

The inclosed advertisement by John Wanamaker published in the New York Times of May 8, 1924, is forwarded to you as an illustration of conditions adversely affecting the New England textile industry at the present time. It gives its own story in sufficient detail, with the exception that it does not state that the goods offered are sold at retail at a price which can not be approached by any American mill even selling at a large loss. For comparison, these blankets, containing 88 per cent wool, are retailed, presumably at a profit to the importer, at a price approximately the same as the wholesale price of American-made blankets containing a mere suggestion of wool—about 7½ per cent. The quantity—500,000 blankets—is sufficient to prove a most disturbing factor in the local market and to create great uncertainty as to the possibility of liquidating existing stocks of goods at anything near cost, quite aside from a profit to the American manufacturer. The effect on production and continued employment of American textile workers can easily be inferred. This importation constitutes a palpable dump of surplus English goods, probably well below their cost abroad, and is the most unfair sort of competition.

Under date of May 23 I wrote Secretary Mellon the following letter:

MAY 23, 1924.

Hon. ANDREW W. MELLON,
*Secretary of the Treasury, Washington, D. C.*

DEAR MR. SECRETARY: As you are doubtless aware, there is extreme depression in the textile-manufacturing section of the country. In New England the depression in cotton manufacturing is especially serious.

A tariff resolution unanimously adopted at the semiannual meeting of the National Association of Cotton Manufacturers held in Boston, Mass., April 30 and May 1 last embodied the following assertions:

> "England's foreign trade has fallen off 40 per cent, as compared to pre-war period. In competing for the smaller volume of trade their manufacturers have cut their prices and, it is believed here, sold below cost, dumping their goods into this country in an effort to keep some of their people partially employed, even at a loss to themselves. English figures show that in the last three years the mills have lost $750,000,000 and are still losing at the rate of $5,000,000 a week."

Here is a direct allegation that English manufacturers are dumping their goods into the United States. If this can be established, it would seem to follow that section 201 of the antidumping act of 1921 would come into play. Will you kindly advise me what, if any, steps should be taken by the industry to put in motion the necessary machinery;

or whether, construing my letter as a request that you examine the question, you will be enabled to make "such investigation as he deems necessary" upon your own initiative.

Sincerely yours, JOHN JACOB ROGERS.

Later that day I sent him a copy of the Wanamaker advertisement and of the quoted letter relative thereto. I suggested in my letter that I thought he would agree with me that a strong argument for Executive action was presented by the showing. Under date of June 2 I was advised by the Treasury Department that the matter was being referred to the port of New York and that I would be advised further upon receipt of a report from the New York customs authorities.

Under date of June 13 I received the following letter and inclosure from Assistant Secretary Moss, of the Treasury Department:

TREASURY DEPARTMENT,
*Washington, June 13, 1924.*

Hon. JOHN J. ROGERS,
*House of Representatives, United States.*

MY DEAR MR. ROGERS: I refer to your letter of May 23 in regard to representations which have been made to you relative to injurious competition of English textiles, especially blankets which were the subject of a recent advertisement by John Wanamaker in the New York Times.

I am in receipt of a report from the appraiser of merchandise at New York, dated the 10th instant, and am inclosing a copy thereof for your information.

Very truly yours, McKENZIE MOSS,
*Assistant Secretary.*

—

JUNE 10, 1924.

The honorable the SECRETARY OF THE TREASURY.

SIR: Answering department reference (JDN 106085) June 2 of letter from Hon. JOHN JACOB ROGERS, House of Representatives, May 23, relative to the injurious competition of English textiles, especially of blankets, the subject of a recent advertisement by John Wanamaker in the New York Times, I have the honor to invite the attention of the department to a letter of this office dated June 5, 1924, reporting on this matter as follows:

> "The blankets referred to are British Army surplus stock bought at public auction held abroad and at the retail price of $3.75 are decidedly poor value.
>
> "This merchandise and previous merchandise of reclaimed Army stocks from France have been closely scrutinized, but investigation both here and abroad has not provided any reason to question the entered values.
>
> "The proper rate of duty is being assessed on these goods."

The antidumping act of 1921 applies only when the purchase price or the exporter's sales price is less than the foreign market value of the merchandise. Investigation abroad has proved that this is not the situation in regard to the importations referred to above.

Respectfully,

F. J. H. KRACKE, *Appraiser.*

If the allegation is correct that the blankets are "decidedly poor value" at $3.75, and if it is also demonstrable that the blanket purchase involved no element of "dumping" as defined by statute, it would appear that there is no remedy against the particular transaction under the antidumping act of 1921.

Underlying all of the incidents upon which I have commented must be the thought that American textile manufacturers and wage earners require for enduring prosperity tariff protection against low-priced foreign competitive goods. An examination of Department of Commerce statistics discloses that cotton cloth importations have multiplied about four and three-fourths times in 10 years in respect to quantity, and about five and one-half times in respect to value. Wool manufactures have multiplied about four times in the last decade.

Under date of May 12 I wrote the following letter to the chairman of the United States Tariff Commission:

MAY 12, 1924.

Hon. THOMAS O. MARVIN,
*Chairman United States Tariff Commission,*
*Washington, D. C.*

MY DEAR MR. CHAIRMAN: For the past year and more the whole country has been asked to sympathize, and has sympathized, with the plight of the western farmer. I am now asking the Tariff Commission to sympathize in a very practical way with the plight of the textile workers of New England.

I am sure I do not need to recite at length present textile conditions in New England. Both woolen and cotton mills are generally on about half time, some a little less, some a little more. Unemployment is general; inadequate employment, with consequently inadequate pay envelopes, is practically universal. There is no assurance of early improvement.

What is the cause? In an effort to answer this question I have had prepared by the Department of Commerce figures showing imports of the principal classes of textile manufactures for the calendar years 1913, 1919, 1921–1923. I will not weary you with a mass of statistics which are already doubtless accessible to you. But let me illustrate what these figures disclose. Imports of cotton cloth, including those not bleached, those bleached, those colored, printed, dyed, and woven figured, were as follows:

| Calendar year | Square yards | Value |
|---|---|---|
| 1913 | 46,563,568 | $8,922,214 |
| 1919 | 49,753,451 | 17,664,901 |
| 1921 | 106,308,379 | 29,428,210 |
| 1922 | 142,458,000 | 39,073,430 |
| 1923 | 219,010,307 | 47,188,033 |

From the foregoing it appears that cotton-cloth importations have multiplied about four and three-fourths times in a decade in respect to quantity and about five and one-half times in respect to value, and this in spite of the fact that the Fordney "protective" rates were in effect during the entire year 1923. The plain fact seems to be that the Republican protective law, in the textile world at least, does not carry truly protective rates. The foregoing figures conclusively dispose of the absurd assertions of the Democratic orators in the political campaign of 1922 that the Fordney rates were so high as to constitute a tariff wall. On the contrary, both cotton and wool import statistics established beyond cavil that the Fordney rates are wholly insufficient.

In terms of production it has been estimated that the total of 219,000 square yards of cotton piece goods imported in 1923, averaging 60 yards in length and 36 inches wide, would take the entire production of 36,500 looms a year. At 50 spindles to the loom, this would mean about 2,000,000 spindles, the equivalent in volume of the total output of all the mills at any one of our great textile cities of New England.

I will not go into wool statistics except to remind you that the total imports of wool manufactures have risen from $17,000,000 in 1913 and $19,000,000 in 1919 to about $69,000,000 in 1923—a fourfold increase. One of the most vivid illustrations of this difference in cost production in England and the United States was furnished last year in connection with the Navy Department contract for 400,000 yards of cotton khaki, out of which were to be made the uniforms of the United States marines. There were two bids which complied with specifications—the Amoskeag Co., of Manchester, N. H., of 64.2 cents, and the Spinner Co., of Manchester, England, of 39 cents. The Navy Department gave the contract to the English concern. The operatives at Manchester, N. H., had the pleasure of seeing Manchester, England, make the uniforms for the United States marines. I confess that to me it is not a pleasant spectacle when I contemplate the soldiers and sailors of the United States clothed in English-made fabrics. I am no Anglophobe, but the picture is to me not an agreeable one. However, this is not the point I wish to make here. I wish here to call to the attention of yourself and your commission the fact that the English concern underbid the largest American concern by 25 cents a yard. It is said, and I have no doubt said accurately, that England is shipping goods to the United States in the effort to keep her people employed even though the English mills are losing money. Their own figures are said to show that the English mills lost $759,000,000 in the last three years and are still losing at the rate of $25,000,000 a week.

It is, then, not strange that unemployment, short-time employment, pecuniary hardship, and unusual unrest are common, if not general, in New England to-day. What is the remedy? Obviously, to reduce the enormous flood of importations of textile manufactures. But how shall we reduce imports? Obviously, by increasing the duties thereon. Fortunately, the Fordney law gave power to the Executive to increase rates in the event that the Fordney rates proved inadequate to protect American industry.

I strongly urge that the appropriate machinery be set in motion under section 315 of the Fordney Act with a view to giving the textile industry added protection under the flexible clause of the Fordney law. As conditions are critical, I respectfully request that I be granted a hearing at the earliest possible moment and that the commission proceed as speedily as possible to afford relief.

We of New England are aware of the action of the commission in giving the benefit of the flexible clause because of wheat importations. We invoke the same remedy to alleviate the industrial distress from which we are now suffering.

Sincerely yours, JOHN JACOB ROGERS.

It is earnestly to be hoped that either by invoking the provisions of the antidumping law of 1921 or the flexible section of the tariff act of 1922 adequate protection shall be afforded the people of America. As I assert in my letter, the plain fact

seems to be that so far as textiles, at least, are concerned the Republican protective tariff law of 1922 does not carry sufficiently protective rates.

GERMAN RELIEF RESOLUTION

Mr. PORTER. Mr. Speaker, in any analysis of the deplorable conditions existing in Germany, and to a lesser degree in other European countries, we must not be unmindful of the fact that behind their present miseries is a background of centuries of racial, cultural, and religious antagonisms which we do not understand, but which influences every act of theirs.

Germany to-day is the broken link in the commercial life of the world, and in breaking she has strained other links almost to the breaking point.

Since the latter part of the year 1913, when the indications first pointed to war between the Central and Allied Powers, I have felt it part of my public duty to keep myself as well informed as possible regarding the social, political, and economic conditions in Germany. We have so many conflicting statements as to actual conditions in Germany that after the completion of my duties at Geneva, Switzerland, last October, I visited Germany for the sole purpose of checking up the voluminous reports on this subject which had from time to time come to my notice.

Our former colleague, Hon. Alanson B. Houghton, now ambassador to Germany, has devoted all of his splendid ability to a most intensive study of the German situation. I had the benefit of many conversations with him, the embassy staff, many of our consular officers, and through his introduction, with Chancellor Stressemann, of Germany, and others then in authority.

In Germany, as in many other European countries, the farmers live in small villages. The farms being very small farming is of the most intensive sort. The farms were in a high state of cultivation, and the livestock was mostly thoroughbred and well fed. Many houses have been constructed in the cities and villages since the war and others were in the course of building. It was rare indeed to see a house which had not been painted within the last two or three years. There was an air of prosperity, but, as in France, I noticed an almost complete absence of men of military age at work on the farms. The work was being done by men beyond middle life and by women and children. It was quite common to see a woman with several children working in the fields.

The railroads were in a most excellent condition; trains were on time, and the service was generally very good. The roadbed and rolling stock showed evidence of considerable work since the war, some of it being more ornamental than useful; in fact, Germany has built since the armistice more locomotives and freight cars than she needs. She has improved the terminals, tunnels, and bridges. It is the only railroad system in the world which is free of debt. The fall of the mark has enabled it to pay off its obligations as they became due.

With all this apparent prosperity laughter was unheard and the people seldom smiled. This mental depression was contagious and saddened all those who came in contact with it.

I spent several hours with Chancellor Stressemann and asked him about the apparent prosperity of the farmers, the highly improved condition of the factories, the large amount of building, and the efficiency of the railroads. He answered that at the close of the war Germany had 12,000,000 idle men, many of whom had served through the entire war and therefore lost the opportunity to learn a trade. It was imperative to provide work for them at once, and the improvements I saw were the result of that farsighted policy, which relieved Germany from adopting the dole system which had proved disastrous to Great Britain.

Edwin L. James, correspondent of the New York Times, gives the following as regards conditions in Germany:

First. Germany to-day represents the world's best-equipped and potentially most efficient industrial organization.

Second. Germany is to-day practically without a domestic debt, State or private, whereas the victor nations are heavily burdened with a domestic war debt.

Third. The Germans as a whole are paying less taxes than the English, French, or Americans.

Fourth. Germany, if she shouldered the total reparations bill, would have a smaller war debt than if she had won the war without indemnities.

Money as a medium of exchange was not necessary to the well-being of primitive man. True, the Indians used wampum, the ancient Swiss iron plates, and so forth, but they were only conveniences, they were not necessities. This is also largely true of the farmers of to-day, who, especially in remote sections, exchange their products, little, if any, money passing in the transactions.

Under modern conditions, however, in great industrial cities money as a medium of exchange is an absolute necessity. When the daily wage or salary fails to have purchasing power sufficient to buy food, clothing, and other necessities of life, hunger and cold follow, and revolution against the Government is inevitable.

The amount of marks outstanding, based on the pre-war value of the mark—about 22 cents—represents about 2,000 times the actual value of all the property in Germany. Last November the mark as a unit of value became utterly worthless, bringing about a state of affairs without parallel in history by causing a complete shifting of wealth from the creditor to the debtor class. The German courts held until quite recently that the mark was still legal tender, and every debtor paid off all his personal obligations, such as mortgages, notes, and bills payable which have fallen due during the last four or five years. Banks paid their depositors in the depreciated currency. The railroads, industrial establishments, and municipalities discharged their bonded indebtednesses in the same way. The German Government redeemed practically all of its bonds, amounting to 70,000,000,000 marks held by the German people, by payment with this worthless currency.

Many contend the officials of the German Government intentionally depreciated the value of the mark, hoping to escape in whole or in part the payment of reparations justly due the allied powers, others claimed it was not a willful act but a natural result of the war. The reparations agreed upon at Versailles were junior in lien to the Government bonds held by the German people. The fact that the German Government has paid off these bonds and thereby made the reparations a first lien on all the property in Germany in effect assuring their eventual payment is persuasive evidence that the destruction of the German currency was not a willful act.

The redemption of these bonds removed the principal argument of the German Government in support of its plea of poverty, as it leaves the property of Germany, estimated to be worth between $60,000,000,000 and $80,0000,000,000, subject to the payment only of reparations.

These unprecedented transactions have neither increased nor diminished the wealth of Germany, and the fact should not be overlooked that German property was not damaged during the war except a small portion in eastern Prussia.

To sum up, we have this most extraordinary situation: A great nation of industrious and frugal people, all of its industries intact, its Government and its people practically free from debt, except the reparations due the allied powers, with great industrial establishments enlarged, remodeled, and repaired since the war, with sufficient food, except cereals and edible fats, to supply its people with food, and great forests to furnish fuel for winter, a nation which has every element industrially, agriculturally, socially, and I might say financially, for the borrowing power of a nation free from debt is very large, to enable her to take her place again among the prosperous nations of the world, lies prostrate and helpless, with starvation stalking everywhere.

I have had the rare privilege of association with the nationals of many nations. I came to know them in their homes and in many other ways. I admire and esteem them all. The perplexing difficulties of the day are due to the rulers of these peoples and not the people themselves. I have long been of the opinion that whatever is left of white civilization is entirely due to the inherent integrity and patriotism of the masses of the people. Self-government has its faults, and they are many, but it has the paramount advantage over all other forms of government of being able to profit by its mistakes. The greater control a people have over their government the less likelihood of war; in fact, I know of only one instance in history where a Republic provoked a war. Therefore I do not wish anything I have said to reflect, even in the slightest degree, on the earnest and patriotic men and women of Germany who are honestly and sincerely trying to establish and maintain the Republic of Germany.

The monarchists of Germany, saturated with the divine-right idea, are the ones responsible; they brought on this world-wide catastrophe, with its enormous destruction of life and property, in the hope of forcing on the world their views of government. They have persistently, and I may say criminally, done everything within their power—and in this have been aided to some extent by the communists—to weaken and destroy the Republic of Germany in the hope that the German people in an agony

of despair will again return to the monarchy. They hold the balance of power in the Reichstag. The responsibility for the starvation in Germany rests entirely with this militaristic class. Many of them under the leadership of Stinnes and his associates have amassed enormous fortunes from the miseries of the German people. They have on deposit in foreign countries between one and one-half and two billions of dollars, 5 per cent of which would buy all the cereals and edible fats which their starving countrymen need. Surely they owe a higher duty to the German people than the American taxpayer, but the Government is too weak to compel them to disgorge. Their fixed policy is to starve the liberty lovers of Germany into subjection.

If it were not for these facts and my earnest desire to aid in the preservation of the Republic of Germany I would not vote for this resolution. We are under no obligation to help them, except that all fair minds must recognize that these starving women and children are not responsible for the conditions in Germany and are helpless to correct them. A republic in Germany will mean the peace of Europe; a monarchy in Germany under control of the junkers means another war the moment Germany has recovered from her losses of the last one.

In Germany many citizens lived on the income from their investments; all they have now is millions of marks which will not buy the necessities of life. They belong to a class who are more or less helpless when thrown on their own resources, and have sold their household goods, tapestries, paintings; in fact, everything of value for money with which to buy food and clothing; their condition is now one of abject misery, many of them being without food or clothing. This is especially true of the lawyers, physicians, clergymen, and scholars of Germany. Their salaries and the wages of workmen and clerks will not buy the necessities of life for their families. The farmers and trades people refuse the mark in payment of food and clothing, and the suffering among these citizens, especially among the children, is indescribable.

The testimony before the committee of Maj. Gen. Henry T. Allen, Dr. Wilbur K. Thomas, of the American Friends Service Committee, Prof. Ernest M. Patterson, University of Pennsylvania, and many others conclusively show that the reports from our diplomatic and consular officers as to the terrible conditions in Germany are fully justified by the facts that women and children are starving from undernourishment, which is followed by tuberculosis and other deadly maladies. Another fact which was not brought out in the hearings, but impresses me as one of very great importance is the danger of plague sweeping over northern Europe, which would destroy these weakened people by the hundreds of thousands.

It seems almost unbelievable that these frightful conditions should exist in a nation which is practically self-sustaining, a nation which is agriculturally and industrially as powerful and as well equipped as any other nation in the world, with an industrious and intelligent man power which, with her natural resources, made Germany before the war a powerful competitor in all the markets of the world. Yet these conditions do exist. Under the testimony the conclusion is inescapable. They exist as a direct result of the activities of the monarchists or militarists of Germany, who have been plotting and conniving to weaken and destroy the present Republic of Germany.

Only a small percentage of the great sums of money which they have on deposit in foreign countries would immediately relieve the suffering of their own people. They should not be permitted to accomplish their purpose. The misery and degradation of these helpless women and children came about through no fault of their own. They are the helpless and innocent victims of the war. They have no voice in the affairs of their government, nor had they any control as to the time and place of their birth. I am not willing to take the responsibility of saying by my vote that between three and four million of them shall be condemned to death by starvation by reason of the fact that the liberty lovers of Germany are endeavoring against tremendous obstacles created by the political and economic sabotage of the monarchists to establish a republic in that distracted country where every citizen, like in our own country, shall have a voice before Germany is again plunged into the horrors of war.

These are substantially the views expressed by President Wilson in his war message, with which I am in entire accord:

> We have no quarrel with the German people. We have no feeling toward them but one of sympathy and friendship. It was not upon their impulse that their Government acted in entering the war. It was not with their previous knowledge or approval. It was a war determined upon in the old, unhappy days when peoples were nowhere consulted by their rulers and wars were provoked and waged in the interest of dynasties or of little groups of ambitious men who were accustomed to use their fellow men as spies or set the course of intrigue to bring about some critical posture of affairs which will give them an opportunity to strike and make conquest. Such designs can be successfully worked out only under cover and where no one has the right to ask questions. Cunningly contrived plans of deception or aggression carried, it may be, from generation to generation, can be worked out and kept from the light only within the privacy of courts or behind the carefully guarded confidences of a narrow and privileged class. They are happily impossible where public opinion commands and insists upon full information concerning all the nation's affairs.

It is contended that the general welfare clause of the Constitution is not broad enough to permit the appropriation of this money for the relief of these women and children. It is a complete answer to this contention to say that Congress during the life of the Republic has passed 70 resolutions and bills granting relief to stricken peoples, of which 12 or more were for the relief of suffering abroad.

The force and effect of these repeated constructions of the Constitution by Congress is well stated in the case of Maynard v. Hill (125 U. S. Reports, p. 204):

> A long acquiescence in repeated acts of legislation on particular matters is evidence that those matters have been generally considered by the people as properly within legislative control. Such acts are not to be set aside or treated as invalid because upon a careful consideration of their character doubts may arise as to the competency of the legislature to pass them.

Also the case of Field v. Clark (143 U. S. Reports, p. 683):

> To what extent do precedents in legislation sustain the validity of the section under consideration, so far as it makes the suspension of certain provisions and the going into operation of other provisions of an act of Congress depend upon the action of the President based upon the occurrence of subsequent events or the ascertainment by him of certain facts to be made known by his proclamation? If we find that Congress has frequently, from the organization of the Government to the present time, conferred upon the President powers, with reference to trade and commerce, like those conferred by the third section of the act of October 1, 1890, that fact is entitled to great weight in determining the question before us.

### WHAT THE REPUBLICAN TARIFF COSTS THE TAXPAYERS

Mr. McCLINTIC. Mr. Speaker and gentlemen of the House, many of us here are deeply concerned over the fact that this Congress, after a session of six months, is adjourning without enacting any legislation for the relief of the hard-pressed farmers, who all over the land are laboring under very trying conditions. We have made strenuous efforts to induce the Congress to at least pass some helpful or palliative measure to relieve the situation until the aroused people, awake to the real underlying cause of their trouble, can force the permanent relief which can only come through a complete revision of the extortionate tariff rates which are sapping the earnings, the savings, and the very lifeblood of the people. Such a movement has already started, a nonpartisan effort backed by men of various political views, who agree on the economic importance of a sharp cut in the Fordney tariff rates, rates which represent the old standpat protectionism of Mark Hanna, but greatly exaggerated and fairly run mad in the excess of graft and gouge permitted. Among the forces getting under way should be mentioned the Fair Tariff League under the leadership of Mr. H. E. Miles, formerly of Madison, Wis., now having a research laboratory at 2 Rector Street, New York. Mr. Miles is a protection Republican whose sense of decency has revolted at sight of the profiteering going on under his very nose. He was for many years a manufacturer. Much of the moral and financial support he is receiving in his work comes from Republicans whose names appear on the literature of the League as officers thereof. Theirs is a patriotic effort to save the farmer and the general consumer from the vultures who are exploiting them. They take the position that this top-heavy tariff, piled far higher than can possibly be justified under any pretext of "protection to home industries" or "to equalize labor costs," is serving like the poisoned knife in that old story, in which the blade, poisoned on one side, in being used to divide the apple, gave health and refreshment to one while dealing out misery and destruction to the other.

All through the mass of material which will follow these introductory remarks one fact will stand out as a monument to the greed of the tariff barons—that while they raise prices and dividends freely they do not raise wages.

Mr. Miles, the head of the Fair Tariff League, has received the following letter from Mr. Gray Silver, the able representa-

tive of one of the largest and most important farmers' organizations in America:

AMERICAN FARM BUREAU FEDERATION,
*Washington, D. C., June 2, 1924.*

Mr. H. E. MILES,
*Chairman Fair Tariff League,*
*2 Rector St., New York, N. Y.*

DEAR MR. MILES: Permit me to congratulate you upon the good work you are doing in tariff studies. The American farmer knows he can no longer avoid a thorough study of the tariff and the application of the tariff.

It seems that about 90 per cent of our farm products are sold on an export or world-wide basis while their manufactured supplies are priced on the basis, in the main, of high protective duties, many of them so high as to be effective embargoes, although laid as tariff.

It is no longer a question with the farmer what his political tariff belief has or has not been in the past. The tariff is an economic problem vitally concerning our everyday welfare and of maintaining a relatively fair standard of living for agriculture along with other groups. In the main, we believe in tariffs when fairly laid. Therefore, it is necessary for the farmer to require that import duties be as low as may be consistent and that excessive duties that unduly raise prices of the farmers' purchases and unduly increase the profits of a few manufacturers shall be reduced.

For these and other reasons that I might mention, the tariff studies of the Fair Tariff League deserve, and I believe will receive, the proper consideration at the hands of American farmers regardless of their political belief, and simply because they afford a basis for independent judgment, coming as they do from a nonpartisan, independent group representative alike of farmers, labor, business men, women, and economists.

Very truly yours,

AMERICAN FARM BUREAU FEDERATION,
GRAY SILVER, *Washington Representative.*

Back in old Judea many centuries ago Jeremiah stood on the slope of a hill, in the shade of an ancient olive tree, and harangued a crowd gathered from about the countryside, and in his talk he chided them with being among those who, having eyes, yet saw not; and even unto this day that very human characteristic clings to the race. We are blind to our own interests; we do not see the simple basic facts which so deeply affect our pocketbooks, our every-day welfare, and even the outcome of our very lives.

I desire to lay before the lawmakers of this body and before the people who sent you here some of the facts lying at the very foundation of this crying question—the high cost of living. Interwoven with this question is the problem of the farmer who has to pay, under our existing "protective" system, fancy prices for all that he buys, but has to sell his surplus in what amounts to a free-trade market.

Before I proceed I desire to lay the ghost of the free trader. So far as this discussion goes, so far as Democratic platforms and policies go, there is no such thing as free trade. I do not believe there is a free trader in Congress; it is a number of years since I have laid eyes on one. Even Thomas Jefferson was not a free trader. There is, to be sure, an organization of free traders with headquarters somewhere in America. The entire membership is about 300. Almost all of the Democrats in America believe in a tariff to produce revenue to help run the expenses of the Government. It would be impossible to lay any sort of import duty on merchandise without that duty affording some measure of "protection" to the American manufacturer. If the duty is too low, large amounts of the foreign-made article will enter the country and the American manufacturer would naturally be forced to sell his wares at a lower price in order to compete with the imported goods. If the duty is too high, then it becomes prohibitive; no foreign goods enter, and the American manufacturer is "sitting pretty"—to such an extent that a combination among the American manufacturers of a given article is liable to make the consumer sweat. Under this latter condition, no revenue enters the Treasury to help the people pay governmental expenses.

At the present time the country is groaning under the burdens indirectly laid upon the backs of the people by the Fordney tariff law, the highest taxation law ever hung about the necks of a people who like to think of themselves as free but who are in reality being exploited day and night by the conscienceless crowd of captains of industry who put up the big campaign funds for a political party and get their returns in the shape of a tariff rate on the sort of articles they manufacture sufficiently high as to choke off competition. It is my purpose to-day to set forth the facts as tersely and plainly as possible, so that all may clearly see the underlying reason for the present high cost of living and sense the remedy therefor. I desire to show why everyone who sells to the farmer can get a good price and why the farmer himself can not. Right there lies the greatest danger that has ever faced the country in war or in peace. If agriculture is to be allowed to decay in this country, it is unnecessary for me to paint a word picture of the dread things which will keep pace with and dog at the heels of such a melancholy condition. One would perhaps think that self-interest would choke off the greedy pack now profiteering off of the luckless consumer; but no sign of compunction, moderation, or ordinary caution can serve to halt the feast. Millions are being piled upon millions, until the coffers of the Steel Trust, the Woolen Trust, the Lumber Trust, and thousands of manufacturing concerns are bursting with gains, while hundreds of thousands of farmers are going to the wall through the bankruptcy courts, abandoning their farms, or holding on "by their eyebrows," so to speak. And in the towns and cities men and women are wearing out their lead pencils trying to figure how to make buckle and strap meet. Children are being taken from school in order that they may add something to the family income to meet the unusual burden.

The country is rejoicing, after a long and hard fight, at a reduction of our income taxes to the tune of $400,000,000, but there is no agitation for a reduction of $3,000,000,000 which could be made in the cash expenditures of the people by a reasonable reduction of our tariff taxes. Even after such reduction we would still be paying heavy tribute and be living under one of the heaviest tariff burdens of any people in the world.

It seems to be the irony of fate that those northern farmers who have for many years, as a part of their political religion, voted the Republican ticket should now be among the keenest sufferers from the effects of the legislation which their party has always espoused, and which it has saddled on the people repeatedly. It seems strange, at first glance, that an economic question should be made a political issue, but it has greatly profited the campaign chest of the Republican Party to legislate for the benefit of the wealthy manufacturer, for if he can make ten millions more in a year, he can readily afford to give the party a million every four years. The farmers of Iowa, the most magnificent agricultural domain in the world, recently, in their unrest, chose a near-socialist to represent them in the Senate; perhaps they would have done better to send there a well-schooled professor of economics. Their trouble is really an economic one, administered to their coming destruction by a political organization which trades off tariff favors for campaign support. The people of Iowa are paying about $96,000,000 per year tribute to the tariff Moloch, while the benefits they receive from the tariff laws go exclusively to some pearl-button factories along the Mississippi and Des Moines Rivers and to some small underwear and overall factories. How long can the people of Iowa stand the gaff without finding out what is hurting them? What is true of Iowa is true in greater or less degree of all the States of the South, Middle West, Northwest, and far West.

Mr. Speaker, I desire to quote freely from the published matter issued by the Fair Tariff League. I am sure that all of the following material will be of great interest and benefit to the public mind—reawakening on this vital subject. Incidentally I desire to testify my appreciation of the cooperation of Mr. Gray Silver, Mr. H. E. Miles, of the Fair Tariff League, and Mr. Wallace Bassford, who was for years secretary to Speaker Clark and now one of the employees of the House, who has put in much valuable work on this compilation.

WHAT THE TARIFF DOES TO IOWA, MINNESOTA, NEBRASKA, KANSAS, COLORADO, WASHINGTON, OREGON, IDAHO, UTAH, AND TEXAS

These States are representative of the great central and western agricultural regions of America. In the story of one or another of them can be read the story of every central and western State.

They are typically agricultural. With them manufacturing is the handmaid of agriculture, devoted to the maintenance and extension of their present general facilities, to the improvement of their agriculture, and the marketing of their food products.

With their sister States of like sort they are the heart of the Nation. Except as they prosper there can be no permanent national prosperity.

They have suffered extremely since the war because of the disparity between the selling prices of their farm products, which have been substantially that of pre-war days, and the high prices of the manufactured products they buy, which are

50 per cent above pre-war. The farmer's dollar is a "73-cent dollar." To-day his dollar buys of other commodities only what he got for 73 cents before the war.

So great is the agricultural distress that about 1,250,000 farmers have left the farms for the cities in the last two or three years, and innumerable farmers and their banks have become bankrupt.

Farmers have been trying to raise their selling prices by all sorts of legislation, and in vain, because our farmers produce on an export or international basis and American laws are without price-lifting force in foreign countries.

It is time to see to what extent tariff favoritism is pure graft and exploitation, not at all due to honest protection of American labor and industry, in which principle almost all of us believe.

Congress has decided that the American Constitution will not permit of such seizure of consumer's funds, and their conversion by legal subtleties into the pockets of others, even the neediest of farmers, as was contemplated in the recent McNary-Haugen bill, which was not rejected by many of the farmers' real friends until this fact was accepted.

The time has come not to "level up" by special legislation but to "level down" to a basis of enduring prosperity in which alone American farmers can share and to take our place among the nations of the world as its strongest and richest leader and support, to our infinite social, intellectual, and pecuniary betterment.

It is time to realize that whatever virtue is in this principle of protection, like the moral code, depends not upon its statement, nor in blind belief, but in its application and use.

It is in this spirit that the following study is made:

When American farmers hear that the agricultural schedule adds, as estimated by the American Farm Bureau Federation, $125,000,000 to their incomes as a whole, they are likely to say, "That's where we come in." If imaginative, one of them may buy another automobile, a new dress for his wife, or forget about his past-due mortgages and get his first good night's sleep in a year.

The present purpose of this study is not to ascertain "where the farmer comes in" but "where he comes out" on the tariff, and among other things, to show who gets the above alleged $125,000,000, which we may carelessly suppose to be somewhat evenly distributed among our farmers. Also to show the $1,500,000,000 that farmers lose on the tariff above the requirements of honest protection, and who get this $1,500,000,000 from our farmers and another $2,000,000,000 from the other two-thirds of our population.

It is agreed by agricultural economists that 90 per cent of all American farm products are produced upon an export or free-trade basis.

The only considerable exceptions are wool, sugar beets and sugar cane, flaxseed, hard spring wheat in Minnesota, the Dakotas and Montana, and occasionally milk and butter. On other products the American farmers' price is usually less than if he produced in free-trade England, because he exports his surplus at the European prices less the cost of 4,000 miles of transportation, and his net export price is his domestic price. He can not sell part of his crop for export at one price and another part for home consumption at another price.

Railroads necessarily lay a heavy hand upon the products of these States, because of the long haul both on their exports and on their purchases. The unreasonable, if not dishonest, tariff on steel and other railway equipment, and the high wages for operation that must be paid because of our high cost of living, unnecessarily increases the railways' costs of operation $500,000,000. This is a burden upon these States which they should not be required to endure.

The following calculations are based upon Government statistics and approved by competent and dependable authorities:

WHAT THE TARIFF DOES TO IOWA

[Census 1920]

| | |
|---|---|
| Population | 2,404,021 |
| Farmers | 984,800 |
| Woolgrowers | 30,455 |

*Agricultural schedule*

| Crops | Tariff gain to a few farmers | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|---|
| Wool | $500,000 | $2,708,200 | $3,902,800 | $6,611,000 | $300,000,000 |
| Sugar beets | | 1,969,600 | 2,838,400 | 4,808,000 | 216,000,000 |
| Flaxseed | 22,000 | 295,500 | 425,500 | 721,000 | 30,000,000 |
| Lemons | | 98,300 | 142,000 | 240,300 | 10,000,000 |
| Tobacco | | 167,400 | 241,300 | 408,700 | 53,000,000 |
| Total | 621,000 | 5,239,000 | 7,550,000 | 12,789,000 | 609,000,000 |

| | |
|---|---|
| Farmers as consumers lose on agricultural schedule | $5,239,000 |
| A few farmers gain | 621,000 |
| Loss to farmers on agricultural schedule, net | 4,618,000 |
| The State as a whole loses on agricultural schedule, net | 12,168,000 |

Farmers lose on their agricultural schedule $8.50 to $1 of gain.

The State loses on agricultural schedule $20 to $1 of gain.

*Manufacturers' schedule*

[On the basis of one-half duties added to prices in certain industries]

| | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|
| Heavy steel products | $4,924,000 | $4,967,000 | $9,891,000 | $375,000,000 |
| Light steel products | 7,386,000 | 10,644,000 | 18,030,000 | 750,000,000 |
| General store merchandise | 23,653,000 | 24,044,000 | 47,697,000 | 2,475,000,000 |
| Total | 35,963,000 | 39,655,000 | 75,618,000 | 3,600,000,000 |

| | |
|---|---|
| Loss to farmers (manufacturers' schedule) | $35,963,000 |
| Loss to State (manufacturers' schedule) | 75,618,000 |

Farmers lose, on all schedules, net $40,581,000, or $67 to $1 of gain.

The State loses, on all schedules, net $87,786,000, or $140 to $1 of gain.

With a population of 2,404,021, including 984,800 farmers, the State's only substantial gain—$590,000—goes to 30,455 woolgrowers, or 1 resident in 78, and 1 farmer in 32, and to 747 growers of flaxseed who get an average of $2.45 each in tariff benefits.

IS THE TARIFF ADDED TO PRICES?

Alexander Hamilton, the "father of protection," declared frankly that tariff duties "amount to a virtual bounty on domestic fabrics." Said Henry Clay, in 1833, the great protectionist of his time: "The duty upon an article forms a portion of its price." Said John Sherman, in 1869, another great protectionist: "As a general rule the duties upon imports operate as a tax upon the consumer."

Said Chairman McCumber, in pleading for the Fordney duty on wheat:

> We want higher prices. When our crop of hard northern spring wheat is short we add all the duty to our prices. When the crop is abundant we add half the duty.

Said the United States Tariff Commission:

> Whenever any article that is manufactured here is continuously imported in any considerable quantity, the tendency of the tariff is to make the price of the domestic product, as well as the imported article, equal to the foreign price plus the duty.

The question, Do manufacturers and others add the tariff to their prices? is answered by the question, Can they? If they can, they do. If they can not, they do not. Many can and do.

Manufacturers are like other men. A few years ago farmers got $2.50 per bushel for their wheat because they could. That they thought they ought to does not change the fact. Now, they get 85 cents at the farm, because they can not get more, although this is below the cost of production.

Manufacturers in many lines object seriously to the tariff, knowing it to be grossly overprotective and in the long run against every one's best interest. It is the few who, by price control or otherwise, have millions to make by excessive duties who fight for and get excessive rates, whether in manufacturing, wool, sugar, or what not.

The entire tariff on wool and sugar is added to prices, as shown elsewhere, although only one-half of the sugar tariff reaches American sugar growers. Also, in Western States, where most of our wool is grown, the duty goes not to farmers but to grazers of wild lands, who often, however, raise fodder for periods of storm in the North or drought in the South. Also the wool duty is not fully effective on particular qualities for brief periods when the market is temporarily overstocked on that quality.

American producers of heavy steel products add the entire tariff to their prices, and often freight also from Europe on competing imports. To estimate, as in the tables herewith, that only one-half the duty is added is to leave a large margin of full tariff charges to offset instances elsewhere where less than one-half the duty is added.

Tariff charges in chemicals, in lead, acetylene and welding gases, and other industries not included in these studies will offset possible overestimates in any articles here enumerated.

In light steel products it is estimated that only one-half of the tariff is added to prices. In some, like locomotives, automobiles, and foundry products, none of the tariff given to the particular industry is added. Domestic competition prevents.

In others, like aluminum, files, and certain hardware, from two-thirds to all of the tariff is added.

In all cases the cost to the manufacturers of highly finished steel products, like hardware and farm implements, of the bar steel and iron they use is increased about 40 per cent by the tariff, and that increase is passed on with additions for the cost of further manufacturing. This largely increases the price of every steel product to the consumer, adding, for instance, some $75,000,000 to the cost of farm implements at retail, although these implements are themselves on the free list. When, in addition to this steel charge, industries like cutlery, files, saws, and electrical machinery add all or a considerable part of the duty given the industry itself, and these additions are doubled at retail, the final tariff cost is great.

This pyramiding of the steel tariff corresponds to that in wool, noted elsewhere, whereby the wool duty is necessarily trebled to retail purchasers of wool clothing.

Conditions governing the item of general merchandise in the tables correspond to those in light steel products.

The estimated addition of one-half of the duty to prices allows much less than the tariff rates given in the so-called low tariff of 1913 on manufactured products. If any industry denies that it adds this one half, let it explain why it demanded the other half, and why so many manufacturers fought for the other half, often by misdirection and chicanery. Let them petition the President to reduce their present rates one-half, as he is authorized to do upon submission of facts. Such petitions would have more effect than loose and general denials.

As retail prices usually are double factory costs, owing to the many hands through which the merchandise passes to the consumer and the many additions of costs and profits, the tariff added by manufacturers is doubled in consumer's prices.

In other pamphlets the Fair Tariff League analyzes general merchandise as sold in our stores to the amount of $30,000,000,000 and $5,000,000,000 of steel and iron products, indicating how many industries add all or the greater part of their duties to their prices. Some have recently been indicted and some sent to jail for price fixing—for adding all they could to their prices. Some, like steel, aluminum, and plate glass, determine their domestic prices by adding to foreign prices the tariff and also freight to America on foreign products, and sometimes more for good measure.

GOVERNMENT REVENUE VERSUS PROFITEERING

An analysis of approximately $30,000,000,000 of retail merchandise shows that only 2.7 per cent, or $2.70 out of each $100 sold, is imported. The Government, therefore, collected duties on only $2.70 of imports, while domestic manufacturers, so far as their duties are effective, collect for their own uses on the other $97.30 out of each $100.

The Government collected in 1921, $153,360,000 on imports, while Congress made the present tariff with such utter carelessness as permits domestic manufacturers to add to their prices above the prices of foreign competitors $5,139,000,000 if only these manufacturers by price agreements, combinations, and trusts can make the public pay these higher prices. Under this new tariff more revenue is collected, but at far greater cost in general prices.

Of course, this congressional tariff provision of $5,139,000,000 is preposterous in amount. Many manufacturers making farm implements, clothing, automobiles, and other keenly competitive products can make little or no use of it, because competition will not let them. Many great aggregations do, however, add all or a great part of their tariffs to their prices.

And each dollar added to factory prices becomes $2, on the average, by the time it reaches the consumer through the successive hands of jobbers and other distributers.

AGRICULTURE

American farmers are so hurt by the present tariff, and so few of them get any worth-while advantage from it, that some may think that a close analysis of their tariff rates is unkind or inconsiderate. It is best, however, to determine as closely as may be what each tariff rate means both on farm and other products.

To the farmer the controlling tariff fact is that nine-tenths of American agricultural products are sold on an export or free-trade basis. This is the careful estimate of the Bureau of Farm Economics and other authorities.

Farmers can not sell part of a crop for export at one price and the remainder for home use at another price.

With nine-tenths of American crops depending for their prices upon competition with the people of all countries, including peasants, coolies, and peons, the tariff even on the other tenth means little to anyone except in rare instances.

If the few really protective agricultural rates meant much to farm profits generally, more farmers would grow the protected crops. The fact that they do not shows how little net value there is even in those rates. Some farmers in the best sugar-beet regions, for instance, will not grow sugar beets. And no wool tariff has materially increased production. We raise about the same number of sheep as 50 years ago, although consumption has increased manyfold.

The tariff benefits almost no farm products in substantial measure, except wool, sugar, hard spring wheat, flaxseed, and for a few years to come, lemons. Farmers must pay their proportion, about one-third, of the tariff charges of all farmers, manufacturers, and others who can add their tariff grants to their prices. That total now approximates $5,000,000,000 annually. It is necessary, therefore, that American farmers learn to what extent this burden of indirect taxation is either necessary or justifiable.

It is believed that fully $3,000,000,000 could be taken from this burden, to the general relief, and leave us adequately protected.

WHEAT

It is everywhere agreed that the price of American wheat is fixed in Liverpool, the central market, where the exports of all countries meet. An exception, however, is to be made respecting the premium grades of hard spring wheat, raised almost exclusively in the Dakotas, Minnesota, and Montana.

This extraquality hard spring wheat is needed for admixture with the softer wheat, which we grow in abundance. When these Northwestern States have bumper crops they get no advantage from the tariff. When they are short, enough must be brought in from Canada to make up the deficit, in which case these Northwestern States add from half to all of the tariff—until recently 30 cents per bushel—to their prices. Senator McCumber, of North Dakota, chairman of the Senate Finance Committee, made this clear in his plea for the tariff on wheat, claiming that on the average of the years these Northwestern States added about one-half of the tariff to their prices.

In its report to the President in March, 1924, the United States Tariff Commission says:

> Only in seasons of exceptional shortage has the (recent) 30 cent duty been added to prices.

In August, 1923, the price of hard winter wheat in Minneapolis was $1.15 per bushel, against 95 cents in Winnipeg—a clear case of 20 cents effective protection at that time, or two-thirds of the duty, continuing through the year 1923.

The recently established duty of 42 cents is lessening the millers' demand for this quality and causing the substitution of the best of the virtually nonprotected winter wheats, and therefore not more than 25 cents is likely to be added to northwestern prices by this 42-cent duty. No increase in price has occurred to this date—May, 1924.

Furthermore, much of this hard northern wheat is in grades 2 to 5 and gets less tariff benefit than No. 1.

In the four years July 1917–1921 the Northwest crop averaged 47 per cent No. 1 and 53 per cent Nos. 2 to 5. The 1923 crop was exceptionally bad.

As a liberal estimate we figure that Minnesota will gain about 25 cents more on her choicest grades and less on low grades per bushel from the recent tariff, or about $5,000,000 on a crop of 20,000,000 bushels, and less if her tendency of many years to lessen her wheat production continues.

Her acreage in this hard northern wheat in 1921 was 2,324,000 acres, yielding 21,639,000 bushels, or about 9 bushels per acre. In 1922 this acreage was 1,609,000 acres, yielding 21,489,000 bushels. In 1923 it was 1,417,000 acres, yielding 17,492,000 bushels, or about 12 bushels per acre.

As says the Tariff Commission—

> The difference between the Canadian and the American low-cost producers is comparatively narrow. The American low-cost producers require little protection.

The average yield in these Northwestern States for the four years 1920–1923 was only 11.2 bushels per acre. Growers who were far below this average will find even the present duty inadequate.

In passing it may be noted that Minnesota herself consumes one-half of her crop, including in that consumption her use of seed wheat.

As the annual production of this premium hard northern wheat in Montana, the Dakotas, and Minnesota is about 140,000,000 bushels, the tariff gain to these four States is about $35,000,000, which costs about 20 per cent more to consumers at retail, or $42,000,000, being about 40 cents per capita, of which farmers pay 30 per cent, or $12,000,000. This, provided the $42,000,000 is not further increased by the makers and distributers of bread.

CORN

The United States produces about 3,000,000,000 bushels of corn annually, or three times more than all the rest of the world. An average of 40,000,000 bushels was exported annually from 1911 to 1920 as corn and corn meal. In 1921 our corn exports amounted to about 180,000,000 bushels. In addition to this, about 200,000,000 bushels of corn were exported as pork and lard, a total of about 380,000,000 bushels.

Imports of corn in this period averaged about 5,300,000 bushels per year, or 1 bushel imported to 50 bushels exported and 600 bushels produced.

In 1918 imports were 1,992,161 bushels, in 1919 they rose to 11,212,000 bushels, and in 1910 to 7,784,482 bushels. At times during this period our excessive war prices obtained. These high prices and the fact that the greater part of the 1919 crop was so soft and moist as to be unmerchantable induced these larger imports.

In nine months of 1921 imports fell to 151,113 bushels. In the 10 months ending with March, 1924, imports were 145,031 against our crop of some 3,000,000,000 bushels.

Argentine corn is "flint corn" of the hard variety we feed to pigeons. It is extra dry and has less starch content than our corn. For these reasons, as we are told by those who imported 75 per cent of all corn imports in recent years, they do not want Argentine corn, although to-day it is considerably below our domestic price. When they do import it they export the products they make from it and get a rebate of the duty on this Argentine corn when they export the manufactured products.

The price of corn in the Argentine, where only we could feel competition, is usually well above the price in New York, duty paid. Argentine exports must meet our exports in Europe, thus giving her in her price the benefit of the cost of ocean carriage to us on our exports, or 13 cents a bushel.

Eighty per cent of our corn crop is fed on the farms, and the farmer gets his return from this corn in the price of his meat products. On only 1 bushel out of each 5 produced is the cash price of the corn of immediate consequence.

Our tariff on corn has a sentimental value which may rarely affect domestic prices by from 1 to 5 cents. It is too uncertain, however, to be calculated.

The company which has imported three-fourths of all the corn imported in 10 years says that Argentine corn "is flint corn, lacking in starch and relatively undesirable."

The following calculations are based upon Government statistics and approved by competent and dependable authorities:

WHAT THE TARIFF DOES TO MINNESOTA

[Census 1920]

| | |
|---|---|
| Population | 2,387,125 |
| Farmers | 897,181 |
| Sugar growers | 426 |

*Agricultural schedule*

| Crops | Tariff gain to a few farmers | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|---|
| Wool | $286,000 | $2,467,500 | $4,098,000 | $6,565,500 | $300,600,000 |
| Sugar beets | 5,000 | 1,795,000 | 2,980,000 | 4,775,000 | 216,000,000 |
| Wheat | 5,000,000 | 360,000 | 595,000 | 955,000 | 42,500,000 |
| Flaxseed | 1,022,000 | 269,000 | 447,000 | 716,000 | 30,000,000 |
| Lemons | | 89,000 | 149,000 | 238,000 | 10,000,000 |
| Tobacco | | 152,500 | 253,000 | 405,500 | 53,000,000 |
| Total | 6,313,000 | 5,133,000 | 8,522,000 | 13,655,000 | 651,500,000 |

| | |
|---|---|
| A few farmers gain | $6,313,000 |
| Farmers as consumers lose on agricultural schedule | 5,133,000 |
| Gain to farmers on agricultural schedules, net | 1,180,000 |
| The State as a whole loses on agricultural schedule, net | 7,342,000 |

Farmers gain on their agricultural schedule $1.20 to $1 of loss.

The State loses on agricultural schedule $2 to $1 of gain.

*Manufacturers' schedule*

[On the basis of one-half of duties added to prices in certain industries]

| | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|
| Heavy steel products | $4,486,000 | $5,215,000 | $9,701,000 | $375,000,000 |
| Light steel products | 6,729,000 | 11,174,000 | 17,903,000 | 750,000,000 |
| General store merchandise | 21,532,000 | 35,759,000 | 57,291,000 | 2,475,000,000 |
| Total | 32,747,000 | 52,148,000 | 84,895,000 | 3,600,000,000 |

| | |
|---|---|
| Loss to farmers, manufacturers' schedule | $32,747,000 |
| Loss to State, manufacturers' schedule | 84,895,000 |

Farmers lose, on all schedules, net $31,567,000, or $15 to $1 of gain.

The State loses, on all schedules, net $92,250,000, or $14 to $1 of gain.

With a population of 2,387,125, including 897,181 farmers, the State's only substantial gain, $1,313,000, goes to 24,238 woolgrowers, or 1 resident in 98 and 1 farmer in 37, and to 426 sugar growers; also to 20,458 growers of flaxseed, who get an average of $50 each in tariff benefits, being 1 farmer in 437 and 1 resident in 116, and to wheat growers in large numbers an amount of gain.

WOOL

With all their protection for 50 years the number of sheep in the United States steadily declines, as compared with the population. We now import two-thirds of our requirements of wool. This because sheep are raised in quantities only on waste lands good for little else. Advancing civilization in all countries always drives sheep farther and farther back upon less and less valuable lands.

It is agreed everywhere that every cent of the tariff on wool is added to its price and goes to the grower. This because we import more than half our requirements, and the import price, duty paid, becomes the domestic price.

It is also agreed by the research bureau of the American Farm Bureau Federation, an organization of 1,000,000 or more farmers, the United States Tariff Commission, and other authorities that the present tariff on wool of 31 cents per scoured pound is equivalent to about 12.7 cents per grease pound, and nets American woolgrowers about $37,500,000. From this wool tariff 30,455 woolgrowers in Iowa get $599,000, or $20 each, while Iowa farmers as a whole lose four times more as wool users than a few of their number gain. Minnesota's few woolgrowers gain $12 each, or less than their loss in clothing their own families, while Minnesota farmers as a whole, as wool users, lose $2,181,500 net from the wool duty. In Nebraska 4,244 woolgrowers gain $148,200, or $35 each, while her 584,172 farmers as a whole lose $1,458,300 net. In Kansas 7,795 woolgrowers gain $175,026 from the wool tariff, or $22 each, while her 165,286 farmers lose net as consumers of wool $715,668, and the State as a whole loses $1,432,176.

In Colorado and Utah the situation is different, because woolgrowing is there a great industry.

Colorado sheep raisers on her wild lands gain $397,000 from the wool duty, most of this gain going to a few big flockmasters; also her farmers in the Greeley district and the Arkansas Valley fatten great numbers of lambs from the mountain ranges of New Mexico, Colorado, Wyoming, and Idaho, with a gain of another $307,000 from the duty on the wool of these lambs. This gives Colorado a total tariff benefit of about $614,000, with an offsetting loss to her people as consumers of wool of about $1,852,000.

Utah growers of sheep on wild and desert lands gain $1,027,000 from the wool duty, while her farmers here and there fatten a few old ewes and lambs for market upon which they gain at most $257,000 from the wool duty.

This leaves Utah about even on the wool tariff, a few of her people gaining from it all told $1,284,000, against which her people as a whole lose $1,235,500. A few big woolgrowers gain; the public pays.

THE COST OF THE WOOL TARIFF

The wool tariff costs American consumers $300,000,000 in their wool clothing and other purchases of woolens.

It is reasonable to allow for the cost of doing business and profits a mark-up to the wool buyer of 10 per cent, the spinner 15 per cent, the cloth manufacturer 17½ per cent, the clothing manufacturer 22½ per cent, and the retailer 33⅓ per cent—all these percentages based on selling prices.

The successive addition of these percentages multiplies the original duty of 31 cents a scoured pound by 3.06 times and makes it cost consumers about 95 cents in their clothing and other purchases.

CATCHING THE FARMER

Our annual consumption of wool as given in the Census of 1919 is shown in the following table, together with the rates of duty on virgin wool and on cheaper wool products and the total first cost of the duty.

*The cost of the wool duty*

| Article | Annual consumption [1] | Duty per pound | Amount of duty |
|---|---|---|---|
| | *Pounds* | *Cents* | |
| Wool, mohair, and animal hair | 292,117,556 | 31 | $90,556,442 |
| Rags | 46,453,109 | 4 | 2,787,187 |
| Recovered wool | 33,163,666 | 7 | 2,321,479 |
| Wool in the form of imported goods | 18,302,205 | 31 | 5,673,683 |
| Total | 390,036,566 | | 101,338,771 |

[1] Census of 1919.

This total multiplied by 3.06, which is the number of times that the duty pyramids as shown above, gives the total cost of the wool duty—$310,696,636.20.

The consumer pays $8 for each dollar of tariff benefit given woolgrowers.

There are various contingencies both ways to change this total slightly. It is safe, however, to accept of a final estimate of $300,000,000, or $2.75 for each man, woman, and child in the United States.

"The present wool duty of 31 cents per scoured pound begins with a very low ad valorem equivalent on very high-priced wool suited for very high-priced clothing. As the lower-priced wools are reached the duty rapidly rises until it soon passes beyond the purchasing power of the consumers and becomes an embargo of 100 to 200 per cent on the bulk of the wool suited for the clothing of people of moderate means. Then the adulteration of raw material becomes a necessity, cotton, inferior grades of wool waste, shoddy, and other substitutes take the place of the wool that the duty of 31 cents a scoured pound excludes from the country, the deterioration of cloth in wool clothing becomes the rule, and the people, for whose welfare tariff laws should be framed, pay a higher price for inferior clothing and suffer not only from the discomfort of inferior garments, but also from exposure to a climate in which the protection of wool is a necessity of life" (Carded Woolen Manufacturers' Association). A popular khaki wool shirt, for instance, is 85 per cent wool shoddy and 15 per cent cotton, with no virgin wool in it, yet it retails in New York, Denver, and elsewhere for $4.50.

A study of the imports of wool from September 15 to December 29, 1923, shows that the duty varied from 16½ cents a pound to $1.47. The average duty was 62.4 per cent, ranging from 21 per cent to 188 per cent. The highest rate was on the cheapest wool, used by the poor, and the lowest rate on the costliest wool, used by the rich.

That the present wool tariff averaging 68 per cent is very profitable to those who raise wool in large quantities is clear. How profitable is it to any State as a whole? Less than 1 per cent of our farmers raise sheep in commercial quantities, while everyone wears wool and pays the duty.

This question is not asked in the spirit of free trade. Americans are committed to protection. The only question is one of fair protection as against exploitation. It is widely held that the wool tariff might well be reduced by one-half. Certainly many manufacturing schedules should be so reduced. Can any State afford to get an unreasonable wool duty and in return give excessive duties to manufacturers? Or should the consumer everywhere and the substantial equities prevail?

East of the Mississippi, Ohio excepted, woolgrowing is incidental to farming. There flocks are small and are called "scavenger flocks" because they improve pasturage by cropping the weeds so closely that they do not seed. They clean out fence corners and consume the wastage from crops. They provide fresh meat for the family. They are grown for meat as much as for wool.

Ohio alone of the Eastern States raises wool as an important industry. She specializes in merino sheep, whose wool brings maximum prices. To Ohio the duty means much. In other eastern States farmers on the whole lose on the wool tariff much more than they gain.

A large percentage of the sheep on farms in the Corn Belt are lambs from the western ranges fattened and forwarded to the market after four or five months' feeding.

In the Mountain States, where woolgrowing is an important industry, most of the sheep are not on farms but on wild lands, with little or no cost for pasturage. The owners live in towns and intrust the flocks to herders, about two to a flock of 1,000 to 2,000 adult sheep, with an additional 80 per cent of lambs, that are not counted in the charge for pasturage, which, on Federal reserve lands, is 2½ cents per adult sheep per month, or from 8 to 10 cents per summer. Winter pasturage is on free desert lands, rich in wild grasses in spring, and with cured grasses that rise through the occasional winter snows and provide sufficient feed, except in times of heavy storms.

Sometimes in open winters no prepared food is needed on these ranges. A Washington sheep grazer estimates his winter feed cost at 90 cents per sheep. A Coloradoan says his cultivated feed during a storm costs $30 to $70 a day for 5,000 sheep. At $50 a day this is 1 cent per sheep per day.

In the Mountain States the few sheep on farms are mostly "gummers," toothless old ewes, unable longer to graze in tough wild lands, being fattened for market. Lambs usually go "fat as butter" directly from the ranges to the packing houses. In Colorado, however, as before stated, there are great numbers of lambs from the ranges on farms fattening for market. In these cases the farmers' tariff gain is only on the small increase in the fleece during the four to six months' fattening period.

In Wyoming and Utah 90 per cent of the sheep are thus raised on wild lands by grazers; in New Mexico and Arizona, over 95 per cent; in Washington, Oregon, and Idaho, 80 per cent. Many of these big flocks are said now to be owned wholly or in large part by eastern packing interest and other nonresidents.

In all the Mountain States about two-thirds of the range sheep are owned by one-third of the grazers, being the big flockmasters. Consequently most of the duty goes to relatively very few people.

The western wool situation is clearly shown by a study of "two typical agricultural counties" in Montana, Lewis and Clark County, in which Helena, the State capital, is situated, and Pondera, the second county north of Lewis and Clark.

The population of these two counties is 24,400. They contained, in 1921, 74,802 sheep, owned by 115 persons, including 9 corporations.

Of these 115 owners, 8 owned 48,379 sheep, or two-thirds of all the sheep. That is, two-thirds of the wool duty went to 7 per cent, or 8 of the sheep owners.

Including with these 8 the 10 next largest owners, 18 owners had a total of 66,099 sheep. That is, nine-tenths of all the sheep were owned by 18 persons, or 16 per cent of the sheep raisers, who therefore got nine-tenths of the wool duty. Eighteen men got the duty, and 24,400 residents in these counties paid a duty.

At the other end of the line we find 32 sheep owners, or 28 per cent of the 115, getting a total of $88 from the wool duty, or $2.75 each, on the basis of the present tariff.

And 77 small sheep owners, with a total of 1,485 sheep, got $1,425 from the tariff, or $18.50 each, which about offsets their loss on their woolen purchases.

Is there any doubt who gets the wool duties? Only the big western flockmasters press for them in Congress, supported usually by Ohio.

American farmers, as such, gain about $20,000,000 from the wool duty and lose as wool users $100,000,000. As a body they are not crying for it.

ANOMALOUS WOOL SITUATION IN 1924

The summer of 1924 presents an anomalous wool situation. The extreme depression in the woolen trades, due mostly to high costs of wools and consequent excessive prices of woolen goods, together with excessive importations of wool in 1922 and 1923, badly overstock the market, with considerable reexports of imported wools and domestic wools getting only 5 cents of benefit from the 31-cent wool tariff. This does not alter the fact that if and when American consumers replenish their wool requirements they must pay the tariff charges, as here estimated.

Even with this temporary ineffectiveness of the wool duty the prices of domestic wools were twice as high in January, 1924, as in January, 1915. Montana clothing wool, for instance, being 55 cents per pound in January, 1915, and $1.15 in 1924. Australian 64s advanced correspondingly. This rise in wool prices the world over shows large profits in wool raising, tariff or no tariff. It is due to an increased world consumption, to the increasing use of wool by the millions of people in China and Japan, where cotton has been heretofore almost the only clothing, and to the relative decrease in wool production.

Sheep are raised in large bands only on wild or semiarid lands, and the extension of agriculture into such lands anywhere is usually at the expense of woolgrowing. This makes a high wool tariff increasingly less desirable as world population increases and agriculture extends.

A reduction of one-half in the wool duty would hurt no one.

I come from an agricultural State. * * *

It seems to me that the Senator from North Dakota [Mr. McCUMBER] in his zeal to put such an immense tariff on these agricultural products—higher than we have ever had before, higher than there was any necessity for—has done so simply to oil the protection machine for the woolen schedule and some other schedules in the bill.—Senator KNUTE NELSON, of Minnesota, Republican (CONGRESSIONAL RECORD, August 11, 1922).

PRICE FIXING—EXAMPLE AND METHOD

Justice Day, of the Supreme Court, in his dissenting opinion of March 1, 1920, held that the United States Steel Corporation, "for many years after its formation had exerted its power to control and maintain prices by pools, associations, trade meetings, and dinners, and that in combination with its competitors it had an ability to fix prices and restrain the free flow of commerce upon a scale heretofore unapproached in the history of corporate organizations in this country."

It is the imperative duty of Congress, guardian of the public interest, to give no penny of duty not required upon definite proof.

The following calculations are based upon Government statistics and approved by competent and dependable authorities:

WHAT THE TARIFF DOES TO KANSAS

[Census 1920]

| | |
|---|---|
| Population | 1,769,257 |
| Farmers | 691,690 |
| Woolgrowers | 7,795 |
| Sugar growers | 33 |

*Agricultural schedule*

| Crops | Tariff gain to a few farmers | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|---|
| Wool | $175,000 | $1,902,000 | $2,963,500 | $4,865,500 | $300,000,000 |
| Sugar beets | 42,000 | 1,383,000 | 2,155,000 | 3,538,000 | 216,000,000 |
| Flaxseed | 23,000 | 208,000 | 323,500 | 531,500 | 30,000,000 |
| Lemons | | 70,000 | 106,000 | 176,000 | 10,000,000 |
| Tobacco | | 207,000 | 94,000 | 401,000 | 53,000,000 |
| Total | 240,000 | 3,770,000 | 5,642,000 | 9,412,000 | 609,000,000 |

| | |
|---|---|
| Farmers as consumers lose on agricultural schedule | $3,770,000 |
| A few farmers gain | 240,000 |
| Loss to farmers on agricultural schedule, net | 3,530,000 |

The State as a whole loses on agricultural schedule, net, $9,172,000.

Farmers lose on their agricultural schedule $16 to $1 of gain.

The State loses on agricultural schedule $39 to $1 of gain.

*Manufacturers' schedule*

[On the basis of one-half of duties added to prices in certain industries]

| | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|
| Heavy steel products | $3,458,000 | $3,772,000 | $7,230,000 | $375,000,000 |
| Light steel products | 5,188,000 | 8,082,000 | 13,270,000 | 750,000,000 |
| General store merchandise | 16,600,000 | 25,300,000 | 41,900,000 | 2,475,000,000 |
| Total | 25,246,000 | 37,154,000 | 62,400,000 | 3,600,000,000 |

| | |
|---|---|
| Loss to farmers, manufacturers' schedule | $25,246,000 |
| Loss to State, manufacturers' schedule | 62,400,000 |

Farmers lose on all schedules, net, $28,776,000, or $118 to $1 of gain.

The State loses on all schedules, net, $71,572,000, or $300 to $1 of gain.

SUGAR

As in the case of wool, we import—from Cuba almost exclusively—much more sugar than we produce. Consequently every cent of the sugar duty is added to the price.

American beet-sugar growers, all told, get only $19,000,000 out of our sugar tariff that costs the public $216,000,000, and Louisiana cane growers get $5,000,000—an expensive process, spending $216,000,000 in order to get $24,000,000 to our sugar growers. Everyone approves of the $19,000,000 to the growers. With this they are prospering.

Of the remaining $195,000,000 Hawaii, Porto Rico, and the Philippines get $42,000,000, or nearly twice what American growers get; the Government gets $124,000,000 in taxes on Cuban imports, and a few sugar factories who put the tariff over get $24,000,000.

Are we not doing enough for our island possessions without sending them this $42,000,000 per year? Their sugar lands, their climate, labor, and other conditions virtually duplicate Cuba's. Cuba, like them, is one of our "wards." Why tax Cuba at the rate of $1.90 per 100 pounds on refined sugar, and at the same time make a present of $1.90, or $42,000,000, to the others? This $1.90 is in fact $2, because of 5 per cent addition by our refineries for handling charges on the $1.90.

Where, as in Hawaii, costs are much higher in certain sections than in Cuba, it is because lands not naturally adapted to sugar have been brought in by expensive irrigation projects, often to great profit.

The $24,000,000 given to a few sugar factories make their profits so big that one of their principal men is credibly reported as saying he is ashamed of his profits. He should be. He wanted a lower duty.

The Great Western Sugar Co., for instance, is a consolidation of other factories in 1905. It began with paid-in preferred stock of $15,000,000 and common stock of $10,544,000, all water. It is an overpowering influence in the beet-sugar situation and typical of its competitors.

For the seven years ending February 28, 1923, the Great Western Sugar Co.'s net earnings, after all charges and preferred dividends, averaged $12.01 on its common stock of $25 par value, or nearly 50 per cent per year. During much of this time sugar-beet growers were all but bankrupt.

The president of this company in a recent paid advertisement estimates that the net earnings for the present fiscal year, 1924, will exceed $16 per share on each $25 of common stock, or 64 per cent.

Says he:

Since organization in 1905 the company has disbursed as dividends on its common stock—

Once all water—

$36,308,177 in cash and $4,428,500 in common stock, and after paying such dividends has a surplus exceeding $30,000,000.

Does this leave any question who gets the sugar duty, the farmers or the factories?

Our sugar-beet growers lose money at their contract price of $5.50 per ton. When, however, the price of refined sugar at the factory exceeds 5½ cents per pound the farmers get an extra allowance on their beets equal to one-half of the increase above 5½ cents per pound for refined. These are the contract terms for the coming crop. (Heretofore profit sharing has begun with a 5-cent price for sugar and the growers have received only 46 per cent of the increase.)

Any possible benefit then to growers from the tariff begins with this 5½-cent price on refined sugar, and as they get only one-half of the 2-cent tariff increase in price they get 1 cent advantage up to a 7½-cent price at the factory, or 8½ cents at retail. This gives them the $24,000,000.

Tariff benefits end with this 7½-cent price. Increases above that price are due to crop shortage, manipulation, and so forth. So says the United States Tariff Commission and all authorities.

The Government seems not to need its $124,000,000 of sugar tax. Secretary Mellon is advising reductions in taxes. Nor is it wise to tax a necessary and wholesome food of the poor.

This 50 per cent of the duty, or 1 cent a pound to the factories costs consumers $108,000,000. It is this that should be saved. The factories will object. The public should insist, and also insist that future contracts shall continue to the growers their present 1 cent of tariff benefit and kill the factories' graft.

A big sugar-factory stockholder said in May, 1923, that under free trade his company could pay its present prices for beets and make 25 per cent profit on that part of its capital that is directly devoted to sugar making.

Another said recently that at present prices no duty is needed.

Eastern seaboard factories that refine imported raw sugar make a net profit of one-fourth cent per pound. The Great Western makes nearer 3 cents per pound, while its growers all but starve at the minimum contract price of $5.50 per ton. Their factory contract is so one-sided that under any tariff these growers often get better returns from the same soil on potatoes, corn, oats, alfalfa, or even wheat. Many will not plant beets.

Our refiners of domestic sugar have no right to protection. The labor cost, East or West, is almost nothing, about one-fifth of 1 cent per pound. Can you "protect" one-fifth of a cent of labor cost in a 7-cent selling price? Fuel, machinery, and other expenses are substantially the same West and East.

Leading farmers in sugar-growing States are members of the Fair Tariff League's Advisory Committee. They are agreed that the sugar tariff has been of little or no benefit to American farmers. They say that other nonprotected crops often pay better. One farmer says: "Take the duty off and then we will have to raise other crops on the sugar lands, which would be better for us in the long run."

Another farmer says: "Only 5 per cent of us raise sugar. Better keep this 5 per cent in the poorhouse than have this sugar tax of $216,000,000." Another farmer says, "I will not let my tenants raise beets; other crops pay better."

Their judgments are in part explained by the fact that the sugar tariff in the sum of $48,000,000 (in 1923) is poured directly into the treasuries of domestic sugar factories; that these factories take this huge amount as if their own, and drive as hard a bargain with the farmer-growers as they can, with no recognition of the factories' trusteeship of this fund which is intended for the growers only.

In every other instance, whatever tariff benefit is paid by the public on any domestic article is collected by its producer at the point of origin. The woolgrower adds the wool tariff to every pound that leaves the shearer. So of the hard-wheat growers, the makers of steel, glass, aluminum, textiles, and so forth. They get whatever they can and all that the public pays, except that the amount paid is increased later by middlemen's additions.

Only recently has the factories' sugar propaganda so befooled the public. McKinley, Dingley, Cannon, and Aldrich denounced any duty on sugar, Aldrich saying, "This unjustifiable, indefensible, and infamous sugar levy."

A 1-cent duty, properly placed, is probably a reasonable adjustment under present conditions.

Louisiana will cry out against tariff reduction. She wants protection against God's providence in the form of early frosts and floods.

Sugar-cane growing in Louisiana is a gamble, too like the Louisiana lottery, to be promoted by congressional levies. Fear of frosts causes the growers to harvest the cane at 8 months' growth as against 12 months in Cuba and our island possessions. Much of this immature crop will make molasses only, not sugar.

A tentative statement of the United States Tariff Commission of December 1, 1923, indicates that the Louisiana crop of 1921 cost less to produce than Cuba's, and, consequently, Louisiana would have prospered then under free trade. Also, that Louisiana's crop of 1922 cost 2.7 cents per pound of sugar more than Cuba's, and would have required this 2.7 cents of protection. Her 1923 crop would have required still greater protection. These are typical years. Let Louisiana gamble or not, as she likes. She can and does raise other crops on the same lands.

For constant and assured profits she must have at least 1 cent more protection than sugar-beet States need, costing the public an extra $108,000,000, of which Louisiana growers get about $2,500,000, and her sugar factories another $2,500,000, a total of $5,000,000, at a public expense of $108,000,000. Her sugar factories refine much imported raw sugar. They get no tariff advantage on that; why a $2,500,000 bonus to them for refining domestic sugar?

The Mountain and Pacific States charge 1 cent per pound more for their product than the Atlantic States, except for surplus shipments into eastern territory. This difference in price is because they take advantage in their sales prices of the "natural protection" of freight charges from the Eastern States and New Orleans into their territory. Their price is the New York price plus the freight. They overlook no chance to raise prices. When, as now, the tariff is 2 cents on refined sugar the effective protection in the Mountain and Pacific States is 3 cents, although they grow sugar beets cheaper than other States.

The sugar tariff costs Iowa $4,808,000 and Minnesota $4,775,000, with no offsetting benefit to either State.

Nebraska and Utah fare better. On the basis that one-half the tariff gain goes to farmers, the Nebraska growers of sugar beets gain $2,240,000, against which her consumers lose $2,597,000, so that she comes out about even.

Utah growers gain $2,200,000, against which her consumers lose only $899,000.

Colorado growers gain $3,660,000, against which her sugar consumers lose $1,879,000.

In our estimates we do not include the tariff gains of sugar factories. Their stockholders are mostly great eastern capitalists, although some large holdings are in Colorado and Utah. The reader is left to allocate these profits as he may.

The present sugar duty costs American consumers $216,000,000 annually, or about $2 per capita.

The following calculations are based upon Government statistics and approved by competent and dependable authorities:

WHAT THE TARIFF DOES TO NEBRASKA

[Census 1919]

| | |
|---|---|
| Population | 1,296,372 |
| Farmers | 584,172 |
| Woolgrowers | 4,244 |
| Sugar-beet growers | 1,531 |

*Agricultural schedule*

| Crops | Tariff gain to a few farmers | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|---|
| Wool | $148,200 | $1,606,500 | $1,959,000 | $3,565,000 | $300,000,000 |
| Sugar beets | [1] 2,240,000 | 1,168,000 | 1,428,000 | 2,597,000 | 216,000,000 |
| Flaxseed | 7,800 | 175,000 | 213,600 | 389,000 | 30,000,000 |
| Lemons | | 58,500 | 71,000 | 129,000 | 10,000,000 |
| Tobacco | | 99,000 | 121,400 | 220,000 | 53,000,000 |
| Total | 2,396,000 | 3,107,000 | 3,793,000 | 6,900,000 | 609,000,000 |

[1] On the basis of one-half the sugar duty going to sugar-beet growers.

| | |
|---|---|
| Farmers as consumers lose on agricultural schedule | $3,107,000 |
| A few farmers gain | 2,396,000 |
| Loss to farmers on agricultural schedule, net | 701,000 |

The State as a whole loses on agricultural schedule, net, $4,504,000.

Farmers lose on their schedule $1.30 to $1 of gain.

The State loses on agricultural schedule $3 to $1 of gain.

*Manufacturers' schedule*

[On the basis of one-half of duties added to prices in certain industries]

| | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|
| Heavy steel products | $5,843,000 | $4,748,000 | $10,590,000 | $375,000,000 |
| Light steel products | 8,294,000 | 8,990,000 | 17,285,000 | 750,000,000 |
| General store merchandise | 23,366,000 | 28,488,000 | 51,855,000 | 2,475,000,000 |
| Totals | 37,503,000 | 42,226,000 | 79,730,000 | 3,600,000,000 |

| | |
|---|---|
| Loss to farmers, manufacturers' schedule | $37,503,000 |
| Loss to State, manufacturers' schedule | 79,730,000 |

Farmers lose, on all schedules, net, $38,214,000. They lose nearly $17 to $1 of gain.

The State loses, on all schedules, net, $84,200,000. It loses $35 to $1 of gain.

With a population of 1,296,372, including 584,172 farmers, the State's only tariff gain, $2,396,000, goes to 4,244 wool growers, being 1 resident in 305 and 1 farmer in 138; and to 1,531 sugar-beet growers, being 1 farmer in 380 and 1 resident in 847.

FARMERS LOSE ON THEIR OWN SCHEDULE

In the wool and sugar duties we begin to see the trouble with the farmers' tariff schedule. The American Farm Bureau Federation's careful estimates of January, 1923, show a tariff gain to wool growers of $45,800,000, but, as half of this goes to great western flockmasters who produce more than half of all the wool grown in the United States, and as these growers are not farmers, the gain to American farmers is not more than $20,000,000, against which they lose, as wool consumers, $100,000,000.

Likewise of the federation's $45,800,000 that goes to American sugar factories and farmers, only half, or $24,000,000, goes to the farmers, while our farmers, as a whole, lose upwards of $70,000,000.

Consequently the Farm Bureau Federation's estimate of $124,800,000 of total tariff benefits to American farmers is reduced by these corrections in wool and sugar duties to about $78,000,000, against which the Farm Bureau estimated that the farmers lose, as consumers of agricultural products, $94,900,000.

The Farm Bureau's study is deserving the highest praise for the most careful and able analysis up to that time, January, 1923. It did not, however, attempt to cover the pyramiding of prices in the processes of manufacture and distribution. Later studies warrant the statement that American farmers lose upward of $80,000,000 on their own tariff schedule and $1,000,000,000 on other schedules.

American farmers have been deceived by wool and sugar Senators, by wool grazers, and by sugar factory operators masquerading as farmers and filling their own pockets through tariff trades with eastern manufacturers.

ROBBERY UNDER THE FORMS OF LAW

To lay with one hand the power of the Government on the property of the citizen and with the other to bestow it upon favored individuals to aid private enterprise and build up private fortunes is none the less robbery because it is done under the forms of law and is called taxation.—Supreme Court of the United States. (Marshall case.)

FLAXSEED

This is grown in the United States only for the linseed oil that is extracted from the seed. The duty is 40 cents per bushel. Oil cake, the residue after the extraction of the oil, is on the free list. Oil crushers, however, are given a rebate on their oil cake when exported and made from imported seed. This reduces the 40 cents apparent duty on flaxseed to a maximum effective duty of 30 cents only.

In the first year of the operation of the Fordney-McCumber tariff carefully prepared weighted price averages show that the farmers in the Northwest received about 19 cents per bushel as a result of the tariff on 45 per cent of their flaxseed crop, and on their total crop they received an average of about 27 cents per bushel.

As substantially all domestic flaxseed is raised in the Dakotas, Minnesota, and Montana—their total production being 10,774,000 bushels in 1920 and 8,029,000 bushels in 1921, with only 323,000 bushels raised in all the other States combined—the flaxseed duty is of almost no consequence to farmers in other States, except as consumers. Everyone agrees that this duty should be continued.

As consumers, farmers pay about twice their maximum effective duty of 30 cents, or 62.7 cents per gallon on the clear

linseed oil consumed, this 62.7 cents being the effective duty of the oil crushers.

Only 10 per cent of linseed oil is consumed as such. The remaining 90 per cent is used in the manufacture of linoleum, paints and varnishes, and like products.

To consumers of these products the 62.7 cents duty on oil becomes upward of $1.25, the increase from 62.7 cents to $1.25 being the addition for costs and profits, conservatively figured, taken by the manufacturers, wholesalers, and retailers of these highly finished products. This means a cost of not less than $30,000,000 to the American consumers for the duty on flaxseed, or 30 cents per capita.

That the oil crushers add their duty to their prices is indicated by the recent decision of the United States Supreme Court—June 4, 1923—that they have been in an unlawful association for price regulation for some years.

There is only 3 cents of labor in crushing $1 worth of oil. The process is as simple as brewing tea. The $5,000,000 of tariff benefit given the oil crushers is unnecessary. It costs consumers $10,000,000.

RICE—A TARIFF LESSON FOR FARMERS AND OTHERS—HIGH WAGES ARE CHEAP WAGES IN FARM OR FACTORY

The present duty of 2 cents per pound on milled rice—rough rice, 1 cent—is one of the little jokes in which some politicians delight. It pleases the farmer; it costs the consumer nothing; it sweetens high rates on certain manufactured products that enormously enrich a few.

Before the Great War the United States was nominally a net importer of rice. Great changes have taken place since 1913. In the last three years our imports have gradually dwindled to almost nothing, while our exports have increased enormously, being, for the three years—1919–1921, inclusive—in excess of 20,000,000 bushels per annum, or about one-half of our total production.

Our average annual production for the five years—1909–1913—was about 24,000,000. For the five years—1918–1922, inclusive—it was about 42,500,000 bushels.

The effectiveness of American highly paid labor, when earnestly applied, well directed and supported, on the farm or in the factory, is illustrated in the following statement on rice by Mr. Gray Silver, of the American Farm Bureau Federation, at its annual convention at Chicago, December 13, 1922:

> I asked a great manufacturer what his pay roll meant, using his mechanical facilities in comparison with unaided man power. I wanted to estimate the productivity of the American farmer and his machinery in comparison with the hoe in Europe and the coolie in Asia, with whom the American farmer competes in the export markets of the world. After nearly a year's time, the manufacturer replied: "Our 10,200 men with their applied mechanics and power machinery do the work of almost 500,000 men working without machinery. Our wage earners are two hundred times cheaper than unaided man power."
>
> The competitive value of applied mechanics on the American farm was shown last year. Our production of rice has increased until last year we had a large exportable surplus. Our friend, Secretary Hoover, said to the representatives of his department in different parts of the world, "Find buyers for this surplus rice; we have 180,000 tons."
>
> And where do you suppose the market was found? In Iceland, in Japan and China—at our domestic price plus the cost of taking it there, proving that the 10-cent worker with the breechclout is more expensive than our labor-capitalist at $3 per day.

American farmers are manufacturers. They produce mostly by machinery. American energy, skill, and machinery, whether on the farm or in the factory, need less protection than some would have us believe who tell of the low wages of ill-conditioned foreign labor.

OATS AND OTHER CEREALS

The tariff affects the price of oats as much as it does corn.

Our crop is normally around 1,500,000,000 bushels, 70 per cent of which is consumed on the farm where produced.

Imports for 1897–1913, under a duty of 15 per cent, exceeded 1,000,000 bushels only in years of domestic crop shortage. In 1914 under a tariff of 6 cents per bushel, coinciding with a crop shortage of about 300,000,000 bushels less than the preceding year, about 22,000,000 were imported.

While approving of the oat tariff as of some benefit, it seems impossible to estimate any large and general cash return to farmers therefrom. Likewise concerning the minor cereals, kafir, and milo, barley, rye, and so forth.

CATTLE

The research department of the American Farm Bureau Federation, after thorough investigation declared that there is practically no benefit to any phase of the American cattle industry from the present tariff, and that it is a distinct injury to cattle feeders.

The United States Tariff Commission reported to Congress in 1922 that the only effect of the emergency tariff was to injure Canada.

In 1923, the American Farm Bureau Federation, the Pennsylvania Farm Bureau, Illinois Agricultural Association, and others appealed to the Tariff Commission for relief from this tariff.

Our tariff on cattle is a direct affront to Canada, that formerly exported some 200,000 head of range cattle annually.

Our northwestern farmers need these Canadian feeder cattle. The United States, as a whole, requires 4,500,000 feeders annually. Canadian feeder cattle should carry to Europe the corn and other feed of our Northwest. By the sudden imposition of our Fordney duties Canada was left without a market. Late in 1922 a traveler in the Canadian cattle country counted 300 cattle and horses, standing up, frozen to death, in a distance of 150 miles on one side of his train. How many more were lying down or were on the other side of the train, and in the far reaches beyond sight? This when beef was high in our cities and corn in the Northwest was selling at from 26 to 31 cents per bushel.

The just wrath of Canadians will not be overcome in many years. Their purchases from us were reduced by $400,000,000, in one year, not from anger only, but mostly because we would not accept, on fair terms, of such of their commodities as we could well use in payment for our goods.

A destructive phase of this tariff, intended to be protective, is seen in the recent diversion of Canada's surplus cattle from the United States to England.

It was estimated in the fall of 1923 that her total shipments to England for that year might reach 50,000 head, and that soon England will take all that Canada can spare—to our proportionate loss.

If we took all of Canada's exports they are too small in quantity to affect the value of our herds that number 68,000,000 heads.

We make a mockery of our boast that our unguarded Canadian boundary line is imaginary only. We fortified it with worse than guns, with a tariff of distress and ill will that gave us never a benefit.

Canada errs in attributing this action to the American people. She apparently thinks that our public rules in tariff matters. She does not realize that the Fordney law was enacted by a few overpowerful manufacturers, who betrayed the principle of protection, fooled the people, and disregarded the better judgment of many manufacturers who wanted lower duties on their own and other manufactures.

PORK AND LARD

As we are the world's largest exporter, the tariff does not affect their prices.

The following calculations are based upon Government statistics and approved by competent and dependable authorities:

WHAT THE TARIFF DOES TO COLORADO

[Census 1919]

| | |
|---|---|
| Population | 939,629 |
| Farmers | 266,072 |
| Woolgrowers | 4,089 |
| Sugar-beet growers | 7,604 |

*Agricultural schedule*

| Crops | Tariff gain to a few grazers on wild lands | Tariff gain to a few farmers | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|---|---|
| Wool | $307,000 | $307,000 | $732,000 | $1,852,000 | $2,558,000 | $200,000,000 |
| Sugar beets | | [1] 3,660,000 | 532,000 | 1,347,000 | 1,879,000 | 216,000,000 |
| Flaxseed | | | 333,000 | 842,000 | 1,175,000 | 30,000,000 |
| Lemons | | | 27,000 | 67,000 | 94,000 | 10,000,000 |
| Tobacco | | | 46,000 | 114,000 | 160,000 | 53,000,000 |
| Total | 307,000 | 3,967,000 | 1,669,000 | 4,222,000 | 5,891,000 | 509,000,000 |

[1] On basis of sugar-beet growers getting one-half the duty.

| | |
|---|---|
| A few farmers gain | $3,967,000 |
| Farmers as consumers lose on agricultural schedule | 1,669,000 |
| Gain to farmers on agricultural schedule, net | 2,298,000 |

**The State as a whole loses on agricultural schedule, net, $1,617,000.**
**Farmers gain on their agricultural schedule $2.50 to $1 of loss.**
**The State loses on agricultural schedule $1.40 to $1 of gain.**

*Manufacturers' schedule*

[On the basis of one-half duties added to prices in certain industries]

| | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|
| Heavy steel products | $1,774,000 | $3,143,000 | $4,917,000 | $375,000,000 |
| Light steel products | 2,661,000 | 6,735,000 | 9,396,000 | 750,000,000 |
| General store merchandise | 8,515,000 | 21,552,000 | 30,067,000 | 2,475,000,000 |
| Total | 12,950,000 | 31,430,000 | 44,380,000 | 3,600,000,000 |

Loss to farmers, manufacturers' schedule ..... $12,950,200
Loss to State, manufacturers' schedule ..... 44,380,200

Farmers lose, on all schedules, net $9,934,000, or $2.50 to $1 of gain.

The State loses, on all schedules, net $45,997,000, or nearly $12 to $1 of gain.

With a population of 939,629, including 266,072 farmers, the State's only substantial gain, $4,274,000, goes to 4,088 woolgrowers or 1 resident in 230, including about 2,500 farmers, or 1 farmer in 106, and to 7,064 sugar growers, being 1 farmer in 38 and 1 resident in 134.

Gentlemen, Congress is becoming a bargain counter.—Senator Dolliver (Republican), Iowa, 1909.

DAIRY PRODUCTS

Representatives of the dairy interests are reported to have made a bad blunder. They asked for twice the duties they wanted. They expected opposition and an agreement that would lower their own tariff demands one-half and many other duties likewise, but the representatives of the manufacturers granted the dairymen's request substantially in full, except on casein, so quickly that the latter could not retract nor explain. The manufacturers know that duties on butter and milk mean nothing, except on Canadian imports produced just north of the border, while duties on manufactures means billions of dollars. Canadian dairymen, especially in Toronto, were almost mortally hurt. A few poor babies and other people in New England and New York State have less milk, cream, and butter. Others must pay a bit more. And Canada finds the richest Nation on earth and its 105,000,000 people, unintentionally, but apparently with willful premeditation, mean to its next best customer in the world.

In midwinter the butter duty increases the cost of storage butter and of fresh butter by shutting out New Zealand, where it is then springtime with large butter production. A modest duty is desirable, especially so long as offsetting manufacturing schedules are exorbitant.

INTERNATIONAL TRADE THE FOUNDATION

Our international trade is one of the very foundations of our standards of living; that our whole fabric of living and comfort are dependent upon the import of commodities which we do not and can not ourselves produce—tin, rubber, coffee, sugar, and a score of others; further, in the main, the amount of these commodities we can import will depend upon the volume we export. Moreover, we need a constant expansion of our export markets to give stability to our internal production by a wider range of customers.—Herbert Hoover, November 9, 1923.

LEMONS

Next to wheat, sugar, wool, and tobacco, lemons yield the largest single tariff profit to agriculture. They are taxed 2 cents per pound. Lemons are needed in the territory under consideration in the hot months. Still more are lemons needed by the poor in our great cities by the 350,000 dwellers in the "dark rooms" of New York City tenements, for instance, each room with two to five occupants, with no natural light and only such ventilation as one room can get from another through an opening 3 by 4 feet. Half the tax now in force might be justified. The present tax raises the prices and the incomes from certain lands in California and Florida and keeps the poor from this disease-fending comfort. Agricultural authorities say that our lemons can compete under a decidedly low tariff because our product is so superior in appearance, size, packing, and extract per lemon that only the poor will use the imported article at anywhere near the same price. Also the efficiency of our methods of cultivation, with improved farm machinery, makes our cost little more per dozen produced than the product of the poorer-paid, inefficient Mediterranean peasant with his hoe.

ORANGES

These and other citrus fruits are not affected by the tariff. We probably produce them, with the help of our machines, as cheaply as any nation per dozen and weight. Oranges are freely exported. Importations are negligible and of inferior quality.

WHO PAYS THE DUTY?

Senator LENROOT, June 20, 1922:

Upon an article like this—cotton gloves—used in every home in the land, we ought not to tax the American people more than 75 per cent.

He knows who pays the duty—the consumer—"only 75 per cent."

Said Senator McCumber regarding wheat:

We want higher prices. When the crop—hard spring wheat—is short we add all the duty. When crops are heavy we get half the duty.

He knows who pays—the consumer.

TOBACCO

The following statement of the research department of the American Farm Bureau Federation in its Weekly News Letter of January 11, 1923, is conservative:

The export and manufacturing types of tobacco, constituting the bulk of the crop, are not subject to tariff influences. Cigar leaf can be but slightly affected, because the import cigar tobaccos are of a different quality and not truly competitive. Connecticut wrappers are probably increased substantially in price by the $2.10 duty on Sumatra leaf, with which they come in competition. How much the increase may be there is no way of determining. As what is believed to be a reasonable guess, based on general considerations of rates of duty, production, and price quotations, the probable benefit to producers is placed at $10,000,000. As the duty on some 85,000,000 pounds of Cuban Sumatra and Turkish tobaccos imported annually is undoubtedly added to the selling price of cigars and cigarettes, the cost of tobacco duty is much higher than the gain to producers, amounting, on the basis of the duties assessed, to $53,000,000. Of this, 10 per cent is assigned to farmers as consumers of cigars and cigarettes.

THE AGRICULTURAL DISEASE

The ruinously low price of wheat is not a new agricultural disease. It is just one more acute symptom of the general trouble from which agriculture is suffering. The disease itself is the distorted relationship between prices of farm products and prices of other commodities. This is not a new diagnosis. It has been pointed out from time to time for the last two and one-half years.

The farmer could get along fairly well with present prices of what he has to sell if prices of what he must buy were down accordingly. But prices on other things remain high. That is what hurts.

When all is said and done, the fundamental fact remains to be dealt with. Agriculture and industry and commerce must be brought into more nearly normal relationship, and until this is done these acute agricultural troubles will develop one after another. (H. C. Wallace, Secretary of Agriculture, August, 1923.)

The present tariff lowers farm prices and raises all other prices.

The following calculations are based upon Government statistics and approved by competent and dependable authorities:

WHAT THE TARIFF DOES TO UTAH

[Census 1919]

| | |
|---|---|
| Population | 449,396 |
| Farmers | 140,249 |
| Woolgrowers | 5,436 |
| Sugar-beet growers | 8,398 |

*Agricultural schedule*

| Crops | Tariff gain to a few grazers on wild lands | Tariff gain to a few farmers | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|---|---|
| Wool | $1,027,000 | $257,000 | $385,500 | $850,000 | $1,235,500 | $300,000,000 |
| Sugar beets | | [1] 2,200,000 | 280,500 | 618,300 | 899,000 | 216,000,000 |
| Flaxseed | | | 175,200 | 386,400 | 561,500 | 30,000,000 |
| Lemons | | | 14,000 | 31,000 | 45,000 | 10,000,000 |
| Tobacco | | | 23,800 | 52,300 | 76,000 | 53,000,000 |
| Total | 1,027,000 | 2,457,000 | 879,000 | 1,938,000 | 2,817,000 | 609,000,000 |

[1] On basis of farmers getting one-half the duty.

A few farmers gain (wool and sugar only) ..... $2,457,000
Farmers as consumers lose on agricultural schedule ..... 879,000

Gain to farmers on agricultural schedule, net ..... 1,578,000

The State as a whole gains on agricultural schedules, net $667,000.

Farmers gain on their schedule, $2.80 to $1 of loss.

The State gains on agricultural schedule $1.25 to $1 of loss.

*Manufacturers' schedule*

[On the basis of one half of duties added to prices in certain industries]

| | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|
| Heavy steel products | $701,000 | $1,082,000 | $1,783,000 | $375,000,000 |
| Light steel products | 1,052,000 | 2,318,000 | 3,370,000 | 750,000,000 |
| General store merchandise | 3,366,000 | 7,420,000 | 10,786,000 | 2,475,000,000 |
| Total | 5,119,000 | 10,820,000 | 15,939,000 | 3,600,000,000 |

Loss to farmers, manufacturers' schedule ..... $5,119,000
Loss to State, manufacturers' schedule ..... 15,939,000

Farmers lose, on all schedules, net, $3,541,000. They lose $2.50 to $1 of gain.

The State loses, on all schedules, net, $15,272,000. It loses $5.50 to $1 of gain.

With a population of 449,396, including 140,249 farmers, the State's only tariff gain, $3,484,000, goes to 5,436 woolgrowers, being 1 resident in 83, including about 1,100 farmers, being 1 farmer in 127; and to 8,398 sugar-beet growers, being 1 farmer in 17 and 1 resident in 53.

THE TARIFF MAKES FARM IMPLEMENTS COST $100,000,000 TOO MUCH

On the basis of normal quantity production the present tariff makes farm implements cost farmers $100,000,000 too much and implement manufacturers $50,000,000 too much. American steel makers add the duty and the freight from Europe to domestic prices. They export $230,000,000 at 30 per cent less than domestic prices. Total export steel products, all kinds, $700,000,000.

To-day's prices (October 22, 1923) of American-made bar steel, which is a criterion for all steel prices, is $2.40 per hundred pounds. The export price of English bars is $1.61. The Belgian price, in dollars, is 3 per cent less. France is between England and Belgium, while in Germany, with her worthless currency, the bugaboo of the nations, the dollar price is 50 per cent higher than in England.

The American price, $2.40, is the English price plus the duty of 27 per cent, or 43½ cents, plus 20 cents freight to New York, plus 16 cents for good measure. (Note—December, 1923, United States bars, $2.50 per 100 pounds.)

While thus charging the last farthing that circumstances permit, our steel manufacturers are exporting at the rate of $230,000,000 annually, and the net profits of the greatest of them, the United States Steel Corporation, in 1923 were, in round figures, $180,000,000 net, subject to interest charges and dividends. Dividends were declared for the quarter year ending September, 1923, at the rate of $6 per share on its $508,000,000 of common stock, once all water and sold for $8 per share, now worth intrinsically $260 per share. The Wall Street Journal of November 2 says that 10 per cent annually, or $10 per share, "would have been entirely conservative and proper, as the earnings for the current year are at the rate of 15 per cent after paying preferred dividends." Some other companies were as profitable.

American wages, measured in dollars, are the highest ever, largely because the tariff is exorbitant and profiteering, instead of honestly protective. Wages must keep up with living costs, even if the latter are not honest.

These and similar excessive costs of materials and wages and of freights, which are high for the same reason—railroad equipment is figured on the above steel basis—makes the factory cost of farm implements at least 10 per cent above honest protection and likely 15 per cent. At 10 per cent excess cost the implement factories are obliged, if they live, to pass this excess cost on in the sum of $50,000,000 annually, further increased as the implements pass to the wholesaler, to the retailer, and on to the farmer to a total of $100,000,000.

Farmers can not pass this $100,000,000 on to their consumers, because 89 per cent of all American farm products are sold on a free-trade or export basis. They can not sell free trade and buy profiteering, so they are going without needed new implements.

Farmers constitute 29 per cent of our population and fully one-third of its purchasing power, for farmers, as users of machinery and other appliances, are far greater purchasers than average citizens. Also farmers pay 40 per cent of all railway charges—far more than average citizens.

This tariff victimization of America's fundamental industry, agriculture, and of nearly one-third of her population can not endure.

In 1922–23 farm-implement factories produced only 32 per cent of the normal number of implements. Twenty of them lost $50,000,000 in two years. They are on the free list. Protective rates would not help them. When they can not sell at present prices, they could not sell at higher "protected" prices. Exports are large, imports negligible. The remedy is in honest steel and other duties.

The cost of railway equipment and operation would be reduced $500,000,000 by reasonable adjustment of steel and other duties especially onerous to railroads, and by such wage adjustments as would reasonably adjust wages to the lower living costs consequent upon fair tariff corrections without lowering the present purchasing power of wages. The first step toward lower freight rates is this reduction in operating costs.

The situation of the farm-equipment manufacturers in respect to excessive costs due to the tariff is duplicated in almost all small manufacturing, and also in some of the greatest of our industries, like automobiles, furniture, and many building products. The fact that Mr. Ford makes his own steel may account in part for his own low prices. He does not have to pass on a huge steel graft to his trade.

Bad as is the condition of these intermediate manufacturers, a sudden and complete correction of tariff rates to a basis of honest protection would ruin many of them. They and their retailers are loaded with merchandise at these Congress-made and extortionate prices. They must unload at corresponding prices, and tariff adjustments when made must provide for this situation.

COMPETITION, THE "PROTECTOR" OF THE CONSUMER—WOMEN AND THE TARIFF

Industries that are on a strictly competitive basis, like clothing, shoes, and implements, have to sell close and sometimes without profit. Only the best-managed ones make good profits. Competition controls their selling prices, as it does in agriculture.

Competition is the "protector" of the consumer. By eliminating foreign competition by duties beyond the fair requirements of domestic production the tariff becomes, in fact, "the mother of trusts." It offers temptations for lawbreaking and price fixing beyond the resistance of many men.

Even Chairman McCumber, of the Finance Committee, United States Senate, CONGRESSIONAL RECORD, July 26, 1922, says:

> The only good reason for allowing products to come into this country to compete with our own is to hold down and prevent any extortionate charges being made by the producers in our own country. We want foreign competition to prevent combination.

It is strange for Congress to make price fixing criminal and also, in the present tariff, to make price fixing profitable beyond the dreams of our forefathers.

In the present tariff, for instance, Congress greatly increased the duty on the clay tiles used in farmers' drains and in buildings and sewers, also on cast-iron pipe, on the sanitary ware used in bathrooms, on linseed oil, and on window glass. The makers of all these were then under court indictment for "arbitrarily and excessively" raising their prices by price-fixing agreements. Some of these makers have been given jail sentences and heavy fines.

The United States Tariff Commission and other authorities declare these industries need no protection. They are the most efficient in the world.

Extreme protectionists stress the fact that imports have largely increased under the present tariff. They have, but mostly in raw and partly finished materials for use in our factories, while the goods that compete even remotely with domestic products have been largely excluded by the present tariff, leaving domestic makers of these products to make what prices they will, with only the rich, who do not mind the cost, to use imported articles.

For instance, a beautiful party gown covered with embroidered beadwork, costing $7.40 in France, retails here for $40 and upward; another, $16 in France and $95 here; another, $52.50 in France and $300 here, with no profiteering in any of these gowns except the doubling of prices by the tariff; a child's dress, about 90 cents in France and the price here doubled because it has 3 cents of machine lace on neck and sleeves; an embroidered ornament for women's hats, costing 65 cents in France and adding $5.50 to the retail price of a choice imported hat if put on the hat in France, thereby raising the duty from the hat rate of 55 or 90 per cent to the "ornament" rate of 90 per cent. The duty on the hat is increased $2 by this 65-cent ornament. Also choice cotton dress goods, 95 cents a yard in France and $3.50, retail, here. The choicest woolen dress goods, 50 inches wide, $1.15 at the French factory and $4 at retail here, and no profiteering on these dress goods except the tariff. Long kid gloves, duty $1.87 per pair; none made here; the duty intended chiefly to make our women wear what we do make here and they do not want.

All these things are noncompetitive in that the wearing apparel is handmade, while American things are machinemade. We do not want our women to stitch, stitch their lives away with hand needles, nor will they. We can not and will not make these things. We need them for variety and beauty. They are especially artistic in color, design, and workmanship. While we can not and will not compete with this handwork, our corresponding machinemade articles are sold the world over.

The cotton and woolen goods are likewise different, some made on hand looms that we will not use and others requiring more time and care than we give.

The duty on the cloth in women's "tweed" suits and coats, of which 30,000,000 are sold annually, adds from $4 to $5 each to retail prices, an addition of $120,000,000 to the clothing bills of American women.

These things typify French production. Likewise British, Italian, and other European products largely differ from ours in quality or design. We need low enough duties on strictly competitive articles to keep domestic prices within reach. On noncompetitive articles we need reasonable duties to enable foreign countries to buy and pay for greater quantities of our foodstuffs that are now selling below the cost of production. This means everything to our agricultural States.

It means much to their foreign customers. The countries who fought for us while fighting for themselves—France, Britain, Italy, and others—are undernourished and below par in efficiency. They want food, and from us. They can only pay by exchange of commodities. They virtually say, "We are hungry; won't you take these things from us on a reasonably protective basis and give us food in exchange? Won't you give us more of the wheat you are said to be feeding to hogs, for which we would pay good prices?" And our answer is, "We don't know you—not interested. The Chicago wheat pit handles our farm products."

Farmers can plan and hope, but they can not add a dollar of their tariff rates to their prices except on wool, sugar, flaxseed, and spring wheat, and on minor and relatively inconsequential commodities like lemons and odds and ends. It behooves them to give thought to export trade.

TWO GROUPS CRUCIFIED—FARMERS AND WOMEN

The present tariff crucifies two groups, farmers and women. Farmers by reducing the purchasing power of their products until "the farmer's dollar is a 68-cent dollar" and by severely restricting their foreign markets. Women by declaring everything they wear a luxury and taxing it as if its purchase were a sin. It would compel women to dress as severely as men, ignoring the requirement of all the ages that women adorn themselves with things of modest beauty for the joy of the world and as an outward token of their inner loveliness. It is brutal to tax their things from 60 to 90 per cent, leaving only the rich to use beautiful things from abroad of slight initial cost, and to make American retail prices sometimes five times the foreign costs.

AGRICULTURE AND FOREIGN TRADE—AMERICA ONE-THIRD FREE TRADE AND TWO-THIRDS PROFITEERING

The principal European importers of foodstuffs are Great Britain, Germany, France, and Italy.

Their consumption of human foodstuffs, wheat and rye, since the war has been only 80 per cent of their average consumption in the five years before the war, 1909–1913.

Their imports of both human and animal foodstuffs have been at prices below their own costs of production.

Their aggregate population is greater now than before the war. Even France, exclusive of her newly acquired provinces, Alsace and Lorraine, has a larger population than before the war, while the population of Italy in her pre-war area has increased from 35,000,000 in 1911 to about 39,000,000 now.

In some quarters the fact that the United States is exporting more cereals now than before the war is taken to indicate a prosperous condition of export trade. When, however, the condition of the importing countries is such that their consumption per capita is one-fourth less than before the war, and they purchase their imports at less than their own costs of production it is manifest that they are buying under great difficulties the least possible and only at bargain prices.

The consumption in these countries of animal foodstuffs, corn, oats, and hay, is about 40 per cent less than pre-war, showing that these countries are going without meat even more than without bread.

The consumption of human and animal foodstuffs combined is about 30 per cent less than before the war.

All this means undernourishment, sickness, and suffering, and low productive efficiency in Europe, where, if anywhere, we must dispose of our foodstuffs and the prices must be made that determine domestic prices also.

No one thing will completely mend this situation. The present tariff, however, aggravates it in an extreme degree, because it makes impossible a reasonably fair and considerate exchange of commodities between our own and other countries.

It is impossible for these countries to pay their war debts to the United States, and to buy our products also. Whether or not any consideration should be given to suggestions that all or part of these war debts should be forgiven, there should be no question, but we should so reasonably revise the present tariff as to help Europe to purchase and to pay for enough of our foodstuffs and other needed products to restore her physical and productive strength.

What it means to American farmers to produce and sell on virtually a free-trade basis, to buy their requirements from profiteering manufacturers, and to have their foreign market restricted is indicated in official reports that 47 per cent of all persons adjudged bankrupt in Idaho in 1922 were farmers, and that from 32 to 78 per cent of all formal bankrupts in Iowa, Nebraska, Kansas, Colorado, North Dakota, South Dakota, and Montana were farmers.

America can not endure one-third free-trade, the farmers and the other two-thirds profiteering under a tariff like the present. On that basis the profiteering two-thirds will consume, first, the other third and then themselves.

Our farmers get good enough prices for their crops, excepting wheat, as Secretary Wallace and all others say. The trouble is they can buy so little with the proceeds of their crops. As Senator CAPPER says, "The farmer's dollar is a 68-cent dollar. That is all it will buy of other men's goods. It is a terrible disadvantage."

Farmers are now diversifying their crops, except in the Dakotas, and doing all else they can, in the main. The tariff picks their pockets. That is the trouble.

MANUFACTURING

In agricultural States manufacturing is almost entirely the handmaid of agriculture, devoted either to the repair, upkeep, and extension of the domestic facilities of the several States or to the preparation of their foodstuffs for consumption, far and near. The tariff does not concern industries of this sort except where it increases the cost of such manufactured supplies as they purchase, raises the general cost of living, and, consequently, of wages, and increases prices of the products of these industries—sometimes to such an extent as provokes consumers and limits consumption.

Almost without exception the industries in these States are on a keenly competitive basis that prevents undue additions of tariff benefits to prices. They must, however, in the metal and woolen industries, for instance, add whatever tariff benefits they have paid to the steel makers and woolgrowers, and so forth, and add a further charge to cover their own costs and profits on the steel makers' tariff charges, as shown in the statement on farm implements, which are largely manufactured in Iowa and Minnesota, whose implement manufacturers are desperately hurt by the steel tariff.

Slaughtering and meat packing is the principal industry in Iowa, Kansas, Nebraska, and Colorado, as measured by the value of the product. It is the second in Minnesota and third in Utah. Flour mills are first in Minnesota; second in Nebraska, Kansas, and Colorado; fifth in Utah; and sixth in Iowa. The tariff has nothing to do with their profits.

So of cars and general shop construction by steam railways, which is the third greatest industry in Colorado, the fourth in Iowa, Nebraska, Kansas, and Utah, and fifth in Minnesota.

Butter making is second in Iowa, third in Minnesota and Nebraska, fifth in Kansas, sixth in Colorado, and tenth in Utah.

Bread and bakery products are fifth in Nebraska and Colorado, seventh in Kansas, and eighth in Iowa, Minnesota, and Utah.

Confectionery and ice cream is sixth in Utah, ninth in Colorado, tenth in Nebraska, fourteenth in Kansas, and seventeenth in Minnesota.

Printing and publishing of newspapers is sixth in Nebraska, seventh in Iowa and Colorado, eighth in Kansas, ninth in Utah, and tenth in Minnesota.

Automobile repairing, foundry and machine-shop products, brick and tiles and lumber, canning and preserving, coffee roasting and grinding, and the preparation of other food products are among the principal industries in each of these States.

As regards the tariff, these "principal industries" of our agricultural States are in strange and utter contrast with the

principal interests of the leading manufacturing Eastern States for whom the manufacturing schedules of the tariff were written under their own dominating political insistence.

Of the foregoing industries, for instance, only two—foundry and machine-shop products and bread and bakery products—are listed in the 32 principal manufacturing industries of Connecticut, most of which have protective duties of the utmost value to their owners. For instance, brass, bronze, and copper products, closely associated, are given 45 per cent protection, against 20 per cent of wage cost; cotton goods have from 12 to 40 per cent protection, which the manufacturers are now proposing to increase. Their wage cost averages 16¾ per cent. Cotton laces carry 90 per cent protection with only 27 per cent of wage cost. The duty is mostly added to prices. Silk goods have duties running from an average of about 55 per cent on woven fabrics against 15¾ per cent wage cost, and 90 per cent on laces with 27 per cent wage cost; hardware 40 per cent against a wage cost of 31 per cent. American hardware is freely sold throughout free-trade England, and files are exported at 30 per cent below domestic prices. Their duty is 44 per cent and the wage cost only 30 per cent. Electrical machinery and supplies, with an average of 41 per cent protection and a wage cost of 24 per cent, are largely controlled by the two corporations that almost wholly dominate domestic production and make vast profits. Clocks and watches that are exported freely over most of the world add most of their duties of from 37 to 53 per cent against wages of 38 per cent.

Our ability to make high-grade inexpensive clocks and watches and the use made of our tariff by the watchmakers was shown in the years 1903 to 1909, when there were large exports of Elgin and other watches and watch cases at prices that permitted their retail abroad at less than half of our domestic prices.

CONNECTICUT CONTRASTED WITH IOWA

A comparison of the difference between the tariff profit and loss account of Iowa and that of Connecticut and Massachusetts would be most instructive. While Iowa loses, net, $87,786,000 from the tariff, it is not unlikely that Connecticut gains $30,000,000 and Massachusetts $40,000,000 annually. This because Iowa can not add her duties to her prices, while Connecticut and Massachusetts, like Pennsylvania and New Jersey, can add vast amounts. Iowa's duties are counterfeit dollars, while many of Connecticut's are a golden lien upon the pockets of all American consumers. This does not mean, however, that any great number of Connecticut's population of 1,380,631 souls profit by the tariff. Her farmers gain little except on a small output of shaded American Sumatra tobacco; her mechanics get lower wages than in the virtually unprotected Western States or in Ohio, Indiana, and Illinois, where makers of textiles, steel and steel products, chinaware, glucose, aluminum, and others make large use of excessive duties, while their manufacturers of implements, clothing, and other sharply competitive products lose as in the agricultural States.

The Federal census of 1920 shows 4,872 manufacturing establishments in Connecticut, a relatively small State. In some cases a single corporation owns several establishments.

Ten per cent, or 487, of these establishments employ 263,000 wage earners, or 90 per cent of all Connecticut factory workers. They include all factories with upwards of 100 workers each. Among the largest groups are brass, bronze, and copper, with 29,580 workers; hardware, 18,000; firearms and ammunition, 17,000; cotton goods, 15,000; silks and electrical machinery, each 11,000; hats, cutlery, clocks, rubber boots and shoes, rubber tires, and plated ware, 5,000 workers each; needles and pins, 4,000.

These are the kinds of industries, held in few hands, that profit greatly by excessive duties. Some of them need protection. They all use this fact to get often several times higher duties than they need. In the present state of public ignorance regarding rates there are none to say them nay.

The profits of some of them are indicated by the published reports of the American Brass Co., which, by the way, is now owned mostly out of the State, its control being in the Anaconda Copper Mining Co. of Montana and Wall Street.

The earnings on the capital stock of the American Brass Co. were 41 per cent in 1915, 73 per cent in 1916, 47 per cent in 1917, 26.6 per cent in 1918, 19 per cent in 1919, 22.4 per cent in 1920, while New England cotton mills have earned as much as 25 per cent, 50 per cent, 70 per cent, and sometimes more in recent years.

The Cheney Silk Co. increased the value of its capital stock from $7,000,000 in 1905 to $21,000,000 in 1921—a gain of $14,000,000 in 16 years, in addition to dividends, which are understood to have been satisfactory.

Why did Congress further greatly increase the duties of many such manufacturers in the face of such profits? We all admire profits fairly earned. We do not want them given as legislative largess at the expense of the general public.

If we knew the number of large shareholders in these corporations we would see that these tariff profits go to very few people—not over 5,000 in large amounts in Connecticut, out of her total of 1,380,631 residents. The rest pay the bill along with residents of other States.

Connecticut cotton-mill workers got little of it, as American cotton-mill wages are the lowest in the country for the quality of service rendered. Silk and woolen mills pay about the same as cottons. Nor do Connecticut machinists get much benefit. Their wages are lower than in the less-protected Central Western States.

The time will come when residents of Connecticut and Massachusetts will want lower living costs and freer markets and will not sit by while a few of their great families increase their vast fortunes by excessive tariffs by a perversion of the principle of protection.

Nor will western legislators for long let eastern manufacturers divide the tariff income into golden eagles for themselves and counterfeit dollars for the West and the South and for farmers everywhere.

MANUFACTURING IN IOWA

In 1920 Iowa had 80,001 wage earners, of whom 19,000, or one-fourth, were in large unprotected industries—in slaughtering and meat packing, butter making, flour mills, bakeries, confectionery and ice cream, poultry dressing, canning, and other food preparations.

An additional 32,000 wage earners were engaged in repairing and constructing railway equipment, in printing, planing mills, foundry and machine shops, automobile repairing, brick and tile making, gas works, sheet metal, saddlery, coffee roasting, and cement making.

These two general groups include 51,000 out of her total of 80,551 wage earners, with 23,000 others similarly employed in smaller industries, not affected by the tariff.

This leaves only 7,600 of her wage earners, being 1 wage earner in 10 and 1 resident in 300, engaged in general manufacturing for country-wide distribution. Of these all but 2,091 are making steam and gas engines, washing machines, rubber tires and rubber goods, and agricultural implements—all highly competitive industries, mostly hurt rather than helped by the tariff.

The "pearl-button" industry in and about Muscatine, Iowa, and making these buttons from Mississippi clam shells sought to better itself by doubling its duties.

Domestic production is so great, however, that despite the 100 per cent increased protection that they obtained their prices are lower than before the enactment of this tariff. The quality of Japanese importations made from sea shells, superior in quality to clam shells, are considerably reduced; prices on these decreased importations are doubled, and to no one's advantage.

MANUFACTURING IN MINNESOTA

In manufacturing, Minnesota is so like Iowa as to make a full statement unnecessary. Her only effectively protected industry is the crushing of linseed oil from flaxseed, an operation about as simple as brewing tea, employing a total of 483 wage earners in six factories, with a total wage cost of less than 3 cents per dollar of product at the factory selling price. American linseed oil crushers have apparently been in close affiliation in price making for 20 years and have been before the courts more than once for price fixing, the last court conviction being in July, 1923. A recent preliminary statement of the United States Tariff Commission shows that these crushers get about 12 cents per gallon of so-called tariff protection for their simple process, which should have no protection, because the cost of transportation and distribution of foreign linseed oil more than offsets any possible excess in domestic costs. Flax growers need their present protection; but the duty to oil crushers gives them a dishonest $5,000,000 for which the public pays at retail $10,000,000.

MANUFACTURING IN NEBRASKA AND KANSAS

The tariff has nothing to do with manufacturing in Nebraska except as it increases the cost of living and of raw materials, like steel, aluminum, brass, and wool used in her factories.

Of Nebraska's 36,521 factory wage earners in 1919 more than one-fourth, or 10,122, were in slaughtering and meat packing; 6,178 were in the construction and upkeep of her steam railroad equipment; 1,627 were in bakeries; 2,476 were in printing; 1,134 in automobile repairing, and 607 made ice cream and candy. Other groups were smaller and of like sort.

With nature's own protection from foreign competition in great intervening stretches of land and sea, these industries, predominately local in their characteristics, have no relation to protection. Not even near-by Illinois and more remote Massachusetts, with their free access to Nebraska, can hurt them.

In both Kansas and Nebraska slaughtering and meat packing is the principal industry, flour mills second, railway cars and shop construction fourth; butter third in Nebraska, and fifth in Kansas.

Kansas is distinguished for her production of salt, in which 1,072 wage earners are employed in 12 establishments.

Since protection was first corrupted in practice, high tariff rates have been put upon some of the simplest commodities, like salt, lead, and glucose, controlled by great corporations often with price-fixing agreements; commodities so simple that the public could scarcely realize that Congress was giving them millions of dollars in gratuities, picked a nickel or a dollar at a time, by deft fingers from every pocket in America.

We have innumerable salt beds, some of them, including one in Kansas, that are from 300 to 600 miles long, from 50 to 200 miles wide, and from 200 to 500 feet thick, and in a few cases from 1,000 to 2,000 feet thick. One salt bed, for instance, extends from a point north of Detroit nearly to the Hudson River, the whole area dotted with salt wells.

Water, preferably heated, gravitates through pipes to the beds (a case of protecting gravity at the dictation of a trust) where it is saturated with pure salt, is pumped up and evaporated in a vacuum at a summer temperature of about 100 degrees by the use of American coal, which is so cheap that we export it in great quantities. There is no refining cost—only the evaporation of the water.

The total wage cost in our salt works is 19¼ cents on each dollar of salt produced at the factory-selling price, according to the census of 1920. Our salt makers prospered in the free list in the last tariff. The present tariff is 25½ per cent in bags and barrels, and 38¾ per cent in bulk. The average protection is 30½ per cent against total wages of 19¼ per cent. In 1920, under free trade, we exported nearly three times more than we imported, while the International Salt Co. made nearly 14¾ per cent on its capital. In 1921, it made over 15 per cent. Under the tariff of those years the public was protected and the makers prospered. At present the public pays 62 per cent extra for its salt because of the tariff, or as much of that increase as the closely associated manufacturers dare to charge.

The story of the Salt Trust and the tariff has been a sordid one for a generation. The Payne tariff of 1908 gave it 82½ per cent of protection, or four times its total wage cost, while the Dingley tariff of 1897 gave it 50 per cent.

MANUFACTURING IN COLORADO AND UTAH

Manufacturing in Colorado and Utah is like the simpler processes in Kansas and Iowa, except as respects sugar, and the smelting of lead, which is the principal industry in Utah in the value of the product, with sugar second, slaughtering third, railway cars and shop construction fourth, flour mills fifth, and confectionery and ice cream sixth.

Lead: We have an exportable surplus and almost unsurpassed deposits of the four great metals—iron, copper, lead, and zinc. None of them need protection except for the purpose of excessive profits, or so raising prices that the less valuable deposits will be worked profitably.

In January, 1922, under the Underwood tariff, which averaged 15½ per cent on lead ore; 25 per cent on bullion, pigs, and bars; and 20 per cent on manufactures of lead. The price of lead was the same, 4½ cents per hundred in London and in St. Louis, which is the central market for this country. The price in New York City was the London price plus freight. This shows that the protective duties were not used at that time.

Labor in smelting and refining was 3½ cents per dollar of product in 1914 and 3 per cent in 1919. Why is the tariff 69 per cent? Can the big smelters tell?

The wage cost in converting pigs and bars into manufactured products averages 6½ per cent. This wage cost is low because the material is only warmed and exuded by pressure from machines, as pipe, and so forth. Why is the tariff 41 per cent?

These wage figures look low, but have been repeatedly approved.

These duties invite the manufacturers to add $19,000,000 to their prices, and present indications and past experience assure us that they will miss their opportunity unless in times of especial depression.

In conclusion, as regards manufacturing as well as agriculture, the advantages of high tariff rates to agricultural States are negligible. The cost is great.

To everyone in these States, as a consumer, and especially to farmers with their "73-cent dollar," it is of vital consequence that the cost of living is now vastly increased by higher duties than fundamental facts and reasonable protection require. Let us take the dishonesty out of the tariff and learn what honest protection means.

The Fair Tariff League, with the assistance of many of the ablest experts and men of experience in trade and industry, has analyzed general merchandise of a factory value of $14,800,000,000, being the kinds of merchandise that fill our general stores and retail at approximately twice the factory cost, or $30,000,000,000. The league has also analyzed the steel and iron and other metal-working industries whose products were valued in the census of 1920 at $6,785,250,000, and cost consumers approximately twice this in retail prices or in amortization charges upon such items as steel rails and structural iron.

The mere statement that the present tariff adds approximately $2,475,000,000 to the cost of general merchandise over and above the requirements of honest and fair protection seems to a few people, simply from the largeness of the amount, to be incorrect. Likewise the estimate of approximately $750,000,000 on light steel products and $375,000,000 on heavy steel products—a total addition to the cost of our manufacturers of $3,600,000,000.

When, however, it is considered that the total value of our manufactures is upward of $45,000,000,000, and that 3 per cent of this is $1,350,000,000, and that this amount is approximately doubled at retail and become the $2,700,000,000, and that a 5 per cent tariff increase would cost consumers $4,500,000,000, it may well be wondered why the league's figures are not larger. It is because we cover only part of the industries. New studies increase the total.

For instance, the application of the figures used elsewhere in the statement on farm implements, applied to our steam railroads, indicate clearly that just as farm implements, on the basis of a normal year's production, cost our farmers $100,000,000 too much because of unjustifiable tariff rates on steel and steel products, so the tariff adds unnecessarily $500,000,000 to the annual cost of operation of our steam railroads and to our freight and passenger charges, conservatively estimated.

Whether a State will be satisfied to exact excessive prices on one or two of its products, like wool and sugar, and in return permit other States to make offsetting and greater charges on their manufactured products is largely a matter of farsightedness and good morals. That such a course is against the public interest, that it undermines the morals of Congress and the Nation, incites to continuing unrest and radicalism, to political upheavals, and frequent and hurtful tariff revisions, is manifest.

HEAVY STEEL PRODUCTS

Extensive analysis of the seven basic steel industries—pig iron, bar steels, rails, structural iron, cast and wrought iron pipe, tinplate and terneplate, and wire and wire work—see leaflet, Fair Tariff League—shows that Congress in the Fordney law gave these industries the privilege of adding $351,000,000 to their prices, to cost consumers twice this sum at retail and in amortization charges, or $702,000,000.

Since the great steel consolidations these industries have charged all the traffic will bear. It is overconservative to estimate, as in accompanying tables, that only one-half of the above tariff allowance is added by them to their prices, or $175,000,000, to the United States as a whole, to be doubled at retail or by amortization charges in freights and buildings, and so forth, making a total cost to American consumers of $350,000,000, or an average of $3.50 per capita. The steel duty, however, costs farmers half as much again as other citizens, or $158,000,000 all told, for farmers are among our greatest consumers of steel, in machinery, in automobiles, and in the transportation of their crops on the railways.

There is no reason for this tariff except price raising. We are the greatest and cheapest producers of steel on earth. Steel producers say so. We exported in the three years, 1919-1921, of these heavy steel products, $733,787,285, against imports of $34,786,900. Exports were twenty times greater than imports. Exclusive of pig iron, which we are willing to export only in more highly finished products, we exported fifty times more than we imported.

The heavy steel duties are an enslavement of the public to a few of the wealthiest corporations in the world. Their annual profits aggregate hundreds of millions of dollars. The duties on these heavy steel products show clearly the difference in the value of duties to manufacturers and to farmers. Manufacturers when they will, if only by winks and nods, can agree on prices and add all their duties to their prices.

When the steel schedule was before the Senate Senator UNDERWOOD, of Alabama, said:

I am in the business myself. I represent a great iron and steel district. I would not willingly harm a people that I represented, but neither would I willingly betray a people I represented by taxing them unjustly for special interests. I know this iron and steel schedule, and I know that it is a fraud and a shame upon the people of this country. I know that it is not even in the interest of the industry in the end. * * * It can compete anywhere in the world. We are the master iron makers of the world.

Where the fallacy of this argument comes is that under the guise of doing something to help the farmers in some particular item, their support is asked for a bill of which, as a whole, it seems that for every dollar the farmers may derive from the bill they will pay $100 in taxes for the benefit of somebody else.

LIGHT STEEL PRODUCTS

On other metal products, stamped ware, sewing machines, machinery of all sorts, hardware, washing machines, etc., Congress invites the manufacturers to add $790,000,000 to their prices, to cost consumers at retail $1,580,000,000.

Only insanity would let manufacturers go so far. Prices were high, however, under the former tariff, and have, on the whole, advanced rapidly since. It is fair to estimate that an addition of one-half of this vast total, or $375,000,000 at the factories and $750,000,000, at retail may be added above the cost of such merchandise abroad, being $7.50 per capita as estimated in our tables.

GENERAL STORE MERCHANDISE

An analysis of 29 industries making the merchandise that fills our retail stores—cottons, woolens, aluminium wares, gloves, hosiery, glassware, chinaware, etc.—shows a tariff permit for price raising of about $5,000,000,000 above the prices of imported articles.

Only insanity would cause manufacturers to add all this.

Makers of some of these products have, however, already added the entire tariff advance (see Book 1, Fair Tariff League). Assuming that an average of one-half of the total will be added, or $2,475,000,000, to these and other like articles we have a not improbable tariff tax of $30 per capita, or $150 per family of five.

These figures help us to see why, as Irving Fisher says, an income now of $20 a week goes no further than $12 a few years ago.

A SUGGESTION TO MANUFACTURERS

Certain manufacturers fought by every means fair and foul for the duties they got, and with the opposition of many other manufacturers who saw the need of moderation and wanted lower rates on their own and other products.

If the over-protected manufacturers were not going to use these duties why did they fight for them?

We here estimate that these manufacturers will succeed in using only one-half of their full duties.

If over-protected interests dare claim that they will add less than one-half of their duties to their prices, then let them petition the President to lower their duties by the other half, as he is given power to do under certain condition under the flexible provisions of section 315. Then will the public believe that tariff rates fought for and tricked for are really not to be used.

Senator LENROOT (Republican, Wisconsin; CONGRESSIONAL RECORD, July 26, 1922) said:

The Payne-Aldrich bill was crooked, yet if it had not hurt the American people * * * there would have been no such political revolution as followed. * * * There is very little difference between the Payne-Aldrich bill and the duties as reported in this bill.

ALEXANDER HAMILTON AND AMERICA'S FIRST TARIFF

Those who talk about Alexander Hamilton as the father of protection carefully withhold information about his tariff which every citizen should know. Framed by Hamilton, it was sponsored by George Washington and enacted July 4, 1789, as the first act of the American Congress under our present Constitution. It was plainly written. Every Member of Congress knew what he was voting for and the public knew what it was paying for.

Not one-tenth of our Congressmen now know what they are voting for, and the public knows less.

Hamilton's highest protective rate was 10 per cent, except on carriages, which were considered a luxury and taxed 15 per cent. Most of his duties were 7½ per cent, covering the majority of articles now taxed from 30 to 90 per cent.

As Hamilton said, American artisans got higher wages than the English then and previously when we were an English free-trade colony. As he said, the purpose of his protection was not for manufacturers but to develop a home market for our farmers, whose food products were then virtually prohibited by hostile legislation from entering Europe. Here is in full Hamilton's dutiable list:

On all looking-glasses, window and other glass (except black quart bottle); all china, stone, and earthen ware; gunpowder; all paints ground in oil; shoe and knee buckles; gold and silver lace, and gold and silver leaf, 10 per cent ad valorem. On all blank books; all writing, printing, or wrapping paper, paper hangings and pasteboard; all cabinet wares; all buttons; all saddles; all gloves of leather; all hats of beaver, fur, wool, or mixture of either; all millinery ready made; all castings of iron and upon split and rolled iron; all leather tanned or tawed, and all manufactures of leather except such as shall be otherwise rated; canes, walking sticks, and whips; clothing, ready made; all brushes; gold, silver, and plated ware, and on jewelry and paste work; anchors, and on all wrought, tin, and pewter ware, 7½ per cent ad valorem; playing cards, per pack, 10 cents; carriages, 15 per cent.

This quotation covers one-fifth of Hamilton's entire tariff, the remainder being given to methods of enforcement, and so forth.

Contrast the clearness and brevity of this tariff with our present tariff, which fills 147 pages of a book 9 inches by 6, with a double-column index of 51 additional pages.

The dutiable list covers 71 pages, from one-half to two-thirds of which might be eliminated, thereby eliminating also two-thirds of the present dishonesty, for neither Congress nor the public could face the present duties if simply and plainly stated.

For instance: Hamilton said all glassware, except black quart bottle, 10 per cent, leaving the cheap quart bottle 5 per cent. In those days glass bottles were blown by mouth. Glassware is made of silica sand—not unlike beach sand—and limestone, fused by burning coal, with lead added only in luster glassware of the highest quality. Who would protect sand and limestone and coal, which we export freely? Now a single machine makes 50,400 pint bottles in a 24-hour day, with no labor except in keeping it oiled. It makes the little 1-dram bottles used by the homeopaths at the rate of 165 per minute. Congress gives this machine an average duty of 51 per cent. "If holding more than 1 pint, 1 cent per pound; if holding not more than 1 pint and not less than one-fourth of a pint, 1½ cents per pound; if holding less than one-fourth of a pint, 50 cents per gross." These distinctions confuse the uninformed and increase the manufacturers' graft. This quotation is one-fourth in length of the pressed-glass schedule—all as confusing as this. The entire present glass schedule covers three pages. Our glass tariffs have made the common Window Glass Trust a conspiracy, with wheels within wheels, which was under court indictment for price-rigging when Congress passed the present tariff. One of its divisions had made $19,382,168 net after interest and taxes, under the low Underwood tariff in the 10 years, 1912–1921. Another, the American Window Glass Machine Co., made $14,197,805 in the six years ending with 1916. One company exported $2,300,000 in one year. All this under the former duties averaging 9.6 per cent. Did Congress raise the duty to 28 per cent in the face of these facts in the public interest?

Under the previous lower duty, averaging 15 per cent, the Plate Glass Trust made net profits for its stock above taxes of $43,320,313 in the 10-year period 1912–1921. For a generation this trust has wickedly abused its tariff opportunities. Did Congress increase its duty to an average of 23 per cent in the public interest? The trust adds all of the tariff to its prices and more. The plate-glass schedule is three times as long as Hamilton's dutiable list for all commodities. Not even an expert of the trust could have written it originally with all its devilments. The common window-glass tariff covers 20 lines.

The entire glassware situation is illustrated by the statement of the leading maker of pressed glassware to the effect that he and others recommended to Chairman McKinley that pressed glassware be put upon the free list, partly because, said this manufacturer, "I was selling freely all over Europe at my American prices plus the cost of my European sales' organization of $10,000 a year." McKinley intended to follow this advice, but greedier manufacturers intervened, and consequently the McKinley rates were made 50 per cent and so cunningly written that the manufacturers themselves could not understand them at first.

Another illustration: We need fairly high rates on the finest kind of cutlery which Germany makes more successfully than any other country, with England excelling in a few types.

But the present tariff on cutlery runs from 150 to 235 per cent. The cutlery schedule fills 83 lines and is five times longer than Hamilton's entire dutiable list.

Here are three of these lines covering common kitchen knives with wooden handles:

If less than 4 inches in length, exclusive of handle, 2 cents each; if 4 inches in length or over, exclusive of handle, 8 cents each; and in addition thereto on all the foregoing, 45 per cent ad valorem.

Why 6 cents more for the table knife with a 5-inch blade than the paring knife with a 3-inch blade when the paring knife was sold by American manufacturers at the time the tariff was passed for 3½ cents? The new duty is 100 per cent of that selling price, and the table knife was sold for 4½ cents, the duty being about 10 cents. Why was the duty made 10 cents on the ordinary fluted-edge bread knife, used in every household and sold by American factories at that time for 6½ cents? The answer is that this cheap cutlery has been made and sold largely under price agreements for many years, and these makers dictated the tariff. For three years under the previous lower tariff they had exported an average of 48 per cent of their product. Should those who export in great quantities be given 100 per cent "protection"?

We have heard much about cheap foreign safety razors. A good safety razor of simple pattern is made in this country and sold at a profit of less than 5 cents, including one blade.

Wire rods, fencing, and wire cloth fill 64 lines of the present tariff, with very little devilment included that 40 years of study has devised, with duties averaging 32 per cent against an average wage cost of 17¾ per cent. Under the previous lower duties that averaged 17 per cent we exported, in 1919, over $61,000,000 of wire and wirework, and as much in 1920, against imports of $602,000 in 1919 and $1,610,000 in 1920. Some of these imports, if not all, were because American prices were exorbitant and not to lower costs of production abroad.

In the seven basic steel products in the three years 1919–1921 we exported twenty times more than we imported. We exported $734,000,000 and imported $35,000,000. Pig iron excepted, which we do not want to export, our exports were fifty times greater than imports. And yet Congress gave these, the greatest and strongest industries in the world, big duties so that they might make astounding profits at the public expense.

The examples here cited are fairly typical of our whole tariff and our method of tariff making.

THE TARIFF AND COMMON HONESTY

We think that we are an honest people. Manufacturers are honest, but there has developed in the field of tariff making a special code of morals like the code for poker that disregards ordinary rules. Every informed man knows this. Manufacturers hate this. Only a few of them appear before congressional committees, being mostly those with axes to grind and using every form of indirection and disingenuousness.

Said a great woolen manufacturer, a member of a group pleading for high woolen duties before the tariff committee of the House of Representatives in 1908:

If I had to listen for two weeks to the sort of stuff we gave this committee to-day I would be a rank free trader myself.

Said Chairman Payne, of that committee, in humiliation and regret:

I could change the woolen schedule just as easily if only they would let me.

Said Col. George Tichenor, later made chief of the Board of General Appraisers by McKinley when the former was drafting the McKinley tariff for the committee:

The public won't stand for more than 40 per cent duties, so I am making them apparently 40 per cent, but, by jokers, phrases, and figures that the public won't understand, I am raising them, the Lord knows how high.

Said Speaker Cannon, when told some of these things:

Why do you tell me? Don't you think I know? Take Jones, of Nevada. D—— him, we gave him a tariff on borax that he was no more entitled to than I your watch. Know it! We had to have his vote.

Said the London Lancet shortly after:

For every dollar of borax that the American trust sells at home it can give away or throw away two pounds and still have its English price on all three.

The domestic price was the English price of 2½ cents per pound, plus our tariff of 5 cents, total 7½ cents.

Said a New England maker of wood screws in 1908:

We charge American consumers twice our export price. It isn't right, but Congress invites us to, and how can we help it?

It is commonly said that ex-Senator Lippitt, the Rhode Island cotton manufacturer, wrote substantially every line of the present cotton-goods schedule. In New England it is called the Lippitt schedule.

New England woolen-goods manufacturers are credibly reported to have raised $50,000 for influencing the woolen-goods schedule. A workingman's wool shirt retails for $4.50 in New York and in Denver carries 97 per cent duty. It is 85 per cent shoddy and 15 per cent cotton, with no virgin wool in it.

The Amoskeag Manufacturing Co. so prospered under a duty of 15 per cent on its Amoskeag apron gingham and other products that its profits were $27,298,881 during the last eight years of the low Underwood tariff. Published figures show that this company increased its capital out of profits from $4,000,000 to $44,500,000. And yet Congress more than doubled the previout tariff rate, making it now 31½ per cent on these ginghams, which are the cheapest cloth that poor women can wear in their dresses, children in their clothes, and workmen in their shirts.

When H. H. Rogers, of the Standard Oil Co., was asked how he got a duty of more than 50 per cent in the Dingley bill on petroleum and its products, although they were listed in the free list, he gave a perfect answer, a horse laugh, adding, "I have been wondering when somebody would ask me that."

These stories are legion and the worst of them are true. They show how American life, especially American public life, has been weakened and corrupted by the tariff. Legislation can not be of this sort in the tariff and honest in other matters. Congressmen from manufacturing districts are virtually obliged to enact these tariff rates prerequisite to their selection. Teapot Dome and other scandals are only the wee children of 50 years of corrupt tariff practices.

The American public is mostly responsible in the final analysis. It has rested on the principle of protection without reasoning—without knowledge or care whether the principle is honestly applied or not.

Many protectionists would let a Congressman pick the gold fillings from the protectionists' teeth and smile withal if they were told that protection required it.

We are near the end of this procedure. The tariff is crucifying our farmers and our women who now cast one-half the votes. Everything a woman wears is held to be a luxury, and therefore doubly taxed. There are approximately 2,000,000 American women described in the census as the heads of families. That is, they are contributing materially by their earnings to the support of dependents, parents, or other relatives.

Women are studying the tariff as never before.

America is called to world leadership. There are only four great manufacturing nations in the world—England, France, Germany, and the United States. Outside these nations are 1,500,000,000 people looking principally to these nations for their manufactured supplies. In former years America refused to play the game, while the other nations grew rich from their overseas trade. The war desperately crippled them. America is unparalleled in strength and vigor. Owing to her inventive genius her labor is, in the field of standardized quantity production, the cheapest in the world in many industries. There is only six seconds of labor in the spark plug of a cheap automobile. An American woman for $14 weaves 4,500 yards of ordinary cotton cloth in a week. The wage cost per yard is the lowest in the world. A woman knits 1,800 pairs of cheap cotton socks in a day, running 25 or 30 automatic machines. The total labor in these socks is 28 cents per dozen pairs. The tariff is 50 cents. The retail price has been doubled under the present tariff, although if we had free trade it is doubtful if we would import any. We are exporting freely. In knit goods we lead the world.

The average American factory operative produces $2.50 of merchandise to the Englishman's $1 and uses 2½ horsepower to the Englishman's 1.

We talk of our high wage per day when we should think of our low wage per unit of product. The hosiery manufacturer gets his 50-cent tariff by telling of the $3 per day that the hosiery girl gets. He conceals the fact that her contract is not $3 per day, but one-sixth of 1 cent per pair.

The manufacturer talks discouragingly of the 70 cents per hour that his machinists get and conceals the fact that there is only six seconds of labor in the spark plug.

In short, our marvelous high-speed automatic and semi-automatic machinery requires that our wage earners be as fit as a horse for a race. That means high wages and all that such wages imply in efficiency, good food and housing, courage, determination, and good will. Many a mechanic is producing from fifty to one hundred times more merchandise than his predecessor did 50 years ago, and sometimes two hundred and

five hundred times more. In many cases the wage cost per unit of product is far less at 70 cents per hour than 50 years ago at a fraction of that wage. America has little to fear from ill-conditioned foreign labor.

This statement is not answered by a reference to certain relatively small groups of American wage earners who are exploiting their opportunities, even as some manufacturers are exploiting theirs.

An honest correction of our tariff abuses will result in new standards of legislative and commercial honesty, in a fairer equalization of opportunities among us all. It will lead to our world-wide service and leadership, immeasurably heightening the intellectual and spiritual worth of our people, their estimation throughout the world, and their material well-being.

The following calculations are based upon Government statistics and approved by competent and dependable authorities:

WHAT THE TARIFF DOES TO WASHINGTON

| | |
|---|---|
| Population | 1,356,621 |
| Farmers | 283,382 |
| Wool growers | 4,244 |

[Census, 1920]

*Agricultural schedule*

| Crops | Gain to a few grazers on wild lands | Tariff gain to a few farmers | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|---|---|
| Wool | $375,132 | $93,783 | $779,300 | $2,952,000 | $3,731,000 | $300,000,000 |
| Sugar beets | | 122,459 | 566,700 | 2,146,500 | 2,713,200 | 216,000,000 |
| Flaxseed | | | 85,000 | 322,000 | 407,000 | 30,000,000 |
| Lemons | | | 28,400 | 107,100 | 135,700 | 10,000,000 |
| Tobacco | | | 48,200 | 182,400 | 230,600 | 53,000,000 |
| Total | 375,132 | 216,242 | 1,507,600 | 5,710,000 | 7,217,500 | 609,000,000 |

| | |
|---|---|
| Farmers as consumers lose on agricultural schedules | $1,507,600 |
| A few farmers gain | 216,242 |
| Loss to farmers on agricultural schedules, net | 1,291,358 |
| The State as a whole loses on agricultural schedules, net | 6,626,126 |

Farmers lose on their schedule $7 to $1 of gain.

The State loses on agricultural schedules $12 to $1 of gain.

*Manufacturers' schedule*

[On the basis of one-half duties added to prices in certain industries]

| | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|
| Heavy steel products | $1,417,000 | $3,577,000 | $4,994,000 | $375,000,000 |
| Light steel products | 2,125,000 | 8,049,600 | 10,174,600 | 750,000,000 |
| General store merchandise | 6,801,000 | 25,758,000 | 32,559,000 | 2,475,000,000 |
| Total | 10,343,000 | 37,384,600 | 47,727,600 | 3,600,000,000 |

| | |
|---|---|
| Loss to farmers, manufacturers' schedule | $10,343,000 |
| Loss to State, manufacturers' schedule | 47,727,000 |

**Farmers lose on all schedules, net, $11,684,000, or $54 to $1 of gain.**

**The State loses on all schedules, net, $54,353,000, or $94 to $1 of gain.**

**With a population of 1,356,621, including 283,382 farmers, the State's only substantial tariff gain, $591,000, goes to 4,244 wool growers, or 1 resident in 320, including about 1,500 farmers, or 1 farmer in 190, and to 484 sugar growers.**

The following calculations are based upon Government statistics and approved by competent and dependable authorities:

WHAT THE TARIFF DOES TO OREGON

[Census 1919]

| | |
|---|---|
| Population | 783,389 |
| Farmers | 214,021 |
| Woolgrowers | 9,047 |

*Agricultural schedule*

| Crops | Tariff gain to a few grazers on wild lands | Tariff gain to a few farmers | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|---|---|
| Wool | $1,206,900 | $301,725 | $868,600 | $1,556,500 | $2,154,300 | $360,000,000 |
| Sugar beets | | | 428,000 | 1,139,000 | 1,567,000 | 216,000,000 |
| Flaxseed | | | 64,200 | 170,800 | 235,000 | 30,000,000 |
| Lemons | | | 21,400 | 56,900 | 78,300 | 10,000,000 |
| Tobacco | | | 36,380 | 96,820 | 133,200 | 53,000,000 |
| Total | 1,206,900 | 301,725 | 1,138,500 | 3,030,000 | 4,167,800 | 609,000,000 |

| | |
|---|---|
| A few farmers gain (on wool only) | $301,725 |
| Farmers as consumers lose on agricultural schedule | 1,138,500 |
| Loss to farmers on agricultural schedule, net | 836,775 |
| The State as a whole loses on agricultural schedule, net | 2,659,175 |

Farmers lose on their schedule, $3 to $1 of gain.

The State loses on agricultural schedule, $3 to $1 of gain.

*Manufacturers' schedule*

[On the basis of one-half duties added to prices in certain industries]

| | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|
| Heavy steel products | $1,087,000 | $1,898,000 | $2,983,000 | $375,000,000 |
| Light steel products | 1,605,000 | 4,270,500 | 5,875,500 | 750,000,000 |
| General store merchandise | 5,136,000 | 13,665,300 | 18,801,300 | 2,475,000,000 |
| Total | 7,811,000 | 19,883,800 | 27,644,800 | 3,600,000,000 |

| | |
|---|---|
| Loss to farmers, manufacturers' schedule | $7,811,000 |
| Loss to State, manufacturers' schedule | 27,644,800 |

**Farmers lose, on all schedules, net $8,648,000. They lose $30 to $1 of gain.**

**The State loses, on all schedules, net $30,304,000. It loses $21 to $1 of gain.**

**With a population of 783,389, including 214,021 farmers, the State's only substantial tariff gain, $1,508,000, goes to 9,047 woolgrowers, or 1 resident in 87, including about 2,000 farmers, being 1 farmer in 107.**

The following calculations are based upon Government statistics and approved by competent and dependable authorities:

WHAT THE TARIFF DOES TO IDAHO

[Census 1919]

| | |
|---|---|
| Population | 431,866 |
| Farmers | 200,902 |
| Sugar-beet growers | 2,760 |
| Wool growers | 8,037 |

*Agricultural schedule*

| Crops | Tariff gain to a few grazers on wild lands | Tariff gain to a few farmers | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|---|---|
| Wool | $1,419,091 | $354,785 | $552,000 | $635,100 | $1,187,000 | $300,000,000 |
| Sugar beets | | 687,215 | 462,000 | 400,700 | 863,700 | 216,000,000 |
| Flaxseed | | | 60,000 | 69,600 | 129,600 | 30,000,000 |
| Lemons | | | 20,000 | 23,200 | 43,200 | 10,000,000 |
| Tobacco | | | 34,000 | 39,400 | 73,400 | 53,000,000 |
| Total | 1,419,091 | 1,042,000 | 1,128,000 | 1,169,000 | 2,298,500 | 609,000,000 |

| | |
|---|---|
| A few farmers gain (wool and sugar only) | $1,042,000 |
| Farmers as consumers lose on agricultural schedule | 1,128,500 |
| Loss to farmers on agricultural schedule, net | 86,500 |
| The State, as a whole, gains on agricultural schedule, net | 163,500 |

Farmers lose on their schedule, $1.10 to $1 of gain.

The State gains on agricultural schedule, $1.10 to $1 of loss.

*Manufacturers' schedule*

[On the basis of one-half duties added to prices in certain industries]

| | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|
| Heavy steel products | $1,004,500 | $769,800 | $1,774,300 | $375,000,000 |
| Light steel products | 1,506,700 | 1,732,300 | 3,239,000 | 750,000,000 |
| General store merchandise | 4,821,600 | 8,543,184 | 10,364,784 | 2,475,000,000 |
| Total | 7,332,800 | 8,045,284 | 15,378,084 | 3,600,000,000 |

| | |
|---|---|
| Loss to farmers, manufacturers' schedule | $7,332,800 |
| Loss to State, manufacturers' schedule | 15,378,084 |

**Farmers lose, on all schedules, net, $7,419,000. They lose $8 to $1 of gain.**

**The State loses, on all schedules, net, $15,214,000. It loses $7 to $1 of gain.**

**With a population of 431,866, including 200,902 farmers, the State's only tariff gain, $2,461,000, goes to 8,037 woolgrowers, being 1 resident in 54, including 1,600 farmers, being 1 farmer in 125; and to 2,760 sugar-beet growers, being 1 farmer in 73 and 1 resident in 156.**

WASHINGTON, OREGON, AND IDAHO—A COMPARISON AND CONTRAST

**Washington, Oregon, and Idaho present tariff contrasts amazing and instructive.**

**Washington, with a population nearly twice Oregon's and three times Idaho's, gets an income from the tariff of only a**

little more than a third of Oregon's income and a fifth of Idaho's. Washington gets only $591,000 from the wool and sugar duties, because she raises comparatively little of these products. Her net loss from the tariff is $54,353,000.

| | Population | | Tariff income | | Net tariff loss | |
|---|---|---|---|---|---|---|
| | State | Farm | To the State | To the farm | State | Farm |
| Washington | 1,357,000 | 283,000 | $591,000 | $216,000 | $54,353,000 | $11,634,000 |
| Oregon | 783,000 | 214,000 | 1,508,000 | 302,000 | 30,304,000 | 8,648,000 |
| Idaho | 432,000 | 201,000 | 2,461,000 | 1,042,000 | 15,214,000 | 7,419,000 |
| Total | 2,572,000 | 698,000 | 4,560,000 | 1,560,000 | 99,871,000 | 27,701,000 |

Oregon, with about half of Washington's population and nearly twice Idaho's, has a tariff income of $1,508,000, or nearly twice Washington's, because she raises so much more wool than Washington. Her net loss from the tariff, however, is $30,304,000.

Idaho, lost in the mountains with only 432,000 people or a little more than half of Oregon's and a third of Washington's, because she raises much wool and sugar, has a tariff income of $2,461,000, or nearly twice Oregon's, and nearly three times Washington's. And yet, with this big tariff income and small population, Idaho loses on the tariff, net, is $15,214,000.

Washington loses $94 to $1 of gain.

Oregon loses $21 to $1 of gain.

Idaho loses $7 to $1 of gain.

The tariff for these States was said to be written with their farmers in mind, and yet Washington farmers lose from their agricultural duties $7 to $1 of gain, and lose on the tariff as a whole $11,634,000, or $41 per capita, man, woman, and child.

Oregon farmers lose on their products $3 to $1 of gain, and lose on the tariff as a whole, $8,648,000, or $28 per capita, man, woman, and child.

Idaho farmers lose from their own schedule $1.10 to $1 of gain, and they lose on the tariff as a whole, net, $7,419,000, or $36 per capita.

All these agricultural gains are on wool and sugar; and yet four-fifths of the wool duty goes to grazers of wild lands and not to farmers at all, and half the sugar duty goes to sugar factories, mostly owned outside the State, instead of all going to farmers as the innocent public has supposed.

Here is the secret of the agricultural schedule. It was written by the big wool grazers and domestic sugar factories for the wool and sugar interests which have dominated tariff legislation for 50 years, bargaining with certain big Eastern manufacturing interests that knew what they wanted and got it. The days of Havemeyer are recalled, king of sugar, with his heirs still dominant in certain Western sugar factories. Havemeyer told of his widely distributed political contributions and called the tariff "the wet nurse of the trusts." We recall also the wool tariff, known as "Schedule K," called indefensible by President Taft, with its beneficiaries forcing Chairman Payne, in shame and anxiety, to renew their dishonest Dingley rates in the Payne law.

The wool and sugar interests have been fortified in almost every Congress in 50 years. Even so, the trades that they have made with Eastern profiteering manufacturers have, in effect, sold out the farmers of their own Western States, in the interest of a few big flockmasters and of sugar factories owned mostly in the East.

When a few flockmasters unite with Western sugar factories to dicker with Eastern manufacturing interests of vast experience and political pull, they do well to come out with net annual losses of only $99,871,000 for these three relatively small States, Washington, Oregon, and Idaho. The loss to big agricultural States is immeasurably more. The loss to American farmers as a whole is not less than $2,000,000,000. The loss to Texas is $175,000,000; to Kansas $66,000,000; to Iowa approximately $90,000,000.

Ten Western States, with Ohio and Texas, raise three-fifths of the domestic wool clip. These States with their large populations lose much more from the wool tariff as consumers of wool than they gain as producers of wool.

Of the other 10 States, the combined population of two, Arizona and Nevada, is less than that of any of the 17 largest cities in the country. Yet these two States have four Members in the United States Senate, and "The Senate makes the tariff."

Seven of these States—Idaho, Montana, New Mexico, Wyoming, Utah, Arizona, and Nevada—have a combined population of 2,396,000, being less than half of New York City, less than Chicago, and a little more than Brooklyn.

These seven States have 14 Senators, several of them among the greatest flockmasters in America, shouting for wool and voting for wool, and probably putting more of the wool duty into their own pockets and those of their partners and friends than goes to all the farmers of their States. There are three or four Western Senators who see and declare the hurt of it all, to their credit. Republican Senators BORAH of Idaho, LA FOLLETTE of Wisconsin, and NORRIS of Nebraska, voted against the law, and all Western Democrats.

If the 16,000,000 wool users in our 17 largest cities had equal representation in the Senate with these Western States, New York City would have 33 Senators, Chicago 17, and 11 other cities from three to ten Senators each. Our 12 largest cities would have 96 Senators, being exactly the number now sitting in that body. Then our 110,000,000 wool users would have some influence. They would give reasonable protection to wool and no more.

The story of the sugar tariff is told elsewhere and virtually duplicates the wool situation.

Here is the substance and the conclusion of the American tariff: Written by wool for wool, by sugar factories for sugar factories, by a few big manufacturers for themselves—all in collusion, like the Three Musketeers, "all for each and each for all," among themselves.

The foregoing statement is without malice or ill will. If not pleasant the more need of changing, not the picture but the facts disclosed, being our way of making tariffs, well and generally known and all too commonly approved openly or tacitly by good people, even as saloons and houses of ill fame were only 20 years ago.

Politics is compromise. Here is the compromise. And 90 per cent of all farmers, 55 per cent of all manufacturers, including almost all small manufacturers, and all consumers are the victims. Honestly and informed protectionists above all others should require a remedy.

REFORM OF TAXATION "THE PARAMOUNT ISSUE"—THE TARIFF IS THE ONE BIG TAX

President Coolidge says:

To reduce war taxes is to give every home a better chance. Of all services which the Congress can render to the country I have no hesitation in declaring this one to be paramount.

The Department of Commerce announces that the cost of government for the State of Nebraska for the fiscal year ending June 30, 1922, was $12,667,948. The net cost of the tariff to Nebraska is $81,610,000, or six and one-half times the cost of her government. Oregon's cost of government, $28,563,652; its tariff tax is $30,304,000. Idaho's cost, $5,301,926; its tariff tax is $15,214,000.

Washington's was $12,667,948; its tariff tax is $54,353,000. Colorado's, $16,269,251, against a tariff tax of about $45,000,000. Iowa's, $32,392,946, against a tariff tax of approximately $95,000,000. From these figures can be estimated the situation in other States. Agricultural States are bled white by the tariff. States raising much wool and sugar get a partial relief or offset because of their tariff incomes on these products. Many great manufacturing States get enormous tariff benefits, but little of these benefits seep through from the manufacturers to the farmers. Everywhere corrections are required.

The tariff is a tax. It differs from most taxes in being indirect. Three-fourths of tariff taxes go not to the Government but to private tax gatherers in their price advances, severely felt, but not seen. The present tariff tax increases the cost of living to the American people some $5,000,000,000 and accounts for the staggering profits recently declared by its principal beneficiaries, who have drained the pockets of consumers with small incomes.

An honest tariff revision is the paramount issue in tax reform. It is "the greatest service which the Congress can render the country." Our entire war debt of more than $20,000,000,000 could thus be paid with relative ease and comfort in a few years, with reasonable protection continuing, adequate for the maintenance of good wages and high standards of living.

WHAT THE TARIFF DOES TO TEXAS—BEING TYPICAL OF WHAT IT DOES TO THE SOUTH

In wealth, in size, in growth, and service Texas is one of the greatest of the American States.

Within her vast area are 167,934,720 acres, of which 114,020,621 acres are in farms and 31,227,503 are improved.

The value of her farm property is $4,447,420,321.

The value of her farm lands, not including improvements, in 1920, was $3,203,296,630, being exceeded only by Iowa, Illinois, and Nebraska, in the order named.

Her population, in 1850, was 212,592; in 1880, 1,591,749; in 1910, 3,896,542; and in 1920, 4,663,228, giving her fifth rank, exceeded only by New York, Pennsylvania, Illinois, and Ohio, in the order named. She is growing in population and in wealth by leaps and bounds.

The census of 1920 shows 2,277,773 Texans living on farms, being about half of all. There are twice as many farmers in Texas as in any Northern State, and 600,000 more than in any other Southern State.

What the tariff does to Texas is a vital question. When the Texas farmer hears that the present tariff adds $300,000,000 to the income of American farmers as a whole he is likely to say, "That's where I come in." He may be tempted to spend an extra dollar.

The purpose of this study is not to ascertain "where the farmer comes in," but where he comes out on the tariff.

These calculations are from Government sources, compiled by experienced and reliable authorities.

The following calculations are based upon Government statistics and approved by competent and dependable authorities:

WHAT THE TARIFF DOES TO TEXAS

| | |
|---|---|
| Population | 4,663,228 |
| Farmers | 2,277,773 |
| Woolgrowers | 9,883 |

[Census 1920]

*Agricultural schedule*

| Crops | Gain to a few grazers on wild lands | Tariff gain to a few farmers | Cost of tariff to Texas farmers as consumers | Cost of tariff to nonfarmer population of Texas | Cost to population of Texas as a whole | Cost to population of United States |
|---|---|---|---|---|---|---|
| Wool [1] | $2,391,592 | $597,897 | $3,986,102 | $4,174,547 | $8,160,649 | $300,000,000 |
| Sugar | | | 4,555,546 | 4,770,910 | 9,326,456 | 216,000,000 |
| Flaxseed | | | 683,332 | 715,636 | 1,398,968 | 30,000,000 |
| Lemons | | | 227,777 | 238,545 | 466,322 | 10,000,000 |
| Tobacco | | | 384,000 | 403,000 | 787,000 | 53,000,000 |
| Total | 2,391,592 | 597,897 | 9,836,757 | 10,302,638 | 20,139,395 | 609,000,000 |

[1] Including wool 14,900,743 pounds and mohair 5,084,290 pounds.

| | |
|---|---|
| Farmers as consumers lose on agricultural schedule | $9,836,757 |
| A few farmers gain (wool and sugar only) | 597,897 |
| Loss to farmers on agricultural schedule, net | 9,238,860 |

The State as a whole loses on agricultural schedule, net, $17,149,906.
Farmers lose on their schedule, $16 to $1 of gain.
The State loses on agricultural schedule $7 to $1 of gain.

*Manufacturers' schedule*

[On the basis of one-half of duties added to prices in certain industries]

| | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|
| Heavy steel products | $12,812,473 | $8,945,456 | $21,757,929 | $375,000,000 |
| Light steel products | 17,083,298 | 17,890,913 | 34,974,211 | 780,000,000 |
| General store merchandise | 51,249,803 | 53,672,738 | 104,922,631 | 2,475,000,000 |
| Total | 81,145,664 | 80,509,107 | 161,654,771 | 3,600,000,000 |

Farmers lose, on all schedules, net, $90,384,524, or $160 to $1 of gain.

The State loses, on all schedules, net, $178,804,677, or nearly $60 to $1 of gain.

With a population of 4,663,228, including 2,277,773 farmers, the State's only substantial gain, $2,989,489, goes to 9,883 woolgrowers, or 1 resident in 470, including about 2,000 farmers, or 1 farmer in 1,138.

Aside from her oil fields and timberlands, which are not affected by the tariff—oil is on the free list, while the low duties on lumber aimed at Canada, which is too remote from Texas to affect her—Texas is primarily an agricultural State. Her advantages, if any, from a protective tariff must come through her agriculture.

The three principal crops in Texas are cotton, which represents 55.7 per cent of the value of all her crops; corn, 13.7 per cent; and wheat, 7 per cent. These three crops—census, 1920—return 76.4 per cent of the value of all Texas crops and use 74.6 per cent of her total crop acreage.

Cotton: Texas produced in 1919, 2,971,757 bales, on 46 per cent of her total crop acreage, yielding $596,437,009. Cotton is and always will be on the free list. As respects cotton and its 55.7 per cent of her crop income, Texas's only interest in the tariff is that it be so considerate of foreign nations, without sacrificing domestic interests, as to make international trade convenient and foreign consumption of cotton as large as may be, with steady demand and good prices. An excessive tariff, like the present Fordney law, is a hindrance to foreign trade. It compels all foreigners to buy the least possible of their imports from the United States and the most possible from other countries.

Corn: The corn produced in Texas is used within the State as an animal feedstuff. The United States produces about 3,000,000,000 bushels of corn annually, or three times more than all the rest of the world. An average of 40,000,000 bushels was exported annually from 1911 to 1920 as corn and corn meal. In 1921 our corn exports amounted to about 180,000,000 bushels. In addition to this about 200,000,000 bushels of corn were exported as pork and lard, a total of about 380,000,000 bushels.

Imports of corn in this period averaged about 5,300,000 bushels per year, or 1 bushel imported to 50 bushels exported and 600 bushels produced.

The price of corn in the Argentine, where only we could feel competition, is well above the price in New York. This has been so in all recent years except for a few months during the World War, when ships were unobtainable for the carriage of corn in quantity to Europe. In those few months the Argentine price fell to about 10 cents per bushel below New York. Two or three cargoes were then sent to New York, but with no appreciable effect on our prices, as all farm and other economists agree. Argentina could not, under free trade, send corn to the United States without loss. Her exports must meet our exports in Europe, thus giving her, in her price, the benefit of the cost of ocean carriage to us on our exports.

Corn should be on the free list for the same reason that Republicans and Democrats alike put shoes and agricultural machinery on the free list; it is produced here cheaper than elsewhere. Its present "protection" of 15 cents per bushel deceives only a few farmers.

Because Texas needs all her corn for her own animals, her farmers get about one-third more price per bushel than in Iowa, Indiana, and Illinois, for instance. For the 10-year period, 1913–22, Texas farmers got $1 per bushel for their corn against an average of 76 cents in these other States. In 1922 Texas farmers got 83 cents as against 56 cents in Iowa and Indiana and 60 cents in Illinois.

Wheat: The Texas wheat crop in most years is insufficient for the consumption within her own borders.

It is everywhere agreed that the price of American wheat is fixed in Liverpool, the central market, where the exports of all countries meet. An exception, however, is to be made respecting the premium grades of hard spring wheat raised almost exclusively in the Dakotas, Minnesota, and Montana.

This extra quality hard spring wheat is needed for admixture with the softer wheat, which we grow in abundance. When these Northwestern States have bumper crops they get no advantage from the tariff. When they are short, enough must be brought in from Canada to make up the deficit, in which case these Northwestern States add from half to all of the tariff, now 42 cents per bushel, to their prices. Senator McCumber, of North Dakota, chairman of the Senate Finance Committee, made this clear in his plea for the tariff on wheat, claiming that on the average of the years these Northwestern States added about one-half of the tariff to their prices.

In 1921 Texas raised 20,810,000 bushels of winter wheat, or 10 bushels per acre, for which she received $1 per bushel at the farm, while North Dakota, for instance, with her higher quality and her tariff protection, received only 85 cents per bushel. This because Texas raised less wheat than she consumed while North Dakota depended upon Liverpool as her necessary market. In 1922, for their production of 9,902,000 bushels, Texas farmers got $1.10 per bushel against North Dakota's 92 cents. What good was the 30-cent duty then in force to either State?

Flaxseed: This is grown in the United States only for the linseed oil that is extracted from the seed. The duty is 40 cents per bushel. Oil cake, the residue after the extraction of the oil, is on the free list. Oil crushers, however, are given a rebate on their oil cake when exported and made from imported seed. This reduces the 40 cents apparent duty on flaxseed to an effective duty of 32 cents only. This effective duty gave the few Nebraska farmers who raised a total of 24,000 bushels of flaxseed in 1921, for which they received $36,000, a gross tariff gain of $7,680, provided they got from the emergency tariff of May 27, 1921, the equivalent of this 32 cents of protection.

As substantially all domestic flaxseed is raised in the Dakotas, Minnesota, and Montana, their total production being 10,774,000 bushels in 1920 and 8,112,000 bushels in 1921, the flaxseed duty is of almost no consequence to farmers in other States, except as consumers.

As consumers, farmers pay nearly twice their effective duty of 32 cents, or 62.7 cents per gallon on the clear linseed oil consumed, this 62.7 cents being the effective duty of the oil crushers, because of their rebate before mentioned on their exported oil cake made from imported seed.

Only 10 per cent of linseed oil is consumed as such. The remaining 90 per cent is used in the manufacture of linoleum, paints and varnishes, and like products.

To consumers of these products the 62.7 cents duty on oil becomes upward of $1.25, the increase from 62.7 cents to $1.25 being the addition for cost and profit, conservatively figured, taken by the manufacturers, wholesalers, and retailers of these highly finished products. This means a cost of not less than $30,000,000 to the American consumers for the duty on flaxseed or 30 cents per capita. A cost to Texas farmers as a whole of $683,000 and to Texas as a State of $1,400,000.

That the oil crushers add their duty to their prices is indicated by the recent conviction of the five principal linseed-oil crushers in the Federal courts for illegal price fixing.

Rice: The present duty of 2 cents per pound on milled rice—rough rice, 1 cent—is one of the little jokes in which some politicians delight. It pleases the farmer; it costs the consumer nothing; it sweetens high rates on certain manufactured products that enormously enrich a few.

Before the Great War the United States was nominally a net importer of rice. Great changes have taken place since 1913. Our production has been enormously increased. In the last three years our imports have gradually dwindled to almost nothing, while our exports have increased enormously, being for the three years, 1919–1921, inclusive, in excess of 20,000,000 bushels per annum, or about one-half of our total production.

Our average annual production for the five years before the war, 1909–1913, was about 24,000,000. The average annual production for the five years 1918–1922, inclusive, was about 42,500,000 bushels.

The story of the effectiveness of American highly paid labor, when earnestly engaged, well directed and supported, on the farm or in the factory is illustrated in the following statement on rice by Mr. Gray Silver, of the American Farm Bureau Federation, at its annual convention at Chicago, December 13, 1922. Said he:

> I asked a great manufacturer what his pay roll meant, using his mechanical facilities in comparison with unaided man power. I wanted to estimate the productivity of the American farmer and his machinery in comparison with the hoe in Europe and the coolie in Asia, with whom the American farmer competes in the export markets of the world. After nearly a year's time the manufacturer replies:
>
> "Our 10,200 men, with their applied mechanics and power machinery, do the work of almost 500,000 man working without machinery. Our wage earners are two hundred times cheaper than unaided man power."
>
> The competitive value of applied mechanics on the American farm was shown last year. Our production of rice has increased from year to year, until last year we had a large exportable surplus. Our good friend, Secretary Hoover, said to the representatives of his department in different parts of the world:
>
> "Find the buyer for this surplus rice; we have 180,000 tons."
>
> And where do you suppose the market was found? In rice land—in Japan and China. They sold it at our domestic price plus the cost of taking it there. They proved that American farmers, with our standards and our ideals and our applied mechanics, can compete with the coolies of Japan and China. That was the difference between the American farmer, with his skill, ability, and ingenuity, and the fellow who worked with the hoe.

American farmers are substantially manufacturers. They produce mostly by machinery. American energy, skill, and machinery, whether on the farm or in the factory, need less protection than some would have us believe who tell of the low wages of ill-conditioned foreign labor.

Other cereals: As in the case with corn and wheat, the minor cereals—oats, kafir and milo, barley, rye, and so forth—are produced for consumption within the State.

Soya beans: These are grown in Texas only as feed for cattle on about 1,000 acres out of her 31,227,503 acres of improved lands. The present duty of one-half of 1 cent per pound is of no consequence.

Peanuts: On 33,357 farms and 165,407 acres in 1919 Texas raised 2,731,632 bushels of peanuts of a farm value of $6,419,340.

In 1921 the peanut acreage was 195,000 and in 1922, 172,000. In these years and with a duty of 2 cents per pound in the Fordney tariff of 1922 the price was only half as high as in 1919.

The peanut tariff of 3 cents per pound unshelled and 4 cents per pound shelled, like the rice, corn, and wheat duties, may tickle the imagination and raise the hope of some farmer, but they have no relation to his selling prices.

Peanuts, desirable as they are, are little used for human food among the white races, except in America.

Under the low Underwood tariff of three-eighths of 1 cent per pound shelled, and three-fourths of 1 cent per pound unshelled, shelled peanuts averaged in the years 1913–1916, 4½ cents per pound at the farm. In 1922 they averaged 4.2 cents per pound. By how much was this 4.2 cents price helped by a 4-cent duty? Month by month in 1921 and 1922, under high duties, the prices were lower than in the corresponding months of pre-war years 1910–1913, and lower than for the 10-year period, 1913–1922. In fact, prices in the domestic market have shown little change up or down in peanuts except in the height of the war period, and in the postwar months of readjustment in 1920 from January to September, when, without regard to the slight duty then prevailing, peanuts were two and three times higher than in 1921 and 1922, and twice as high as pre-war.

Sugar: As in the case of wool, we import—from Cuba almost exclusively—much more than we produce. The domestic price is, therefore, necessarily the foreign price plus the duty. The duty on Cuban sugar of 96 per cent Dutch standard is 1.7648 cents per pound, which equals 2 cents per pound refined. Advances from 6 cents per pound for refined sugar in New York in September, 1922, when the present law was enacted, to 9 cents in March, 1923, show that the entire duty was added to the price. Further great price increases in later months were due to manipulation or to fear of another shortage such as raised prices almost beyond endurance in war times.

The sugar duty costs the American people as a whole $216,000,000, or a little more than $2 per capita. It cost the 2,277,773 Texas farmers $4,555,546, and the 4,663,228 people of Texas $9,326,456.

The sugar tariff means nothing to Texas except from the consumer's standpoint. Texas is not a sugar-raising State, as indicated in the statistics of the Federal Department of Agriculture. An average, however, of about 19,000 farmers each year on about 18,000 acres, or less than 1 acre to each of these farmers, raise sugar cane for sirup only. The yield in sirup runs from 2,500,000 to 3,000,000 gallons per year. In addition, she grows considerable sorghum for sirup.

The sugar tariff is by no means all a loss. Of its total cost of $216,519,626, the United States Treasury collects for the support of the Government $124,481,848, leaving $92,037,778 as the cost of protection. Less than half of this $92,037,778 goes to the sugar raisers and refiners in the United States and the balance to our island dependencies—Hawaii, Porto Rico, and the Philippines and their refiners. The sugar tariff is not all profit to United States growers, because the cost of raising sugar beets, which are the source of the greater part of the sugar produced by American farmers, is great.

All are agreed that there must be a tariff on sugar. It is a question of how much, and where sugar raising shall be encouraged. It costs about 1 cent more per pound to grow sugar beets in the Central States, Ohio, Michigan, and Wisconsin, than in the Mountain States, and from one-half to 1 cent more (sometimes 2 cents more) in Louisiana than in the Central States; although Louisiana costs are sometimes as low as in the Central States.

If an extra one-half cent is added to the tariff for the sake of Louisiana, the cost to the American public is $54,000,000, of which Louisiana gets only $2,500,000—an expensive way of getting $2,500,000 to Louisiana, whose crop averages only $25,000,000 per year. Of the remainder of the $54,000,000, more than half goes to Porto Rico, Hawaii, and the Philippines, utterly without need so far as they are concerned. The remainder goes to western beet-sugar States that likewise have no need of it.

Louisiana, because of her early frosts, cuts much of her sugar cane before maturity. This cane makes molasses but not sugar. Louisiana can make molasses and some sugar in favored regions with no tariff.

Likewise, the Central States that require about 1 cent per pound more sugar duty than the Mountain and Pacific Coast

States, can as well raise other crops, and should not be humored beyond the public need with sugar duties.

The Mountain and Pacific States charge 1 cent per pound more for their product than the Atlantic States, except for occasional surplus shipments into eastern territory. This difference in price is because of the "natural protection" of distance and transportation charges from the Eastern States into western territory. When as now the tariff is 2 cents on refined sugar, the effective protection in the Mountain and Pacific States is 3 cents, while these States grow sugar beets cheaper than other States.

Will the United States at vast expense promote the growing of sugar in States little adapted thereto, or will it by a duty of about 1 per cent, or one-half the present rate, save the consuming public $18,000,000 annually and grow sugar only where conditions are favorable?

Sugar is called "pure energy." The American people are the greatest consumers of sugar in the world. It is a necessary food. It does not impoverish the land. It is entirely elaborated from the carbon in the air and the water in the soil through the action of the sun. For the later processes of growth sugar beets need dry, clear, sunny weather, not too hot. Irrigation, therefore, is especially desirable, as in California, Colorado, and other dry mountain regions. The uncertain weather in Wisconsin, Michigan, and Ohio, sometimes with much rainfall at the wrong time, makes their beets run to large size with little sugar content. A grower in these States does not know at the beginning of the season whether, under any fair duty, his beets will pay as well as his other crops.

Wool: It is agreed everywhere that every cent of the tariff on wool goes to the farmer, except as possible the wool buyer in his bargaining may secure an inconsiderable part of it.

It is also agreed by the Research Bureau of the American Farm Bureau Federation, an organization of 1,000,000 or more farmers, the United States Tariff Commission, and other authorities that the present tariff on wool of 31 cents per scoured pound is equivalent to about 12.7 cents per grease pound, and nets American woolgrowers about $37,500,000. Also that this sum increases by fair and proper additions for the cost of doing business and profits of wool buyers, spinners, weavers, clothing manufacturers, wholesalers and retailers, to $91,000,000, or 86.6 per cent per capita, being the cost of the wool tariff to American consumers.

The shrinkage on Texas wool is 65 per cent, however, and makes the effective protection to woolgrowers 10.85 cents per grease pound, or $1,616,731, on the basis of the 1919 yield of 14,900,748 pounds.

In addition, Texas receives from the wool tariff, on the basis of 1919 production of mohair (5,084,920 pounds), $1,051,022. The shrinkage on Texas mohair averages about one-third, resulting in an effective protection per grease pound of 20.67 cents. This gives Texas a gross profit from the present wool tariff of $2,667,753. Offsetting this gain is the loss to 2,277,773 farmers as consumers of 86.6 cents each, or $1,972,638. The loss to her nonfarming population, 2,385,455 persons, at 83.6 cents each, is $2,168,581. The loss to the State as a whole is $4,142,264, against a gross gain of $2,667,753.

That the present wool tariff of about 80 per cent is very profitable to such Texas farmers as raise wool in large quantities is clear. How profitable is it to Texas as a whole? Sheep are raised by only 7 per cent of the farmers of the United States, and less than 1 per cent of the farmers raise sheep in commercial quantities.

Is this profit to Texas woolgrowers well distributed, or does it go to a few big flockmasters only, who use poor grazing lands, good for little else?

This question is not asked in the spirit of free trade. Americans are committed to protection. The only question is one of fair protection as against exploitation. It is widely held that the wool tariff might well be reduced by one-half. Certainly many manufacturing schedules should be so reduced. Can Texas afford to get an unreasonable wool duty and in return give excessive duties to manufacturers? Or should the consumer everywhere, and the substantial equities, prevail? Further analysis will show.

Cattle: With 6,156,715 head, Texas has a third more cattle than Iowa, and twice as many as any other State.

Our tariff on cattle was a direct affront to Canada, that exports some 200,000 head of range cattle annually.

Our Northwestern farmers need these Canadian feeder-cattle. The United States as a whole requires 4,500,000 feeders annually. Canadian feeder-cattle should carry to Europe the corn and other feed of our Northwest. By the sudden imposition of our Fordney duties Canada was left without a market. Last winter a traveler in the Canadian cattle country counted 300 cattle and horses standing up, frozen to death, in a distance of 150 miles on one side of his train. How many more were lying down or were on the other side of the train and in the far reaches beyond sight? This when beef was high in our cities and corn in our Northwest was selling at from 26 to 31 cents per bushel.

The just wrath of Canadians will not be overcome in many years. Their purchases from us were reduced by $400,000,000 in one year, not from anger only but mostly because we would not accept, on fair terms, of such of their commodities as we could well use in payment for our goods.

We make a mockery of our boast that our unguarded Canadian boundary line is imaginary only. We fortified it with worse than guns, with a tariff of distress and ill will that gave us never a benefit.

Canada errs in attributing this action to the American people. She apparently thinks that our public rules in tariff matters. She does not realize that the Fordney law was enacted by a few overpowerful manufacturers, who betrayed the principle of protection, fooled the people, and disregarded the better judgment of many manufacturers who wanted lower duties on their own and other manufactures.

Leading American farm organizations are now urging a repeal of our duty on cattle.

Dairy products: Representatives of the dairy interests are reported to have made a bad blunder. In the spirit of horse traders they asked for twice the duties they wanted, if certain of their own number are to be believed. They expected opposition and an agreement that would lower their own tariff demands one-half and many other duties likewise; but the representatives of the manufacturers granted the dairymen's request in full so quickly that the latter could not retract or explain. The manufacturers know that duties on butter and milk mean nothing, except near the Canadian border, while duties on manufactures mean billions of dollars. Canadian dairymen, especially in Toronto, were almost mortally hurt. A few poor babies and other people in New England and New York State have less milk, cream, and butter. Others must pay a bit more. And Canada finds the richest nation on earth and its 105,000,000 people, unintentionally but apparently with willful premeditation, mean to its next best customer in the world.

Pork and lard: As we are the world's largest exporter the tariff does not affect their prices.

Lemons: Next to wheat, sugar, wool, and tobacco, lemons yield the largest single tariff profit to agriculture. They are taxed 2 cents per pound. Texas raises none. She needs them as food because of her climate. A thousand times more are lemons needed by the 350,000 dwellers in the "dark rooms" of New York City tenements, each with from two to five occupants, with no natural light, and only such ventilation as one room can get from another through an opening 3 by 4 feet. Half the tax now in force might be justified. The present tax raises the prices and the incomes from certain lands in California and Florida, and keeps the poor from this disease-fending comfort. The lemon tariff costs Texas farmers $227,777, and the State as a whole $466,322. Agricultural authorities say that lemons can compete under a decidedly low tariff because our product is so superior in appearance, size, packing, and extract per lemon that only the poor will use the imported article at anywhere near the same price. Also the efficiency of our methods of cultivation, with improved farm machinery, makes our cost little more per dozen produced than the product of the poorer paid, inefficient Mediterranean peasant with his hoe.

Oranges: These and other citrus fruits are not affected by the tariff. We probably produce them, with the help of our machines, as cheaply as any nation per dozen and weight. Oranges are freely exported. Importations are negligible and of inferior quality.

Tobacco: The following statement of the research department of the American Farm Bureau Federation in its Weekly News Letter of January 11, 1923, is conservative:

The export and manufacturing types of tobacco, constituting the bulk of the crop, are not subject to tariff influences. Cigar leaf can be but slightly affected because the import cigar tobaccos are of a different quality and not truly competitive. Connecticut wrappers are probably increased substantially in price by the $2.10 duty on Sumatra leaf with which they come in competition. How much the increase may be there is no way of determining. As what is believed to be a reasonable guess, based on general considerations of rates of duty, production, and price quotations, the probable benefit to producers is placed at $10,000,000. As the duty on some 85,000,000 pounds of Cuban Sumatra and Turkish tobaccos imported annually is undoubtedly added to the selling

price of cigars and cigarettes, the cost of the tobacco duty is much higher than the gain to producers amounting, on the basis of the duties assessed, to $53,000,000. Of this, 10 per cent is assigned to farmers as consumers of cigars and cigarettes.

On the basis of the above calculations, the cost of the tobacco duty to Texas farmers is $384,000, and to her nonfarmers $403,000, a total cost to the State of $787,000.

Other crops: Independent studies by competent authorities show so little of consequence in other agricultural tariffs than those here named, that they are not considered in detail here. The totals of profit and loss on the agricultural duties to Texas are shown in the table at the beginning of this article.

MANUFACTURING IN TEXAS

In Texas manufacturing is devoted to the general upkeep and extension of her present facilities and to the preparation of her foodstuffs for consumption, far and near. The tariff has no direct relation to Texas industries except as it increases the prices of the steel and other semimanufactured materials used by Texas manufacturers in their products and thereby increases their own selling prices.

Of the 4,663,228 inhabitants of Texas only 130,911, or 1 in 35, are engaged in manufacturing, including proprietors and salaried employees; and 107,522 wage earners, being 1 wage earner in 43 of the population.

The principal manufacturing industries, ranked by value of products (census 1919) are, in the order named, petroleum refining, slaughtering and meat packing, cottonseed oil and cake, flour and grist mill products, and lumber.

Of these, petroleum products are on the free list and the others are exported freely, the export price determining the home price.

The other manufacturing industries, in the order named, are, the production and repair of cars and other railway equipment, foundry and machine shop products for local consumption, bread and other bakery products, printing and publishing of newspapers and periodicals, shipbuilding, rice cleaning, food preparations not elsewhere specified, cotton goods, confectionery and ice cream, and so forth.

Substantially all these things are manufactured on the spot for immediate use. The distance of Texas from any possible foreign consumption gives her a "natural protection" that is all sufficient.

The manufacture of cheap cotton goods in Texas employs only 2,633 persons. The raw cotton is immediately at hand. As the United States Tariff Board declared, upon exhaustive investigation, in 1912, cheap and coarse cottons are produced in the United States at less cost than elsewhere. We export them in great quantities. Labor is especially cheap in southern cotton mills. A few southern mills have produced only for export, so favorably are they circumstanced.

Cottonseed oil and vegetable oils: Texas as the greatest producer of cottonseed oil gains nothing from the present duties on foreign oils and fats. Accurate records of world prices reveal that during the first year of this tariff the price of cottonseed in the "protected" market at Dallas, Tex., has sold at a considerably lower average price than in the "unprotected" markets of Great Britain.

The United States produces more oils and fats than any other nation and must sell a tremendous surplus of interchangeable oils and fats in Europe, and hence the European market establishes the price in the American market.

Likewise the tremendous American surplus of cottonseed cake and meal is exported to Europe and sold at international prices.

The present tariff has almost destroyed Texas's European market for cottonseed oil, has depressed the European price for cottonseed cake and meal, and largely reduced the quantity sold abroad.

The duties on foreign vegetable oils were included merely to "oil" the excessive protection machine and catch the farmers' votes for penalizing duties on thousands of manufactured articles which Texas citizens must purchase.

The department of research of the American Farm Bureau Federation has investigated and found that the present tariff has no effect "in protecting the producer of cottonseed or lard, though growers of flaxseed will be benefited * * *. On account of our peculiar position in the world's trade little can be accomplished by a protective tariff as a measure of relief."

Brick and tile, terra-cotta, and fire-clay products employ 1,663 wage earners. Some of these products are overprotected. The makers thereof were recently convicted for making "arbitrary and excessive prices" and price fixing.

Knowing this, also knowing that our exports in recent years have averaged 140 times more than our imports, Congress raised the duty from 12 per cent to 65 per cent, which was nearly twice the total domestic wage cost of the product.

These products, tiles for the farmers' drains, sewer pipe, and hollow building tile, are so bulky and the cost of packing and shipment is so great that they must be used within 150 to 200 miles from the point of production.

Other Texas manufactures are so small and so local in character that they need not be considered. It is in the production of the vast quantity of articles universally used the world over, and therefore the subject of domestic and an international distribution, that the tariff is of consequence.

Heavy steel products: Extensive analysis of the seven basic steel industries—pig iron, bar steel, rails, structural iron, cast and wrought iron pipe, tinplate and terneplate, and wire, and wire work (see leaflet, Fair Tariff League)—shows that Congress in the Fordney law gave these industries the privilege of adding $351,000,000 to their prices, to cost consumers twice this sum at retail and in amortization charges, or $702,000,000.

Since the great steel consolidations these industries have charged all the traffic will bear. It is fair to estimate that two-thirds of the above tariff allowance is added to prices, or $500,000,000 to the United States as a whole, an average of $5 per capita. Recently the manufacturers were offered bonuses above their present very high prices for new business and reasonably prompt shipment. On this basis it costs the 2,277,473 farmers of Texas $12,812,473. The steel duty, however, costs farmers half as much again as other citizens, for farmers are among our greatest consumers of steel, in machinery, in automobiles, and in the transportation of their crops on the railways. Consequently the loss to Texas farmers was far above the estimate given here.

The tariff, therefore, on heavy steel products costs the farmers of Texas $7.50 per capita, being a total of $17,083,297. Add the loss to residents in towns and cities at $5 each, and the State loses from the tariff on the seven basic steel products $29,010,572.

There is no reason for this tariff except price raising. We are the greatest and cheapest producers of steel on earth. Steel producers say so. We exported in the three years 1919–1921, of these heavy steel products $733,787,285, against imports of $34,786,900. Exports were twenty times greater than imports. Exclusive of pig iron, which we are willing to export only in more highly finished products, we exported fifty times more than we imported.

The heavy steel duties are an enslavement of the public to a few of the wealthiest corporations in the world. Their annual profits aggregate hundreds of millions of dollars. The duties on these heavy steel products show clearly the difference in the value of duties to manufacturers and to farmers. Manufacturers, when they will, if only by winks and nods, can agree on prices and add all their duties to their prices.

When the steel schedule was before the Senate Senator UNDERWOOD, of Alabama, said:

> I am in the business myself. I represent a great iron and steel district. I would not willingly harm a people that I represented, but neither would I willingly betray a people I represented by taxing them unjustly for special interests. I know this iron and steel schedule and I know that it is a fraud and a shame upon the people of this country. I know that it is not even in the interest of the industry in the end. * * * It can compete anywhere in the world. We are the master iron makers of the world.
>
> Where the fallacy of this argument comes is that under the guise of doing something to help the farmers in some particular item, their support is asked for a bill of which, as a whole, it seems that for every dollar the farmers may derive from the bill they will pay $100 in taxes for the benefit of somebody else.

COMPETITION THE "PROTECTOR" OF THE CONSUMER

Industries that are on a strictly competitive basis, like clothing, shoes, and implements, have to sell close and sometimes without profit. Only the best-managed ones make good profits. Competition controls their selling prices as it does in agriculture.

Competition is the "protector" of the consumer. By eliminating foreign competition by duties beyond the fair requirements of domestic production, the tariff becomes in fact "the mother of trusts." It offers temptations for lawbreaking and price fixing beyond the resistance of many men.

It is strange for Congress to make price fixing criminal and also in the present tariff to make price fixing profitable beyond the dreams of our forefathers.

Shortly before their consolidations the makers of heavy steel products sold bar steel as low as 80 cents per hundred pounds. After the consolidations they held bar steel steady for years at

$1.60 per hundred pounds. The United States price was the European price plus the United States duty, and sometimes plus also the freight from Europe to New York.

At the same time our makers were exporting largely in open competition with Europe.

The farmer pays the steel duty in his agricultural implements, although the latter are on the free list.

Likewise in his automobiles and other steel products that do not add their own duties to prices.

Competitive manufacturers of implements, automobiles, soap, shoes, furniture, and so forth, are "intermediate consumers." They pay big tariff costs on their purchases and pass these costs on to their customers without adding their own duties. They suffer from the restriction of their sales because of their high selling prices due to their high costs, and from the general distrust and dislike of high prices.

Farmers can plan and hope, but they can not add a dollar except on wool, sugar, flaxseed, and spring wheat, and on minor and relatively inconsequential commodities like lemons and odds and ends.

LIGHT STEEL PRODUCTS

On other metal products, stamped ware, sewing machines, machinery of all sorts, hardware, washing machines, etc., Congress invites the manufacturers to add $790,000,000 to their prices, to cost consumers at retail $1,580,000,000.

Only insanity would let manufacturers go so far. Prices were high, however, under the former tariff and have, on the whole, advanced rapidly since. It is fair to estimate that an addition of one-half of this vast total, or $750,000,000, may be added above the cost of such merchandise abroad, being $17,083,298 to the farmers of Texas and $34,974,211 to Texas as a whole.

GENERAL STORE MERCHANDISE

An analysis of 29 industries making the merchandise that fills our retail stores—cottons, woolens, aluminum wares, gloves, hosiery, glassware, chinaware, and so forth—shows a tariff permit for price raising of over $5,000,000,000 above the prices of imported articles.

Makers of some of these have already added the entire tariff advance—see Book 1, Fair Tariff League. Assuming that one-half of the total will be added, or $2,475,000,000, to these and other like articles, we have a not improbable tariff tax of $30 per capita or $150 per family of five. This is a loss on general store merchandise to the farmers of Texas of $51,249,893 and to the State as a whole of $104,922,631.

A fair balance sheet of Texas and Texas farmers' gain and loss from the Fordney tariff is shown in the table at the beginning of this article.

Certain manufacturers fought by every means fair and foul for the duties they got and with the opposition of many other manufacturers who saw the need of moderation and wanted lower rates on their own and other products.

If the over-protected manufacturers were not going to use these duties, why did they fight for them?

THE PRESIDENT AND THE TARIFF

If they dare claim that they will add less than one-half of their duties to their prices, then let them petition the President to lower their duties by the other half as he is given power to do under certain conditions under the flexible provisions of section 315. Then will the public believe that tariff rates fought for and tricked are really not to be used.

ROBBERY UNDER FORMS OF LAW

To lay with one hand the power of the Government on the property of the citizen and with the other to bestow it upon favored individuals to aid private enterprise and build up private fortunes is none the less robbery, because it is done under the forms of law and is called taxation. (Supreme Court of the United States; Marshall case.)

THE SOUTH AND THE TARIFF

The South is overwhelmingly agricultural and must continue to be far into the future, because the world must have her cottons and tobacco at the South's own prices so long as these articles are used and her early vegetables, fruits, and other crops.

Following Texas in size of farm population, the Southern States—Georgia, North Carolina, Alabama, Kentucky, and Tennessee—have a total farm population of 7,100,000 persons, an average of 1,420,000 each.

The two border States, Missouri and Oklahoma, have each upward of 1,000,000 farmers.

Of the Northern States only Ohio (1,139,329) and Illinois (1,098,262) have upward of a million farmers.

Only four Southern States—Louisiana, West Virginia, Florida, and Maryland—have less than a million farmers each.

A few manufacturers in the Southern States—Maryland excepted—gain scarcely a dollars directly from the protective tariff except Texas and some others on wool, Louisiana on sugar, Florida on lemons, and the Birmingham district on steel and iron, owned mostly in the North.

With these exceptions the South is to-day on a strictly free-trade basis as respects production and sales. It sells in the lowest market in the world, the export market, and buys its manufactured supplies in the highest-priced market in the world, the Northern States.

It favors reasonable protection—which it usually calls "tariff for revenue, with incidental protection"—justified by the underlying facts of production here and abroad. Such protection maintains American standards of living and the high consumption standards of our manufacturing States.

The total tariff losses of the five Southern States—Alabama, Georgia, Kentucky, and North Carolina—are approximately four times those of Texas, huge as that of Texas is.

No Southern States gets half of the direct gain from the tariff that Texas does, because Texas's gain is virtually all on her 18,000,000 pounds of wool annually, which is more than three times the total wool clip—4,900,000 pounds—of these other five next largest States.

Some Southern States, notably North Carolina, manufacture large amounts of cotton goods, but these are the cheaper and coarser grades, made upon automatic looms, at less cost of production than anywhere else in the world per yard produced. These cottons are exported freely at the same prices charged domestic consumers—clear evidence that they are not affected by the tariff.

In all this the interest of the South is one with an even greater number of agricultural States in the North, in the Mississippi Basin, the mountain regions, and even of Maine, New Hampshire, and Vermont for the most part.

Agriculture generally is now the victim of the tariff from any fair standpoint.

The above tables are startling. No reasonable alterations therein will materially change the underlying facts. The cost of exploitary and excessive tariff rates are a great burden upon American life and prosperity. The South bears a disproportionate part of this burden. Agricultural States elsewhere are unduly burdened.

Great numbers of manufacturers are burdened, being substantially all southern manufacturers and more than half of the northern manufacturers, being those "intermediate consumers" who purchased their semimanufactured materials from a relatively few overpowerful producers who can and do add their excessive duties, all or in great part, to their prices.

This situation is coming to be generally understood and should be corrected immediately.

THE TROUBLE WITH AGRICULTURE

[Statement of the Secretary of Agriculture, Mr. Wallace, in New York Times, August 21, 1923]

The ruinously low price of wheat is not a new agricultural disease. It is just one more acute symptom of the general trouble from which agriculture is suffering. The disease itself is the distorted relationship between prices of farm products and prices of other commodities. This is not a new diagnosis. It has been pointed out from time to time for the last two and one-half years.

The farmer could get along fairly well with present prices of what he has to sell if prices of what he must buy were down accordingly. But prices on other things remain high. That is what hurts.

When all is said and done the fundamental fact remains to be dealt with. Agriculture and industry and commerce must be brought into more nearly normal relationship, and until this is done these acute agricultural troubles will develop one after another.

The present tariff lowers farm prices by injuring export trade. It raises all other prices and living costs by preventing competition on a reasonable basis from abroad.

THE FARMERS' 68-CENT DOLLAR

After more than two years of so-called readjustment the only man in the country to-day who is compelled to produce at a pre-war return and buy at prices near the war-time peak is the farmer. While the farmer to-day is compelled to take less than the cost of production for his wheat and for other of his products, his dollar still is the 68-cent dollar. That is all it will buy of other men's goods. It is a terrible disadvantage. (Capper's Weekly.)

Senator CAPPER, of Kansas, is chairman of the Senate farm bloc.

AMERICAN AGRICULTURE AND THE TARIFF

(Ten States: A comparison and contrast. All tariff schedules included)

The Fair Tariff League is absolutely protectionist. Its entire creed, constitution, by-laws, and effort is covered by these 26 words:

Purpose: A just tariff adequately but not excessively protecting American industry and labor, lowering the cost of living, considerate of our changed position in world affairs.

The purpose of a democracy is the upbuilding of the mass of the citizenship. This means, among other things, high wages, with all that that implies in comfort, education, and character. If an article costs 80 cents to produce abroad and $1 here, and the difference in cost is due to the sweating and degradation of foreign labor, we will tax that article upon its entry into this country, not the difference in cost of 20 cents, but 25 cents for good measure. Otherwise we would have to stop its production here or debase our labor, which we absolutely will not do. The sin is in giving 60 cents at public expense, where 20 cents is enough, or 50 cents, as on steel and glass, where none is needed.

Certain American industries need for all their products, and others for part of their products, relatively high duties. Others need low duties or none. Witness shoes and agricultural implements, which are put on the free list by both parties.

Some commodities are produced here as cheaply as anywhere in the world, in enormous volume, by low-cost methods that are the marvel of the world. Some of these are helped by low duties even though they can not add a penny of those duties to their prices. Such duties stabilize our markets by preventing occasional imports from countries temporarily depressed or overstocked.

For these and other reasons, substantially all Americans favor tariff duties. The only organized free-trade group in this country has less than 400 members out of 27,000,000 voters. As concerns the tariff, the supreme fact is that both political parties support it. They levy their import duties on identically the same products, and both profess to cover the difference in costs of production here and abroad. It is immaterial that one party says this is done for purposes of "revenue with incidental protection" "ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country," and the other party says its tariff is "for the protection of American labor and industry."

If any informed man says that any party in this country is free trade, it seems impossible not to believe that he deliberately falsifies for ulterior purposes. A free-trade tariff would tax only tea, coffee, hemp, rubber, and things not made here; things that both parties invariably put on the free list.

America so completely believes in protection that the very strength of that belief has worked incalculable injury to the Nation. The public has rested on the belief without realizing that the value of protection, like the moral code, is in the honesty and wisdom of its application. Principles are rules of conduct. It is the conduct that counts. Dishonest protection picks too many pockets.

Our farmers were told that high duties would better their fortunes comparably with those of our great manufacturers whose excessive tariff profits amaze the world, like one steel corporation that recently reported three months' profits of $50,000,000.

Farmers were given duties on pork, lard, cattle, barley, eggs, tobacco, and fresh vegetables—duties about as valuable as counterfeit dollars.

The following table shows how they benefited from their own duties in 10 typical States.

A farmer in any other State can see how he and his State are affected by studying the States that are most like his:

*Farmers on their own schedules*

| | Gain | Lose | Net loss | Net gain |
|---|---|---|---|---|
| Iowa | $621,000 | $5,239,000 | $4,618,000 | |
| Minnesota | 6,313,000 | 5,133,000 | | $1,180,000 |
| Kansas | 240,000 | 3,770,000 | 3,530,000 | |
| Nebraska | 2,396,000 | 3,107,000 | 711,000 | |
| Colorado | 3,967,000 | 1,669,000 | | 2,298,000 |
| Utah | 2,457,000 | 879,000 | | 1,578,000 |
| Idaho | 1,042,000 | 1,128,000 | 86,000 | |
| Washington | 216,000 | 1,507,000 | 1,291,000 | |
| Oregon | 302,000 | 1,138,000 | 836,000 | |
| Texas | 598,000 | 9,837,000 | 9,239,000 | |
| Total | 18,152,000 | 33,407,000 | 20,311,000 | 5,056,000 |

Wool, sugar, flaxseed, and hard spring wheat are the only farm products upon which the tariff has a sufficient price-raising effect to be measured in money in a considerable and direct way. Consequently a surprisingly large part of the tariff benefits to these 10 States go to the sugar and wool growers of the 3 less populous States—Colorado, Utah, and Idaho. With a total of 1,921,000 these States get $7,466,000 from the tariff, or nearly half the tariff gain of all 10 States.

Against this $7,466,000 of gain their farmers lose as consumers of wool and food products $3,676,000, while on the tariff as a whole, as shown in the second table, they lose $25,488,000, and the States as a whole lose $75,533,000. In effect the farmers were baited with $7,466,000, so that they might lose $25,488,000 and their States lose $75,533,000.

The following table shows how our farmers and farm States were deceived. In return for farm duties mostly ineffective on the things that farmers sell, they were induced to acquiesce in rates on manufactures that excessively increase the prices of most things that farmers buy, the latter rates bearing no relation to honest protection and often none to Government revenue, for many of them—like steel, glass, aluminum, and silks of the kind we make—the duties practically prohibit imports, and therefore revenue to the Government.

*Ten States: A comparison and contrast—All schedules included*

| | Population | Farm population | Farmers | | The State losses, net |
|---|---|---|---|---|---|
| | | | Gain | Loss, net | |
| Iowa | 2,404,021 | 984,800 | $621,000 | $40,581,000 | $87,786,000 |
| Minnesota | 2,387,125 | 897,181 | 6,313,000 | 31,567,000 | 92,237,000 |
| Kansas | 1,769,257 | 691,690 | 240,000 | 28,776,000 | 71,572,000 |
| Nebraska | 1,296,372 | 584,172 | 2,396,000 | 37,503,000 | 79,730,000 |
| Colorado | 939,629 | 266,072 | 3,967,000 | 12,950,000 | 44,380,000 |
| Utah | 449,396 | 140,249 | 2,457,000 | 5,119,000 | 15,939,000 |
| Idaho | 432,000 | 201,000 | 1,042,000 | 7,419,000 | 15,214,000 |
| Washington | 1,357,000 | 283,000 | 216,242 | 11,634,000 | 54,353,000 |
| Oregon | 783,000 | 214,000 | 301,725 | 8,648,000 | 30,304,000 |
| Texas | 4,663,228 | 2,277,773 | 597,000 | 86,301,000 | 175,107,000 |
| Total | 16,481,000 | 6,540,000 | 18,152,000 | 270,498,000 | 666,622,000 |

These 10 States have a population of 16,481,000, or one-seventh of the population of the United States. They include 6,540,000 farmers, or one-fifth of our total farm population.

The farmers in these States as producers gain from the tariff $18,152,000. They lose, net, as consumers, of products of all sorts, including manufactures, $270,498,000. They lose, net, $15 to $1 of gain—$41 for each man, woman, and child, or $200 per family.

The people of these States, as a whole, lose $666,622,000. They lose, net, $31 to $1 of gain—$44 for each man, woman, and child, or $220 for every family.

The losses differ greatly in different States, as shown by the following table:

*Proportion of tariff loss to gain*

| State | Farmers lose | The State loses |
|---|---|---|
| Iowa | $67 to $1 of gain | $140 to $1 of gain. |
| Minnesota | $5 to $1 of gain | $14 to $1 of gain. |
| Kansas | $118 to $1 of gain | $300 to $1 of gain. |
| Nebraska | $17 to $1 of gain | $35 to $1 of gain. |
| Colorado | $2.50 to $1 of gain | $12 to $1 of gain. |
| Utah | $2.50 to $1 of gain | $5.50 to $1 of gain |
| Washington | $54 to $1 of gain | $94 to $1 of gain |
| Oregon | $30 to $1 of gain | $21 to $1 of gain. |
| Idaho | $8 to $1 of gain | $7 to $1 of gain. |
| Texas | $267 to $1 of gain | $65 to $1 of gain |

Minnesota farmers because of their large production of hard northern wheat and their considerable production of flaxseed gain $6,313,000, against which as consumers of wool and food products they lose $5,133,000. On the tariff as a whole they lose $31,567,000. The State as a whole loses $13,650,000 on the agricultural schedule, and on the tariff as a whole, $92,250,000. Minnesota, Colorado, Utah, and Idaho, with a population, all told, of only 4,308,000 persons, get $13,779,000 of tariff benefits, while the other six States, with 12,173,000 population, get only $4,373,000.

These four States get $3.25 per capital from their agricultural duties. The six more populous States get 36 cents per capita. Is it not clear that the agricultural duties were written by wool and sugar interests for wool and sugar interests and for the northern wheat States in their distress?

The tariff was said to be written with all American farmers in mind. We here see that the agricultural schedule was in

fact written by the wool and sugar interests for the wool and sugar interests; with the present wheat duty made by special proclamation of the President in March, 1924, in amelioration of a calamitous situation in the Central Northwest, where alone it is considerably effective.

The politically dominant wool interests are not farmers at all, but live in the towns and cities and grow their wool in remote mountain and desert lands good for nothing else, while the dominant sugar interest is the domestic sugar factories, which unfairly pocket half the sugar duties, and have little or no political support from sugar-beet growers.

These wool and sugar interests have dominated tariff legislation for 50 years, bargaining with certain big eastern manufacturing interests that knew what they wanted and got it. The days of Havemeyer are recalled, king of sugar, with his heirs still dominant in certain western sugar factories. Havemeyer told of his widely distributed political contributions and called the tariff "the wet nurse of the trusts." We recall also the wool tariff known as "Schedule K," called indefensible by President Taft, with its beneficiaries forcing Chairman Payne, in shame and anxiety, to renew their dishonest Dingley rates in the Payne law.

The wool and sugar interests have been fortified in almost every Congress in 50 years. Even so, the trades that they have made with eastern profiteering manufacturers have, in effect, sold out the farmers of their own Western States, in the interest of a few big flockmasters and of sugar factories owned mostly in the East.

When a few flockmasters unite with western sugar factories to dicker with eastern manufacturing interests of vast experience and political pull, they do well to come out with net annual losses of only $99,871,000 for these three relatively small States: Washington, Oregon, and Idaho; a loss to Utah farmers of $3,541,000, and to the State of Utah of $15,272,000; to Colorado farmers of $9,934,000; and to the State of Colorado, $44,380,000.

These States make the greatest per capita gain from the tariff of any farm States, but in the end they are large losers after all.

With the States like Iowa, Kansas, Washington, and even Nebraska, with her considerable sugar crop, the tariff situation is past describing. The tariff bleeds them white with almost no offsetting advantage. Iowa loses net each year $87,786,000; Kansas, $92,237,000; Washington, $54,353,000; and Nebraska, $79,730,000.

Iowa farmers lose $67 to $1 of gain, and the State loses $140 to $1 of gain. Kansas farmers lose $118 to $1 of gain, and the State loses $300 to $1 of gain. Nebraska farmers, despite their sugar beets, lose $17 to $1 of gain, while the State loses $35 to $1 of gain. Oregon is like Nebraska; Washington is worse.

Texas is typical of the Southern States. We have credited her farmers with $598,000 of benefit from the wool tariff not because there are any sheep of consequence upon Texas farms but because we wish to give her the largest credit possible, and some of her farmers in remote sections raise alfalfa, as they do in some other sheep States, and other feed used by sheep raisers in time of drought or of winter storms. They even get an incidental advantage from the wool duty. Even with this credit Texas, partly because she is the fifth most populous State in America, and therefore a large consumer, loses $175,107,000 net on the tariff.

Ten Western States, with Ohio and Texas, raise three-fifths of the domestic wool clip. These States with their large populations lose much more from the wool tariff as consumers of wool than they gain as producers of wool.

Of the other 10 States, the combined population of two, Arizona and Nevada, is less than that of any of the 17 largest cities in the country. Yet these two States have four Members in the United States Senate, and "the Senate makes the tariff."

Seven of these States—Idaho, Montana, New Mexico, Wyoming, Utah, Arizona, and Nevada—have a combined population of 2,396,000, being less than half of New York City, less than Chicago, and a little more than Brooklyn.

These 7 States have 14 Senators, several of them among the greatest flockmasters in America, shouting for wool and voting for wool, and probably putting more of the wool duty into their own pockets and those of their partners and friends than goes to all the farmers of their States. There are three or four western Senators who see and declare the hurt of it all, to their credit. Republican Senators BORAH, of Idaho; LA FOLLETTE, of Wisconsin; and NORRIS, of Nebraska, voted against the law, and all western Democrats.

If the 16,000,000 wool users in our 17 largest cities had equal representation in the Senate with these Western States, New York City would have 33 Senators, Chicago 17, and 11 other cities from 3 to 10 Senators each. Our 12 largest cities would have 96 Senators, being exactly the number now sitting in that body. Then our 110,000,000 wool users would have some influence. They would give reasonable protection to wool and no more.

The story of the sugar tariff is told elsewhere and virtually duplicates the wool situation.

Here is the substance and the conclusion of the American tariff. Written by wool for wool, by sugar factories for sugar factories, by a few big manufacturers for themselves—all in collusion, like the three musketeers, "all for each and each for all," among themselves.

The foregoing statement is without malice or ill will. If not pleasant, the more need of changing not the picture but the facts disclosed, being our way of making tariffs, well and generally known, and all too commonly approved openly or tacitly by good people, even as saloons and houses of ill fame were only 20 years ago.

Politics is compromise. Here is the compromise. And 90 per cent of all farmers, 55 per cent of all manufacturers, including almost all small manufacturers, and all consumers, are the victims. Honest and informed protectionists, above all others, should require a remedy.

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PROTECTION AND THE MIRACLE OF AMERICAN PRODUCTION—THE BURDEN OF EXCESSIVE PROTECTION ($3,000,000,000)—HIGH DUTIES AND NO REVENUE—FARMER AND WAGE EARNER DEFRAUDED

AN ARGUMENT PRESENTED BY THE FAIR TARIFF LEAGUE
(2 Rector Street, New York City)

Purpose: A just tariff, adequately but not excessively protecting American industry and labor, lowering the cost of living, considerate of our changed position in world affairs.

The league consists of representatives of 2,500,000 farmers and wage earners, manufacturers, leading women, merchants, and others.

It opposes the misuse of protection at the behest of great and selfish interests. It desires the cooperation of all who are so minded.

TARIFF PROTECTION—HONEST OR DISHONEST

The analyses of 42 industries in this leaflet and of 30 others elsewhere presented were made in 1921-22 during the Fordney tariff legislation, in the belief that national prosperity and public morals require that American voters and lawmakers inform themselves regarding customs tariffs and the theory of protection to American industries.

These analyses are based upon the findings of many experts, including some of the best in the Government service. The tabulations of production and wages were made by the Bureau of the Census, some of them for the first time and upon request of the Fair Tariff League.

The more essential facts were printed in heavy type, to be gleaned in a moment by the overbusy reader.

During the long controversy over the present Fordney tariff law these findings were widely used and seldom disputed. They disclose the motives, methods, and results of tariff making in the United States now and for a generation past.

These analyses are here prefaced by general consideration for those who have not studied the tariff.

FREE TRADE NOT AN ISSUE

There is no organized group of practical consequence promoting free trade in the United States.

The principal or only organized free-trade group in the United States in 1921, when the tariff issue was at fever heat, consisted of 391 persons, of whom 354 paid dues of $1 each and 37 paid $5 each. These in a population of 110,000,000, casting 27,000,000 votes in 1920. Until these 391 persons win over a considerable part of the 27,000,000 voters we can leave free trade to philosophers. Until then we should challenge the judgment or the integrity of politicians who use free trade as a bugaboo for vote getting.

The United States is committed to the elevation of the average citizen through good wages, good living, and whatever else conduces to this end, including protection. It will take no chance on overturning a policy approved from the beginning of our Government's existence when, on July 4, 1789, as its first legislative act, it adopted a protective tariff.

Both political parties shun free trade utterly. Both assess duties upon identically the same articles and make these duties equal to or greater than "the difference in the cost of production here and abroad," which is the definition of protection in the Republican platform of 1908, and the only definition anywhere accepted.

That the Democrats say that theirs is a tariff for revenue only is immaterial. In fact, the only competitive articles upon which a tariff for revenue can be levied are those that cost less abroad than here, for only those articles can pay a tax and enter our markets. A tariff for revenue will bring its best return when its rates equal "the difference in costs of production here and abroad," this being the definition of protection.

The rates in the table on page 12 show how the Democratic Party applies its principles. Its rates there shown average one and one-half times the wages in the industries. They exceed the difference in costs here and abroad, sometimes manyfold. The Fordney rates average two and one-half times the wages. They add to protection, graft and exploitation. In truth, the Fordney rates are neither fairly protective nor Republican. Dictated by profiteers, they are repudiated by millions of Republicans.

The tariffs of both parties protect labor and both raise prices. Alexander Hamilton, the father of protection, in the discussion preceding the adoption of the protective policy, made this clear. Said he of protection:

> "Duties of this nature evidently amount to a virtual bounty on the domestic fabrics, since, by enhancing the charges on foreign articles, they enable the national manufacturers to undersell all their foreign competitors. * * * Indeed, all the duties imposed on imported articles, though with an exclusive view to revenue, have the effect in contemplation, and, except where they fall on raw materials, wear a beneficent aspect toward the manufacturers of the country."

As between the political parties, it is only a question of the adequacy of the respective rates.

A free-trade tariff would tax only tea, coffee, and other articles not produced here or so different in design or quality as to be virtually noncompetitive. This method only would give us free trade in competing products and bring us to the price level of other countries. And these products, Democrats and Republicans alike, put on the free list.

If the United States ever seriously considers free trade, it will be after a thorough trial of honest and moderate protection and after a further strengthening of our international position. Those who oppose excessive rates believe that in moderate, fair protection is the solution of our tariff problems for generations.

When voters realize that the issue is not protection versus free trade but protection, honest or dishonest, protection will be quietly and scientifically applied and the public mind will then be free for other problems. Legislation will be cleaner.

THE PRINCIPLE OF PROTECTION

The principle of protection is simple. It requires that upon such merchandise as should be produced in the United States and is now produced abroad at lower cost than here there shall be levied a customs tax or duty upon competing imports to bring the foreign cost of production plus the duty up to our cost.

If an article costs 80 cents to produce abroad, and $1 here (the benefit of the doubt to be given our producers), the duty should be 20 cents. Otherwise low-priced importations will put our manufacturers out of business, and if this is extensively done our industries, wages, and standards of living will be demoralized.

This 20-cent tax increases by this amount the cost to the wholesaler of every article of the kind, whether made here or abroad, above the price that would prevail under free trade. The 20 cents goes to the domestic manufacturer on everything he produces, and to the Government on imports only.

As the tax is a part of the cost, the wholesaler and retailer add to this their usual percentages for expenses and profits. This doubles the 20 cents, making it 40 cents to the consumer at retail. It is trebled and quadrupled on many novelties such as adorn our homes and as women buy freely.

Disinterested, competent public servants in the Government tariff service say that these greater increases are reasonable on articles bearing high duties and subject to changing fancies. These apparently excessive increases give the importer only one-third and the retailer one-half of his selling price as gross margin, which they say is necessary, as the cost and risk of handling this merchandise are great.

Whether we agree with them or not Congress must not promote such high retail prices by excessive duties.

EXCESSIVE DUTIES A BURDEN UPON AMERICAN LIFE

When this 20 cents is put upon an article that costs no more to produce abroad than here, or duties more than cover the difference in cost, none can be imported unless the American manufacturer raises his price above the foreign price by the total amount of the duty. When as in hundreds of cases in the Fordney law and many in the Underwood the tax is from 30 per cent to 50 per cent on things costing the same, and often in the Fordney law from 60 per cent to 80 per cent with no such difference in costs, and these amounts are doubled, trebled, and quadrupled at retail, the tariff makes living costs as respects such articles, sometimes common necessities, twice as high as honest protection justifies.

This is a burden upon living and upon production. It artifically raises all costs, including wages. It limits international trade and the profits therefrom by making our costs unreasonable. It demoralizes legislation and weakens the foundations of society, because such rates are not honest. They breed radicalism—a purblind protest against misgovernment. Our radicals are brought into office by our aggressive McLEANS and Fordneys and our complacent LODGES.

DO MANUFACTURERS ADD THE DUTY TO THEIR PRICES?

The question whether domestic manufacturers add the duty to their prices is answered by the other question. Can they? If they are operating under severe competition, they can not and do not. When, however, Congress provides that nothing competitive shall enter this country until domestic prices are greater than foreign prices by the amount of the duty, almost inevitably, being in business for profit, manufacturers join in price agreements, or by winks and nods beyond the cognizance of the law restrict or eliminate competition. As shown in the accompanying analyses they add from three-fourths to nine-tenths of the duty, but not enough to make importations generally profitable. They thus get enormous tariff profits for their own use and disbursements and leave the Government with almost no revenue because little is imported, and that little is mostly novelties in design or quality, differing enough from domestic products to bring higher prices.

A comparative list of 75 chemicals, 10 weeks after the enactment of the Fordney law, showed that all but one had added all or most of the Fordney rate increases to their prices.

Indian Head cotton sheeting had advanced 22½ per cent, and Fruit of the Loom muslin 12½ per cent, both famous brands in common use. Cheap sateens for women's wear and for men's sleeve linings had advanced nearly one-half. Cottons generally have advanced from 20 per cent to 25 per cent. Advances in raw cotton accounted for about one-fifth of these advances, the rest was mostly tariff.

We have seen that Hamilton and his associates knew that duties would raise prices. Said Henry Clay in 1833, "In general it may be taken as a rule that the duty upon an article forms a portion of its price." Said John Sherman, in 1869, a great protectionist Secretary of the Treasury, "As a general rule the duties upon imports operate as a tax upon the consumer." And now Chairman Fordney says, "Whatever duty you put on is for the purpose of bringing the foreign value [price] up to our value." Said Chairman McCumber, in pleading for a duty on wheat for his State, "We want higher prices. When our crop of hard northern wheat is short we add all the duty to our prices. When the crop is abundant we add half the duty." He made no claim that the duty on wheat helps other than the farmers in the Northwest who raise hard wheat. In fact, growers of soft wheat pay all or part of the duty, for they must mix hard wheat with theirs for flour.

Said the Tariff Commission: "Whenever any article that is manufactured here is continuously imported in any considerable quantity, the tendency of the tariff is to make the price of the domestic product, as well as the imported article, equal to the foreign price plus the duty."

An analysis of 29 industries including textiles of all sorts, wearing apparel, glassware, chinaware, gloves, carpets and rugs, and such other merchandise as fills retail stores, shows that under the relatively low Underwood tariff only 2.7 per cent of this merchandise was imported, and that mostly because different in design or quality, as stated, and therefore especially attractive to our buyers.

An analysis of 29 industries (pp. 78–83), including textiles of all sorts, wearing apparel, glassware, chinaware, gloves, carpets and rugs, and such other merchandise as fills retail stores, shows that The Government got the tariff on this $2.70 of each $100 of consumption, while the manufacturers got it on the remaining $97.30, so far as they were able to charge it. Prices and these analyses show how able they were.

These 29 products were sold by their producers for $14,889,000,000 in 1919. Consumers paid at retail approximately twice this, or $30,000,000,000. In 1920 the Government collected in revenue on the 2.7 per cent of imports $176,000,000, and in 1921, $154,000,000, equaling one-half of 1 per cent on the total domestic consumption. This under the Democratic Underwood tariff.

It seems impossible that under the new Fordney rates the consumers will pay less than 20 per cent more for these goods than if they were not protected, and 10 per cent, or $3,000,000,000 more than if this protection were scientific and honest. Indeed, many prices advanced from 10 per cent to 20 per cent in the two months immediately following the passage of the Fordney law, and all prices are rising.

What our closely affiliated makers of heavy steel products will do with the $351,000,000 of "protection" in the Fordney tariff is indicated elsewhere. After their consolidations, in 1890–1892, these steel makers added all of the Dingley and Payne tariffs to their prices, and still there was no profit in importing, so the Government got relatively nothing. During those years and subsequently they produced below European costs, and exported freely in competition with the world.

The public has questioned how a tariff that brings the Government a total of only $350,000,000 can cost consumers $3,000,000,000 or more. These pages should make it clear.

Domestic competition used to keep prices down. In competition was the consumer's protection. With competition weakened or gone, he has no protection, except in the scientific and honest application of tariff rates at the lowest point consistent with adequate protection.

The Fair Tariff League is not associated with parties. It is directed by Republicans and Democrats, by representatives of millions of farmers and wage earners, by manufacturers, merchants, representative women, and others. It strives for moderate protection, honest and free from profiteering.

A COMPARISON: WAGES, VALUE OF PRODUCT, AND HORSEPOWER USED PER OPERATIVE

Machinery and buildings, fuel, and the incidental expenses of production, though costly, cover such great quantities of product during the period of their use that when they cost more here than abroad, the difference is so little when applied to the yard or pound of output, that it is often almost impossible to estimate it.

Our raw materials are more abundant, more easily worked, and conveniently located than those of any other country. Wages, therefore, constitute the essential difference in costs here and abroad. Their relation to the tariff must be understood.

A comparison of English and American governmental statistics shows that the average American wage earner produces from two to three times more output in money value than the English wage earner, and uses from two to three times more horsepower. In the manufacture of boots and shoes, five times more horsepower and three times more output in money value; in cotton goods, one-half more horsepower and one-half more value; in cutlery and edge tools, five times more horsepower and twice the value; in gloves, hosiery, paints and varnishes, firearms and ammunition, and soap, twice the horsepower and from two or three times the value. In silks, one and one-third times more horsepower and two and one-half times more in value.

At double the daily wage, American labor would therefore be cheaper than the English in these industries and other of like character. They are now about 60 per cent higher.

American labor, supported and directed by American genius for invention and organization, is the cheapest labor in the world in the production of many of the common requirements of mankind.

This is not a new situation. William M. Evarts, Secretary of State and a protectionist, in his report of May 17, 1878, on the state of labor in Europe, said, "The average American workman performs from one and one-half to twice as much work in a given time as the average European workman." In proof he quoted at length from consular reports.

In 1883 Charles S. Hill, protectionist, statistician of the Department of State, reported to the Tariff Commission of that time that our manufactures amounted to $8,000,000,000, made by 5,250,000 workmen, while England's was $4,000,000,000, made by 5,140,000 workmen. Said he: "Here is the positive proof that American mechanics in the aggregate accomplish exactly double the result of the same number of British mechanics. They are, therefore, very justly paid double in wages."

Judge Kelly, in 1899, said that an English nail maker got 37 cents per day and an American $4.50 per day, but the cost of labor per pound of nails was 3 cents in England and one-half cent in the United States. This was favorably quoted by the high-protectionist American Economist.

These protectionists, however, did not advertise the other fact that for many years our nail makers supplied a large part of England's demands, and at so much less than their home prices that their nails were bought in England and shipped back here at a saving of a third under domestic prices.

When we were free-trade colonies under England's control our wages were as much higher than English wages as they are to-day. Adam Smith gave wage rates in 1773 so showing.

Hamilton and Clay from the birth of our country until 1842 never advocated protection for the sake of high wages. That our wages were higher than foreign wages before we adopted protection was considered by Hamilton as one of the difficulties of that day. This difficulty, however, said he, "is diminished in proportion to the use which can be made of machinery; and so far as the dearness of labor may be a consequence of the greatness of profits in any branch of business it is no obstacle to success. The undertaker [manufacturer] can afford to pay the price." How apt is this statement to-day?

Good wages accord with good religion. Like honesty, they pay. We need protection, moderate, but not excessive, merely to keep American wages where they have always been—far above the European scale.

Our manufacturers of shoes and of agricultural implements pay the highest wages in the world in their industries. Their labor is the cheapest in the world, because it produces more for each dollar of wages received than any other labor. For this reason these things are put on the free list by both Republican and Democrats, without violation of the principles of protection.

If either party ever gives them, say, 25 per cent duty, it will count for nothing unless the manufacturers, now selling at closely competitive prices, add the duty by price agreements or consolidations. That would increase their profits by tens of millions of dollars annually, and the Government would begin to get revenue from importations. This would duplicate experiences in heavy steel products, glucose, files, wood screws, window glass, cast-iron pipe, and most trust products.

THE MIRACLE OF AMERICAN PRODUCTION

About two-thirds of the 6,000,000,000 yards of cotton goods made in the United States, being print cloths and coarser fabrics, should be on the free list with shoes, because our costs are minimum. They now carry from 12 per cent to 45 per cent duties.

A woman or young girl runs from 25 to 80 looms, weaving 4,500 yards of these cheap cottons per week, for $14 in the North and $12 in the South. She gets these wages not because she is in the United States but because she weaves more yards for this money than any other worker in the world.

India has well-equipped cotton mills, with cotton growing at their doors. She pays cotton-mill workers an average of $1.25 per week. She sends to the United States for denims and drills because our $14 worker makes them cheaper per yard than her $1.25 worker. Our spinners often run twice as many looms as the English.

These cotton mills could have paid higher wages. They have always paid the lowest possible, and to-day pay less than is paid in any other industry in the United States of like character, says the National Industrial Conference Board, a representative body of cotton and other manufacturers.

These cotton mills forced upon Congress great increases in tariff rates; 18 per cent to 30 per cent on goods costing less here than abroad, and averaging 40 per cent on all woven fabrics, with 86 per cent on laces and embroideries. This, when scarcely a piece of cotton cloth retailing under 40 cents per yard was imported under the lower Underwood tariff, and $78,574,000 of cotton goods were exported in 1921 at international prices.

An American operative runs from 25 to 30 automatic knitting machines, making 1,800 pairs of cotton socks daily, for 2 cents per dozen pairs. She gets $3 per day because she knits more for $3 than the foreign worker. The knit-goods men cry out against the $3 without telling of the 2 cents. According to census of 1919 they give 17½ cents to their wage earners out of each dollar of product. They exported $61,373,000 in 1920, against imports of $5,677,000, these imports, mostly novelties, like English golf hose and silk stockings with lace fronts running up to $100 a pair. They forced Congress to replace the Underwood duty of 37 per cent, with rates averaging 66⅔ per cent, being nearly three times the percentage of their product that they give to labor. The Fordney duty is from 40 cents to 50 cents per dozen pairs of cheap socks costing a total of 26 cents to make from the raw cotton.

Did they need this additional profit? One mill was making at the rate of 100 per cent per annum during the last six months of the Underwood law. The Phenix Hosiery Co., beginning in 1800 with $75,000, has increased its capital wholly from earnings, and made $1,407,972 in 1920. In the last nine months of the Underwood law it made $1,500,555. Its net profit in 1922 was $1,925,400 above interest charges, depreciation, and taxes. All knitting companies were prosperous under the lower duties.

An operative feeds an endless coil of wire into a bolt machine that ejects the finished bolt, cut to length, threaded, and headed so fast as to blur the vision. In 1921 we exported $4,885,000 against imports of $54,500. On this basis, if the manufacturers add the duty—and who can doubt that they will—they will get out of the tariff $500,000, and the Government will collect $5,500 in revenue on imports. Consumers will pay at retail twice this tariff allowance, or $1,000,000, without justification. Was Congress thinking of their constituents in levying this tax?

Forty-eight per cent of all the table cutlery made in the United States in the three years, 1919–1921, was exported because no country could make it cheaper. The common bread knife, with fluted edge and 9-inch blade, is exported the world over for 6½ cents. There is about 3 cents of labor in it. Congress makes the duty 11½ cents, or four times the total American wage cost, and twice the factory selling price. So of ordinary shears.

A single machine makes 50,400 glass pint bottles in a day of 24 hours, with no labor except to keep it oiled. Of 1-dram bottles it makes 165 per minute. Congress makes the duty 50 per cent. A hundred years ago, when they were blown by mouth, the duty was 10 per cent.

A machinist running three machines makes a spark plug for an automobile every 6 seconds, 600 per hour, with two diameters inside and many shapes outside. He gets 50 cents an hour in the East and up to 80 cents in the West. What is the wage cost per plug? Duty 40 per cent—on the material, the overhead, the wage, and the foreigner's profit; to be doubled, possibly quadrupled, at retail. Is it right?

These are typical examples, paralleled on every hand. Machines are more than human. With exhaustless energy they neither think nor tire and therefore are free from error. They make the 8-hour day possible, as against the 14-hour day of long ago. Automatic and other machines make labor to-day so small a part of production costs as to require only about half the duties of 40 to 60 years ago. The public, not the profiteer, should get the benefit.

A tariff putting these necessaries where they should be will lower the costs of living and of production and satisfy the public with fair rates on articles costing more abroad than here. Our farmers will be enriched, for they now produce too expensively in an artificial market, burdened with false costs and false prices, and sell in the low, unprotected, competing markets of the world. They are in distress for want of a fairer chance.

### CONGRESS AND THE COURTS

The United States courts recently condemned to jail for criminally enforcing "arbitrary and excessive prices" the makers of the terra-cotta tiles for farmers' drains, for city sewers, and hollow walls in fireproof buildings. The makers of cast-iron pipe are under court indictment for similar practices, and the makers of sanitary ware and of window glass.

These trusts produce at the lowest costs in the world. They export freely. Imports were negligible under the lower Underwood tariff. The United States Tariff Commission shows, and some of them confess, that they have nothing to fear from foreign competition. They should be on the free list with shoes and farm machinery, and the people get the benefit. Protection so requires.

Congress disregarded the findings of the courts and the commission. It invited the tile and terra-cotta manufacturers to increase prices $14,000,000; sanitary ware, $2,000,000; cast-iron pipe, $8,000,000; and window glass, $7,000,000. These tariff grants are not protection but bounties, such as despots gave their favorites, with the beneficiaries collecting them if and as they can.

The duty on terra cotta was raised from 12 per cent to 65 per cent, on sanitary ware from 20 per cent to 40 per cent, on cast-iron pipe from 10 per cent to 20 per cent, and on window glass from 9½ per cent to 28 per cent. The fact that these industries added their Underwood rates to their prices shows what they will do with their Fordney rates. If they add the new duties, consumers will pay, all told, upward of $60,000,000. If the quantity of imports continues on the average of the years 1919–1921, the Government will collect on imports about $930,000. Is this protection? These industries are separately analyzed elsewhere in this leaflet.

Congress treated other industries, commonly called trusts, in like fashion. It gave the Glucose Trust 50 per cent protection against a wage cost of only 6 per cent in converting its raw material, Indian corn, the cheapest food material in the world, into syrup. Glucose has exploited the tariff for 30 years. Its exports averaged $10,000,000 for the last three years against $4,000 average imports. It is now invited by Congress to add all it dares of 50 per cent tariff bounty to its competing domestic prices above its export prices. On the basis of the last three years it will get all it dares add of tens of millions of dollars of privately collected bounty and the Government will collect on imports $2,000 per year. Last year it collected 75 cents on total imports of $5.

### LABOR DEFRAUDED BY EXCESSIVE RATES

The analyses previously mentioned of 29 industries (p. 78–83, and described in another pamphlet), producing the general merchandise that fills our stores and sold in 1919 at factory prices for $15,000,000,000 and retailing for about $30,000,000,000, shows that these products cost consumers at the rate of $40 per capita in 1914 and two and one-half times more, or $104 per capita, in 1919. Money wages were higher in the latter year, yet in 1914 labor got 18.4 cents in these industries out of each dollar produced and only 16 cents out of each dollar produced in 1919.

In cotton, silk, and woolen mills labor gets 16 cents out of each dollar of the product. If the factory raises wages 20 per cent, labor gets an additional 3 cents, or 20 per cent on its 16 cents of each dollar produced. If the factory raises its prices 20 per cent at the same time, the factory gets 20 cents more on each dollar of product, or nearly seven times more than it increases to labor. The laboring man is poorer after paying for his supplies in those industries than he was before the raise. Such increases cause general prices to advance. Anyone, on salary or people living on interest from investments, who does not get any increase in income is altogether a loser. This has happened in recent years, and will now happen again.

Our wage earners acquiesce in and sometimes actively support high tariff rates to their employers because they have not the facts and are afraid to run the risk of lower rates. They are fed up on scare stories.

Although machinery, by replacing labor, has lowered the percentage going to wages our tariff rates have risen instead of dropped. In 1860 the average tariff on all manufactures was 24 per cent, and the wage was 25 per cent, or equal to the duty. In 1870 duties on manufactures average 34 per cent, or one-third more than the average wage, which was 23 per cent. In 1880 the duty was 46 per cent, or double the average wage, which was 22 per cent. Now, in the Fordney law, as shown below, they are often several times the total wage in the industry.

This is contrary to the advice and prediction of Henry Clay, the apostle of protection from 1810 to 1842, who, in 1833, expressed the opinion of his day, saying:

> "The theory of protection supposes, too, that after a certain time the protected arts will have acquired such strength and perfection as will enable them subsequently unaided to stand up against foreign competition."

Said Clay in 1840:

> "If the protective policy were entirely to cease in 1842, it would have existed 26 years from 1816, or 18 from 1824—quite as long as, at either of these periods, its friends supposed might be necessary."

The following table illustrates the relation of wages to tariff rates in important industries in the recent Democratic Underwood law, and in the Republican Fordney law:

WAGES AND THE TARIFF

*What labor gets from each dollar of product and the corresponding tariff rates*

| Product | Wage per dollar of product | Underwood tariff on each dollar imported | Fordney tariff on each dollar imported |
|---|---|---|---|
| | *Cents* | *Cents* | *Cents* |
| Cotton manufactures | 16⅔ | 34 | 42 |
| Silk manufactures | 15½ | 42½ | 57 |
| Woolen manufactures | 15½ | 32 | 68 |
| Hosiery | 17½ | 37 | 67 |
| Glassware | 30½ | 35 | 38½ |
| Glucose | 6 | 15 | 50 |
| Aluminum | 17¼ | 20½ | 45 |
| Cutlery | 39 | 39½ | $1.82 |
| Stamped ware | 23½ | 20 | 40 |
| Gloves, leather | 17½ | 13⅔ | 50 |
| Buttons | 33 | 36 | 99 |
| Chinaware | 41 | 55 | 69 |
| Paints and varnishes | 7 | 11½ | 28 |
| Shoes | 27 | Free. | Free. |
| Agricultural implements | | Free. | Free. |
| Sewing machines | 44 | Free. | 15 |
| Cast-iron pipe | 14.8 | 10 | 20 |
| Wire | 18½ | 15 | 28 |
| Glass bottles | 30 | 39 | 60 |
| Oilcloth and linoleum | 11½ | 32½ | 35 |
| Carpets and rugs | 19½ | 48 | 49 |

Eighty-two years have passed since Clay's predictions. Labor has gotten less and less of the product. The Government, which 10 years ago got a third of its revenues from the tariff, now gets only a tenth, while manufacturers get in money half as much again as five years ago, because the same rate as five years ago gives 50 per cent more money return, the prices upon which the duties are levied being 50 per cent to 70 per cent higher. They get many times more than in Clay's day from rates which they have learned how to use to the limit.

It behooves wage earners and the public to require that the tariff is better related to wages and that manufacturers earn their profits with the least help from special taxation that can reasonably be given them; also that the tariff shall measure not the total American wage rates but the difference in the wage cost and other costs here and abroad.

LABOR USUALLY LESS THAN ONE-HALF THE TOTAL COST OF THE PRODUCT

A century ago, when things were made by hand without machinery and steam power, there was reason in the old phrase, "Everything is 98 per cent labor." To-day the experience of many authorities indicates that manufactured articles generally are not more than half labor. Usually in each industry by itself the proportion of labor runs from one-tenth to one-fifth of the factory selling price. To this wage is to be added the labor in preparing elsewhere the materials that constitute the raw material of the factory in question. These cruder materials, however, are usually produced as cheaply or more cheaply here than elsewhere.

For instance, wages in shoe factories are about 27 per cent of the factory selling price. To this is to be added 10 per cent for tanning the leather and other small additions for the wages in the fuel and other accessories, making the total from the hide on the steer's back to the finished shoe less than 50 per cent of the factory selling price. A few silks and cottons are 80 per cent material as it comes to the mill, 10 per cent wages, and 10 per cent overhead.

FARMERS AND THE FORDNEY LAW

The depression of our agriculture in colonial days and the difficulty of exporting its products because of the high tariffs on them in foreign countries was a principal reason for the adoption of our first protective tariff. To-day our farm prices are depressed by our own excessive tariffs that keep out foreign imports that would pay for our farm exports.

Said Hamilton in 1791: "The restrictive regulations which, in foreign markets, abridge the vent of the increasing surplus of our agricultural produce serve to beget an earnest desire that a more extensive demand for that surplus may be created at home."

In those days and down to about 1842 England, our principal market, either refused to receive or assessed almost prohibitive duties on imports of breadstuffs. Thousands upon thousands of natives in Jamaica, one of her colonies in the West Indies, starved to death with our near-by wheat forbidden to them. The people of England were underfed. Not till after the population of Ireland was decimated by starvation from the successive failures of its potato crop did England admit foodstuffs upon payment of nominal duties, and that in 1849. Other countries were as inhospitable as England.

Said Henry Clay, in 1810, of our breadstuffs: "For the latter we have scarcely any foreign demand."

To-day the world wants all that we can spare from our farms. To-day—December, 1922—France is again eating war bread, with its admixture of potato flour and its diminished nutriment, because we have so restricted her importations that she can not pay for our foodstuffs.

Meantime our farmers must sell abroad their wheat and other products at prices below costs of production, and on such a basis of price compromise with the hungry foreigners as compels their unwilling purchase and their payment by means not easily foreseen. Every purchase makes more impossible their payment of already existing governmental and private debts to us, aggregating some $18,000,000,000.

Our farmers sell one-third of their wheat crop abroad, getting from 85 cents to $1 per bushel for it at the farm. If they could buy their necessaries in Europe, where they sell their products, they would get the present domestic equivalent of $1.25 per bushel, if our Government did not tax the returning purchases an average of 45 cents on each dollar's worth.

As it is, the farmer brings his measly dollar home and finds it worth 80 cents or less at his nearest store. All because his representatives, the recent congressional farm bloc, without resistance, let a few manufacturers put their duties as high as they wanted.

The farm bloc simply required that farm duties be as high as the manufacturers' rates. Consequently farmers have, for the most part, high duties as worthless to them as counterfeit dollars, while manufacturers are converting their rates into millions of golden eagles.

Only wool, sugar, flaxseed, nuts, citrous fruits, and possibly a few other minor products that we do not export but import in volume, do our farmers profit by their duties, and those when imported, like sugar and wool, seriously hurt farmers as a whole, because these duties benefit only the small number of farmers who raise wool and sugar, and injure the other nine-tenths of them.

If, as is estimated, our farmers consume four-tenths of our total production of manufactures, they lose $1,200,000,000 from tariff exploitation above fair protection. A few of them gain from excessive rates on farm products not more than a fifteenth of this loss on manufactures.

America's future depends greatly upon the hard common sense of her agricultural population. Farmers should use protection as did those of Hamilton's day and Clay's to make foreign trade helpful to agriculture. All of our duties should make international trade as convenient and happy as moderate protection admits, without taint of profiteering.

The Fordney law compels every foreign nation to trade the least that it can with us, and the most that it can with our competitors.

COMPETING IMPORTS OF SMALL VOLUME UNDER THE LOW UNDERWOOD LAW

A study of the tables on pages 11594–11597 is informative in this and other respects.

They show that of highly finished products such as fill our retail stores only $2.70 were imported out of each $100 consumed in this country. These imports, moreover, were mostly different in design or quality, and not strictly competitive.

So far as our manufacturers use their competitive rates on these articles, they collect for themselves on $97.30 of domestic products consumed while the Government collects on only the $2.70 imported. This shows how the public pays not only the relatively small amounts that the Government collects on imports, doubled at retail, but other vastly greater amounts to private interests on domestic products.

It is interesting to note that although excessive duties often add greatly to the profits of retailers, they vigorously opposed the Fordney bill as extreme and injurious even to themselves.

THE REASONS FOR OUR LOW COSTS

The United States produces ordinary things at marvelously low costs because it has the largest, most conveniently located and easily worked deposits of raw material in the world; its population is homogeneous in its requirements and is twice as numerous as that of any similar country. Devoted to standardized quantity production, its skill, inventive genius, and energy have made its people the greatest earners and the greatest consumers on earth.

It leaves other more densely populated countries, with their scant raw materials and abundant labor, to make the smaller quantities of luxuries and other things used by relatively few consumers. These products require more of individual labor, patience, and artisanship than we like to give. Even here, however, we share in products of excellence.

THE COSTS OF PROTECTION AND GOVERNMENT REVENUE DERIVED

The disparity between the millions of dollars which Congress invites manufacturers to add to their prices and the pittances collected by the Government in revenue is indicated in the tables.

The "tariff allowance to manufacturers" is the sum which Congress invites them to add to their prices above the prices of foreign competitors. They do not always add this. Where competition is keen, as in automobiles, they add little or nothing, because they can not. What they can not do to-day they may do to-morrow. Sometimes they add more than the total duties. The point is that Congress puts consumers at the mercy of manufacturers to this extent.

Protectionists are willing to pay enough above foreign prices to maintain high domestic standards of wages and living. But they must not, under this excuse, be made liable to excessive prices, unjustified either by the theory of revenue or of protection.

The Underwood law, supposedly for the purposes of revenue, so limited importations that the revenue on many articles, essential to life, was astonishingly little and prices were excessive. The Fordney law lifts those duties and prices to the skies, when they should have been lowered.

Column 2 shows that the pre-war situation, in 1914, was much the same.

Federal and State Governments will struggle for a generation under the burden of war taxes, for pensions, soldier rehabilitation, interest, and amortization on some twenty billions of dollars of public debts and current expenditures. The public meantime must pay annually some $2,000,000,000 of superprotective taxes to private interests by compulsion of the Fordney tariff law. How much better, by a fair tariff, for the Government to pay its obligations as it goes along and incidentally to reduce its long-time obligations by using one or two of the billions of dollars annually now going wrongfully to these private interests through this superprotection.

As the table shows, the Underwood Democratic tariff allowed the manufacturers of these 29 commodities only to add if they could, by price agreements or otherwise, $3,445,000,000, with only $175,900,000 coming to the Government in revenue on these articles in 1920, and $154,200,000 in 1921.

The Fordney law, by increasing the average duties on these commodities to 32.3 per cent from the Underwood 24.3 per cent, raises the allowance to manufacturers one-third, to $5,139,000,000. It will so reduce imports in hard times that it is doubtful if the Government will get more revenue than at the lower Underwood rates. If, however, as much is imported as in 1921, the revenue will be one-third greater, or $205,600,000, thereby giving the Government $1 for each $23 that it makes consumers liable for to private interests. And in times of great prosperity like 1923 the Government will get still greater revenue, but at correspondingly greater cost to consumers!

*The cost of protection and Government revenue derived*

| Industries | 1 | 2 | | 3 | | | | 4 |
|---|---|---|---|---|---|---|---|---|
| | | Payne law 1914 fiscal[1] | | Underwood law 1919 calendar | | | | |
| | Total domestic production census 1919 | Tariff allowance to manufacturers[2] | Revenue collected | Tariff allowance to manufacturers[2] | Revenue collected calendar year | | | Fordney law tariff allowance to manufacturers[2] |
| | | | | | 1919 | 1920 | 1921 | |
| Cotton manufactures[3] | $2,195,566,000 | $246,000,000 | $27,100,000 | $560,000,000 | $15,600,000 | $32,400,000 | $22,700,000 | $663,000,000 |
| Silk manufactures[3] | 688,470,000 | 85,000,000 | 14,100,000 | 208,000,000 | 20,300,000 | 23,000,000 | 18,800,000 | 277,000,000 |
| Wool manufactures[3] | 1,104,664,000 | 192,000,000 | 10,500,000 | 265,000,000 | 2,980,000 | 8,600,000 | 10,900,000 | 572,000,000 |
| Hosiery and knit goods | 713,140,000 | 108,000,000 | 2,800,000 | 192,000,000 | 600,000 | 2,300,000 | 3,600,000 | 347,000,000 |
| Shirts—Men's cotton and flax | 205,227,000 | 32,000,000 | (4) | 53,000,000 | (4) | (4) | (4) | 57,000,000 |
| Collars and cuffs—Cotton and linen | 47,585,000 | 7,000,000 | 20,000 | 11,000,000 | 20,000 | 40,000 | 40,000 | 10,000,000 |
| Corsets—Cotton, flax, and silk | 75,542,000 | 14,000,000 | 30,000 | 25,000,000 | 10,000 | 4,000 | 10,000 | 39,000,000 |
| Gloves, leather | 46,941,000 | 7,000,000 | 3,300,000 | 6,000,000 | 800,000 | 2,000,000 | 1,600,000 | 20,000,000 |
| Clothing (not including knit underwear) | 2,372,619,000 | 349,000,000 | 4,800,000 | 687,000,000 | 3,800,000 | 6,500,000 | 5,300,000 | 1,000,000,000 |
| Furs | 276,268,000 | 17,000,000 | 1,600,000 | 56,000,000 | 1,580,000 | 1,980,000 | 1,000,000 | 68,000,000 |
| Buttons | 41,840,000 | 7,000,000 | 800,000 | 11,000,000 | 660,000 | 600,000 | 600,000 | 20,000,000 |
| Umbrellas, parasols, and canes | 25,309,000 | 4,000,000 | 800,000 | 6,000,000 | 20,000 | 60,000 | 40,000 | 9,000,000 |
| Trunks and valises | 68,982,000 | 8,000,000 | 100,000 | 18,000,000 | 20,000 | 100,000 | 100,000 | 17,000,000 |
| Rubber goods | 1,138,216,000 | 78,000,000 | 300,000 | 107,000,000 | 100,000 | 200,000 | 100,000 | 264,000,000 |
| Earthen, stone, and chinaware | 291,166,000 | 65,000,000 | 5,600,000 | 98,000,000 | 3,460,000 | 5,200,000 | 5,900,000 | 122,000,000 |
| Glass (including sheets and plated) | 364,876,000 | 55,000,000 | 2,800,000 | 95,000,000 | 600,000 | 2,000,000 | 2,000,000 | 104,000,000 |
| Linseed oil | 120,638,000 | 9,000,000 | 20,000 | 8,000,000 | 200,000 | 500,000 | 800,000 | 56,000,000 |
| Salt | 37,514,000 | 5,000,000 | 40,000 | | | | | 13,000,000 |
| Sugar, refined | 750,987,000 | 108,000,000 | 61,500,000 | 108,000,000 | 68,000,000 | 78,900,000 | 70,900,000 | 411,000,000 |
| Lead, and manufactures | 273,969,000 | 89,000,000 | 600,000 | 41,000,000 | 400,000 | 1,000,000 | 1,000,000 | 114,000,000 |
| Chocolate and cocoa | 139,238,000 | 7,000,000 | 100,000 | 11,000,000 | 30,000 | 50,000 | 80,000 | 22,000,000 |
| Oilcloth and linoleum | 68,110,000 | 8,000,000 | 600,000 | 16,000,000 | 40,000 | 400,000 | 100,000 | 17,000,000 |
| Paints and varnishes | 340,347,000 | 34,000,000 | 400,000 | 35,000,000 | 100,000 | 400,000 | 300,000 | 86,000,000 |
| Asbestos manufactures | 23,978,000 | 1,000,000 | 60,000 | 4,000,000 | 30,000 | 100,000 | 50,000 | 6,000,000 |
| Automobiles and parts of | 3,089,620,000 | 190,000,000 | 500,000 | 790,000,000 | 100,000 | 700,000 | 600,000 | 610,000,000 |
| Glucose and grape sugar | 134,548,000 | 11,000,000 | 3,000 | 17,000,000 | 500 | | | 59,000,000 |
| Starch | 51,708,000 | 5,000,000 | 200,000 | 6,000,000 | 30,000 | 100,000 | 70,000 | 16,000,000 |
| Toys and games | 45,657,000 | 4,000,000 | 3,200,000 | 12,000,000 | 1,000,000 | 3,400,000 | 2,700,000 | 27,000,000 |
| Carpets and rugs (other than rag) | 123,251,000 | 26,000,000 | 2,500,000 | 40,000,000 | 1,400,000 | 4,500,000 | 4,100,000 | 44,000,000 |
| Total 29 industries | | 1,777,000,000 | 144,353,000 | 3,455,000,000 | 121,620,500 | 175,854,000 | 153,360,000 | 5,139,000,000 |
| Per cent of protection to domestic production | | 35.8 | | 24.5 | | | | 26.4 |

[1] The Payne law was operative only July 1–Oct. 3 of this fiscal year ending June 30, 1914. Its rates are applied to the entire year, being the only census year showing production since 1909.

[2] This represents the amount the domestic manufacturer is permitted to add to his selling price by reason of the duty added to foreign competitive products. Whatever he adds of this is doubled to the consumer at retail.

[3] Not including carpets, handkerchiefs, and wearing apparel, but including laces, fabrics, and other manufactures.

[4] Not separately stated.

Nor does it answer to say that the $5,139,000,000 is an impossible sum, never realizable. It is, indeed, impossible. It is, however, the act of Congress, to be made effective to the fullest extent that opportunity offers.

Note the disparity between the millions given each industry and revenue coming to the Government in each case, usually only a fraction of a single million. And whatever the several industries add to prices is doubled against consumers at retail because of additions made in turn by each of the factors, wholesalers and retailers, through whose hands the merchandise passes from factory to consumer.

ENGLISH COTTON SPINNERS WANT UNITED STATES TARIFF RATES AS HIGH AS POSSIBLE

A representative of the great English cotton spinners of Lancashire says that many, if not most, of the English spinners want the American tariff on cotton goods to be as high as possible.

Strange as this may seem, his reasons are convincing.

England exports about $500,000,000 of cotton goods annually, of which total only $25,000,000 to $40,000,000, or 7 per cent, come to the United States. Excessive American rates, like the Fordney, lessen England's exports to the United States. Their total, however, is so small that England would not suffer if she lost half or all of it.

These Englishmen know that our high, profiteering tariffs really protect England in her $500,000,000 world-wide cotton-goods trade. They know, as the Taft Tariff Board showed, that America now makes ordinary cottons cheaper than any other country and that her low costs on finer goods are already making her a considerable international competitor. They know that the high Fordney tariff keeps up America's high cost of living and of production. They fear such lower costs as honest protection would develop. If they could, they would write our tariff just as the Fordneyites did.

The foregoing accords with the statement made by a distinguished Englishman at an international trade conference in London in 1909 in reply to the present chairman of the Fair Tariff League, then the executive officer of the National Tariff Commission Association, who expressed the desire of most Americans for as low an American tariff as will protect American industry and labor and for the elimination of tariff exploitation and profiteering.

Said this Englishman with great seriousness, "I can not wish success to the American movement for a moderate tariff. That means the end of European supremacy."

Thus do American tariff profiteers in exploiting their own people play into the hands of European competitors.

AT IT AGAIN—CONGRESS FIXES ANOTHER TRUST—THE PRESENT TARIFF ON BRICK AND TILE, TERRA-COTTA AND FIRE-CLAY PRODUCTS

Congress gives this industry, part of it indicted for conspiracy and price fixing, $123,000,000, costing consumers about $246,000,000. According to the United States Tariff Commission no protection is necessary.

POSSIBLE REVENUE $160,000

Underwood duty, 11.8 per cent; Fordney duty, 65.5 per cent; wages, 37.5 per cent.

These products are a universal necessity—for the farmer's drains, for conveying water and subsurface electric cables, for fireproofing, as substitutes for brick or concrete in walls, and floors.

It is made of mud—just mud, burned clay, forced through dies at the discharge end of an automatic mixing or pug mill.

Congress says it should have 65.5 per cent protection. The Tariff Commission clearly indicates that it should have none. It says: "The cost of these articles per unit of weight is small, and the careful packing necessary when long-distance shipments are to be made restricts the market of the domestic plants and practically prohibits international shipments." They must be used within 100 or 200 miles, usually, of their place of manufacture. The following table confirms the commission's statement:

*Brick and tile, terra-cotta and fire-clay products exports and imports, by years*

| Year | Exports | Imports | Exports to 1919 (census) production, per cent | Imports to 1919 production, per cent | Exports exceed imports by indicated number of times |
|---|---|---|---|---|---|
| 1914 | $2,378,773 | $282,687 | 1.7 | 0.2 | 84 |
| 1919 | 3,625,038 | 195,640 | 1.7 | .09 | 186 |
| 1920 | 5,608,163 | 419,964 | 2.7 | .2 | 134 |
| 1921 | 3,544,769 | 301,059 | 1.7 | .1 | 118 |

Production in 1914 was $136,915,644; in 1919, $210,085,972.

As above shown, postwar exports are 118 to 186 times more than imports, and yet, says the grand jury, the manufacturers of tiles and terra cotta, since 1911, "have in pursuance of an understanding and agreement among themselves" carried on their trade "without any competition between any of said defendants" and sold "at arbitrary, noncompetitive, and excessive prices fixed by agreement."

If imports were possible under any conditions under a tariff like the Underwood of 11.8 per cent, they would have been made so as to share in these excessive domestic prices. Yet the present Congress, with this information on file in the Federal court since September 21, 1921, and the above information, and more, given it by the Tariff Commission, puts a duty of 65.5 per cent on these products.

METHODS OF PRODUCTION

The report of the Tariff Commission says: "The domestic industry manufactures practically the entire domestic supply of these products. All machinery and equipment are produced and manufactured in the United States, and the domestic processes are at least as efficient as those in any foreign country." The product is made by semiautomatic or automatic processes, the shape being given the product by forcing the clay through dies.

WAGES 37.5 PER CENT

As the material is almost worthless, wages are relatively high, being 37.5 per cent of the mill selling price. With importations virtually prohibited because of freight costs and our unrivaled methods, it is evident to whom the increase in duty will go.

COST OF PROTECTION AND REVENUE DERIVED

The Underwood duty of 11.8 per cent helped these manufacturers to form the present trade conspiracy with which they are charged and to add $22,000,000 to their prices at a cost to consumers at retail of twice this sum, or $44,000,000. It seems that they could not resist the temptation. What right had Congress thus to tempt them? What right to endanger the public interest?

The Fordney duty invites them to add $123,000,000 to their prices at a cost to consumers at retail of $246,000,000.

Congress is offering as great temptation to every industry.

Is not this kind of a Congress "the mother of the trusts"?

PRICES

The grand jury says prices are "arbitrary and excessive." Let us see. The committee of experts assisting the Senate Finance Committee gave the Senators data from Government records as follows:

The freight on firebrick from England, costing there $28.92 per thousand, is $27, or nearly 100 per cent of the foreign price. Some protection!

Firebrick costing $39.55 in Canada paid $15 in freight—nearly 40 per cent of "natural" protection. The English brick sold in the United States for $65 against $67.50 for domestic brick. The Canadian brick sold for $72.50 against $65 for domestic brick.

The importer of English brick got only 8.8 per cent gross margin on his landed cost for selling expense and profit. The Canadian got 14 per cent gross margin.

Tiles and other earthen wares show similar conditions.

Tile manufacturers were sent to jail recently for price fixing.

Why do Americans pay from $65 to $72.50 for firebrick costing Canadians (whose production costs are no lower) $39.55 and Englishmen $28.92?

The Congress last month voted 25 per cent on firebrick and duties rising to 60 per cent on tiles for drainage, buildings, and other purposes.

Why this extortion on baked mud? The answer has no relation to protection, nor to revenue, of which there is none.

HOSIERY AND KNIT GOODS

The Fordney tariff invites price increases up to the preposterous total of $964,000,000. Possible revenue, $5,500,000.

In the production of hosiery and knit goods the United States is the master of the world.

In this is realized the hopes of those who first made protection an American policy.

Our hosiery wages, though on a piece-rate basis, are, per day, the highest in the world; our costs per unit produced are the lowest. In this production righteousness and profits go hand in hand, as they ought. In the tariff righteousness yields to greed and deception.

PRODUCTION—EXPORTS AND IMPORTS

Production of hosiery and knit goods in 1919 was $713,139,689, of which we exported $45,784,576 against imports of $1,191,236. Exports were 6.4 per cent of production. Imports were two-tenths of 1 per cent. Exports were thirty-eight times imports.

In 1920 we exported $61,373,475 of hosiery and knit goods against imports of $5,677,426. Exports were ten times greater than imports. Imports were only eight-tenths of 1 per cent of 1919 (census) production.

Export in 1921 would have been $19,596,220 if 1920 prices had held. Owing to heavy declines in prices they amounted in dollars only to $13,243,821, against imports of $8,360,660, which would have figured $10,762,594 at 1920 prices.

Exports were more than 50 per cent in excess of imports in 1921, when all countries were rushing merchandise into the United States in anticipation of tariff increases.

Imports are mostly noncompetitive, novelties in quality or design, lace-front French hose for women, English golf stockings, etc.

Our silk hose is freely sold in Europe. Our cotton hose is sold everywhere. American hose is sold in Chemnitz, the headquarters of German hosiery.

With the prospect of saving 31 per cent in duties (equal 5 years' interest) by getting goods in before the passage of the new tariff, importers brought in only $500,000 more cotton hosiery in the 11 months ending May 30, 1922, than in the same period in 1921.

Our big exports are sold in competition with the world. On these exports we pay the duties of other countries and meet their prices, quality considered. Why can't we meet foreign prices here, with a duty of 25 per cent at most?

PRE-WAR CONDITIONS

Production of hosiery and knit goods back in 1914 was $258,912,903. Exports in 1914 were only $2,546,822, or only a fifth of last year's (1921) exports, which were $8,360,660. We are stronger now than pre-war.

In that pre-war year (1914) imports were $6,135,428, or 2.3 per cent of production, while in 1921 imports were only 1.2 per cent of our last census (1919) production. Would anyone have less than 1.2 per cer cent of our production imported, including novelties and fancy goods—any but a grafting manufacturer?

The tariff: Underwood rate, 36.9 per cent; Fordney rate, 66.6 per cent; wages, 17.6 per cent.

With this stranglehold upon our domestic markets and this great exportation at competing foreign prices, Congress now gives the hosiery people an increase from the former average rate of 36.9 per cent to 66.6 per cent.

COST OF PRESENT TARIFF RATES

By the Underwood duty our hosiery and knit-goods people were invited by Congress to add $192,000,000 to the prices of their foreign competitors, whose prices they meet in foreign markets.

Under the Fordney rates they are invited to add to their prices $347,000,000, which sum would be doubled to consumers at retail, making $694,000,000.

PROFITS

Our hosiery people are rather closely, although informally, associated. They have made great fortunes. A maker of good, cheap men's cotton hose, worn by people of small incomes, which he sells at 80 cents per dozen pairs, says that his excess-profits tax in recent years would have been big profits if he could have kept them. The present duty is 50 per cent on these cheap socks. Since the law was passed the price of the socks has been doubled at retail, but the factory wage is unchanged!

All-wool women's heather hose now sell at American factories for $18 per dozen pairs. At English factories for $19.35. Why 57 per cent duty? England is our chief competitor.

AMERICAN EFFICIENCY

The climax of cheap production seems to be reached in our full automatic machines. They take 60,000 stitches per minute. A single operative, managing 25 machines, knits 150 dozen pairs of men's socks per day. She gets 2 cents per dozen pairs, netting her $3 per day.

The total wage cost of these socks is 2 cents per pair from the raw cotton to the finished sock. These sold pre-war at the factory for 45 cents per dozen pairs; 80 cents in July, 1922; and $1 per dozen in September, 1922. About half the total costs—36 cents—is in the yarn. Women's hose and all superior qualities cost more, but are correspondingly low in wage costs.

WAGES AND PROTECTION

In 1914 pre-war wages were 23 per cent of the factory selling prices. Wages plus salaries were 27.4 per cent. The Payne tariff averaged 72 per cent, or more than three times the total wage cost of production. By declaration of our Federal Supreme Court, this is "robbery," to the extent of two-thirds of the duty.

"To lay with one hand the power of the Government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprise and build up private fortunes is none the less robbery because it is done under the forms of law and is called taxation." (The Supreme Court of the United States—the Marshall case.)

In 1919 wages were 17.6 per cent of domestic prices. Wages had greatly advanced over pre-war, but prices had advanced out of all proportion.

WHO PAYS THE DUTY

Under what pressure is it that Congress now further increases these duties to an average of 66.6 per cent?

Will the duty fall on the consumer? Take the judgment of leading Republican Senators.

Said Senator LENROOT, June 20 last, in limiting the duty on cotton gloves:

"Upon an article like this, used in every home in the land, we ought not to tax the American people more than 75 per cent."

Seventy-five per cent "on every home in the land"!

Said Senator McCUMBER in demanding a duty on wheat to the advantage of his State:

"We want higher prices. When our crops are short we add all the duty to the price. When crops are more abundant we get half the duty."

They know who pays the duty—the consumer.

REVENUE COLLECTED ON IMPORTS

The revenue collected is ridiculous as compared with the burden imposed upon consumers. This revenue was $600,000 in 1919, $2,300,000 in 1920, and $3,600,000 in 1921. This against the possible cost to consumers of $694,000,000.

To whom does this country belong—the hosiery manufacturers?

A DIFFERENCE OF OPINION

"Senator LENROOT. The Payne-Aldrich bill was crooked, yet if it had not hurt the American people * * * there would have been no such political revolution as followed. * * *

"There is very little difference between the Payne-Aldrich bill and the duties as reported in this bill.

"Senator McCUMBER. We died for principle. That is the real thing that was back of the defeat of the Republican Party in 1912."—(CONGRESSIONAL RECORD, July 26, 1922.)

THE WOOL TARIFF AND THE FARMER

[Extracts from Senate debate July 26, 1922]

Mr. LENROOT. Unfortunately the Senator from Idaho [Mr. GOODING] can not convince the American people of the correctness of the position that he takes, that no tariff is too high to suit him. The Senator wants an embargo upon everything that we produce, and, if that policy could be carried into effect, he would strike a blow at every wheat grower in America, at every farmer in America who must have a foreign market for his surplus.

Mr. President, let us see where the logic of the Senator from Idaho leads us. He is willing, he says, that we put up a tariff wall so high that Europe can not establish any credits here; that Europe can not pay us for any of our surplus products. He is willing to drive Europe to Australia and to South America to purchase all of its wheat. He is willing that the 100,000,000 or 200,000,000 bushels of surplus wheat that is produced in this country shall not find any outlet abroad and thus reduce the domestic price of wheat to 50 or 60 or 75 cents a bushel.

That is the kind of a friend of the farmer that the Senator from Idaho is in the policy that he advocates, and what is true of wheat is true of other agricultural products.

Mr. President, let us see from another standpoint the friendship for the farmer in the policy advocated by the Senator from Idaho.

The farmer of the United States is entitled to two kinds of protection. He is entitled, first, to a reasonable protection upon the things that he produces in order that he may fairly compete with those who are producing like commodities abroad. He is also entitled—and this the Senator from Idaho forgets—to purchase at a reasonable price the things that he must have to live and exist.

HIGH WOOL DUTIES AND ADULTERATED FABRICS

"One of the consequences of our legislation greatly enhancing the cost of wool has been the increased use of cotton by manufacturers of so-called woolen goods. Speaking for the knit-goods industry I am forced to believe from experience and observation that there is more cotton than wool used nowadays. In the clothing industry I have been informed by manufacturers that the deterioration of wool cloths has been carried to such an extent that now there are cloths in the market of which but 10 per cent is wool.—Max Lowenthal, Rochester Knitting Works, Rochester, N. Y., January 3, 1907 (New York Evening Post).

"The Senators who will vote on this matter—the duty on wool—have their minds made up, enough of them. They will come in at the ring of the bell."—Senator McCumber, July 26, 1922.

COTTON THREAD AND THE TARIFF—ANOTHER TRUST BUTTRESSED BY CONGRESS

Every woman who uses a spool of cotton thread and every living person, so far as he depends upon cotton thread, is enslaved to a world trust on this thread, whose American manufacturing interests Congress now proposes to buttress with a tariff of from 20 to 35 per cent.

The trust is English, the J. & P. Coats Co. England is thoroughly aroused over its excessive prices and profits.

It defies tariffs by getting behind them, as in its factories in the United States. "The reel of cotton encircles the globe." The profits of the English company have been averaging upward of $15,000,000 per year.

The control of the American Thread Co., the United States associate of the trust, is owned by the English Sewing Cotton Co. It operates several large factories in the United States.

While its stock is not owned by the J. & P. Coats Co., it sells at identically the same prices with the same amount of cotton to the spool. Thus there are different names and trade-marks, but identical prices and service.

In 1914 the United States Tariff Commission found that a spool of 200 yards of cotton sewing thread wholesaled for 3.92 cents and retailed for 5 cents. In 1922 there are only 150 yards to the spool, wholesaleing at 4.29 cents—a third less thread and a third of a cent higher price per spool. Seventy years ago a spool retailed for 1 cent.

The profits of the American company for recent years is here shown:

*American Thread Co. income account, years ended March 31*

| Year | Net profits | Depreciation | Common dividends | Reserves | Surplus for year | Per cent earned on common stock |
|---|---|---|---|---|---|---|
| 1916 | $2,311,503 | $517,105 | $972,000 | $25,000 | $312,964 | 24.30 |
| 1917 [1] | 2,272,423 | 501,721 | 918,000 | 363,218 | 5,646 | 23.80 |
| 1918 [2] | 5,205,959 | 630,342 | 1,242,000 | 2,123,032 | 621,957 | 73.83 |
| 1919 | 3,354,541 | 591,469 | 1,200,000 | 261,737 | 655,256 | 35.28 |
| 1920 [3] | 3,616,756 | | 1,350,000 | 2,100,000 | [4] 77,768 | 40.13 |
| 1921 | 2,237,103 | 656,727 | 1,320,000 | 376,470 | [4] 720,619 | 10.83 |

[1] 11 months ended Feb. 28, 1917.
[2] 13 months ended Mar. 31, 1918.
[3] After deducting bond interest, depreciation, and income and excess-profits taxes.
[4] Deficit.

At the close of its fiscal year, March 1, 1921, the company's reserve fund was $2,815,678; its profits' account was $3,301,179; and its depreciation fund, $6,428,629—a total of $12,545,476, nicely tucked away.

Its profits for the year ending March 31, 1922, were $11,520 after reducing inventories of $13,000,000 to current values.

Its profits in normal pre-war years upon its invested capital of $6,000,000 were: In 1912, $1,366,775; in 1913, $1,683,463; in 1914, $2,086,115; in 1915, $1,531,377.

IMPORTS

For the seven months ending January 1922, the total imports of manufactures of thread and yarn on beams, in skeins, spool thread, crochet, darning, and embroidery cotton amounted to $3,650,065, as against $13,220,201 for the same period for 1921. Imports for 1922 fell off enormously from 1921.

These imports may look considerable, but all these except the thread itself are used in manufactures of cotton, of which we produced nearly $2,200,000,000 in (census) 1919. Imports are as a drop of water in an ocean.

It is questionable if the Government will collect 5 cents of revenue for each $5 that American women must pay this trust.

The trust bought and closed down some plants, indicating a remaining capacity equal to all domestic demands, and no chance for imports except at the pleasure of the trust.

COURTS OPPOSE—CONGRESS FAVORS

The United States court has endeavored to weaken the trust's control, but without substantial effect.

Any tariff protection is protection for a foreign-owned trust. It invites and almost requires the trust to further increase its prices.

UNDERWOOD DUTY 15 PER CENT, FORDNEY DUTY 20 PER CENT TO 35 PER CENT

The Underwood duty was 15 per cent, which the Fordney law increases to one-half of 1 per cent per hundred yards, with the proviso that this rate should be figured at not less than 20 per cent nor more than 35 per cent ad valorem.

A manufacturer declares that this protection "amounts in almost every instance to more than the entire manufacturing cost."

This increase in the duty is a guarantee by act of Congress that the Thread Trust shall continue to make its big profits.

Theoretically, Congress holds that its powers should not be exercised in support of trusts at the expense of American citizens. Why doesn't Congress act in accordance with this principle? The Thread Trust will make big profit, anyhow.

CATCHING THE FARMER

"I come from an agricultural State. * * *

"It seems to me that the Senator from North Dakota [Mr. McCumber], in his zeal to put such an immense tariff on these agricultural products—higher than we have ever had before, higher than there was any necessity for—has done so simply to oil the protection machine for the woolen schedule and some other schedules in the bill." (Senator Knute Nelson, Republican, Minnesota, CONGRESSIONAL RECORD, August 11, 1922.)

ALUMINUM AND THE FORDNEY TARIFF LAW

Present rates: Crude, 5 cents per pound; sheets, coils, bars, etc., 9 cents per pound or 40 per cent; table utensils, etc., 11 cents per pound and 55 per cent, equals 71.2 per cent.

The Aluminum Co. of America makes every ounce of aluminum produced in the United States. Through its great subsidiaries it produces over 90 per cent of all our aluminum tableware and other utensils. Every automobile except the Ford uses a great amount of aluminum.

"The health of the community will be subserved by treating the whole question primarily from the standpoint of the business interests of the entire country, rather than from the standpoint of the fancied interests of any group of politicians." (Theodore Roosevelt.)

PRODUCTION EXPORTS AND IMPORTS

The production of aluminum and its wares in 1914 was $19,597,465, of which $1,101,920 was exported, being 5.6 per cent of production, against imports of $1,414,274, or 7.2 per cent of production.

In 1919, production was $75,277,948 of which $3,890,326, or 5.2 per cent was exported, with imports $277,846, or four-tenths of 1 per cent of production.

In 1920, exports increased to $5,630,781, or 7.5 per cent of 1919 (census) production against imports of $2,288,608, or 3 per cent of production.

In the poor year, 1921, exports were $3,108,857, or 4.1 per cent of production, with imports $2,057,173, or 2.7 per cent. Much was said about the flooding of our market with cheap imports, and yet they were less in 1921 than in 1920, and 50 per cent less than exports.

WAGES 17.7 PER CENT

Under the Payne tariff of 45 per cent, the wage cost was only 13.3 per cent, and wages, plus superintendence, 15.8 per cent. The tariff was three times the percentage of the factory selling price that went to wages.

The wages in the crude product and in wares can not be separately stated by the Census Bureau, because the Aluminum Trust controls over 90 per cent of wares production, and 100 per cent of crude, and this wage differentiation by the Census Bureau would disclose the secrets of a particular company. Thus the trust is shielded by a law generally necessary.

Under the Underwood tariff of 21.6 per cent, wages average (census 1919) 21 per cent, making the tariff equal the total percentage going to wages.

The Fordney law now gives from 22 to 71 per cent—averaging 45 per cent—"protection" to this trust, which has marvelously prospered under the tariff of 21.6 per cent.

Why not let it earn its own living, even if its profits become more nearly those of competitive undertakings?

"If the friends of protection do not themselves correct admitted excrescences in the tariff and modernize it to meet changed conditions, the enemies of protection will. The situation is in many ways similar to that in regard to great public-service corporations. The choice on that question is between regulation and revolution. The choice on the tariff question is between rational revision and ruin. In neither case can we stand still. The country that does not go forward goes backward." (Curtis Guild, jr., Governor of Massachusetts, 1908.)

PROFITS

The Aluminum Co. started in 1888 with a paid-in capital variously estimated as from $100,000 to $200,000. Besides paying dividends, it had accumulated up to July 31, 1921, a capital stock of $18,729,600 and a surplus of $92,153,861.04, giving a net worth of $110,883,461.

The president of the company, Mr. Davis, says:

"For the 10 years ending December 31, 1920, the net earnings of the company, after interest, taxes, depletion, depreciation, etc., have averaged in excess of $10,000,000 per annum. The lowest of such earnings occurred in the year ended December 31, 1912, and were $4,462,956."

PRICES

English producers, whose costs are as high as in America, charge 15 cents per pound for ingots. Add to this freight to New York, 2 cents, and tariff, 5 cents, gives 22 cents per pound duty paid. The price of the American products formerly 24 cents, was, upon last advice, 21 cents, or 1 cent per pound less than the English price delivered. This is the easy method practiced by many trusts in making domestic prices. Add the freight and the duty and then make an inconsequential reduction.

FORDNEY DUTY, CRUDE 22 PER CENT, WARES 71.2 PER CENT

Not content with its present addition of the entire duty and one-half the freight from abroad to its present prices and its $100,000,000 per year of Government promoted profits, this industry gets Congress to increase the duty on ingots from 2 to 5 cents, to make the duty 9 cents on sheets and circles, which are simply ingots rolled out thin, and to increase the duty on aluminum wares from the present rate of about 20 per cent, under which importations are virtually prohibited, to 71.2 per cent. Such rates have the same relation to protection, honestly figured, as the holdup man's blackjack has to the public peace.

RAW MATERIAL

The earth, called bauxite, is as common as clay. From our richest deposits at Bauxite, near Little Rock, Ark., the Aluminum Co. digs it from open mines like sand or gravel. It goes thence about 300 miles to East St. Louis, Ill., where it is concentrated to a substance called alumina by the cheapest coal in the world, from the mines close by. Will the public consent to "protection" on this dirt or this coal?

From East St. Louis the concentrate goes to the many plants of the Aluminum Co., where it is reduced to aluminum ingots by hydroelectric power. Who votes for "protection" for water power?

ACCESSORY MATERIALS

For the reduction of each ton (2,000 pounds) of aluminum is required from 1,200 to 1,600 pounds of petroleum coke, which is produced so cheaply in this country that Europe sends here for her supplies, which suffer considerable deterioration from the long ocean haul. Who would "protect" petroleum coke? There are also required 300 pounds of tar, 300 pounds of soft coal, for drying, and 200 pounds of cryolyte, which is only found in nature, in Newfoundland, which sells it to all comers at the same price.

FREIGHTS

As the alumina used by competing British and French companies is hauled from France, Scotland, and Norway, the American trust is at no considerable disadvantage on freight.

The labor used in rolling ingots into sheets and circles is mostly unskilled, and is the kind used in rolling steel bars and other metals.

WARES

On aluminum wares, kitchen utensils, etc., the Fordney law offers a duty of 11 cents per pound (or 73 per cent of the English selling price of the metal) plus 55 per cent, which averages a total of 71.2 per cent. This means that the foreign producer, after paying 15 cents per pound for his metal, must pay 73 per cent of this price again at our customhouse, plus 55 per cent of his selling price of the wares, including his profit. On cast ware only, like forks, upon which she specializes, does Germany excel us.

SKILL

Ordinary workers acquire sufficient skill for the manufacture of most of these wares in a few days. A prominent firm making canteens during the war employed high-school pupils for welding. The turning and stamping is done by automatic machinery. In one of its great subsidiaries the trust makes some 17,000 to 20,000 coffeepots per day by astonishingly scientific processes, requiring scarcely the touch of human hands. A materially lower wage cost per unit of production is impossible anywhere. The value of the product of two of its subsidiaries is understood to be upward of $20,000,000 each.

"There is only one reason for continuous tariff agitation. Every tariff made in the old way has been bad in important respects, bad the day it was made and every day thereafter until succeeded by another, also bad. We are compelled to agitate as against error and misuse. Make a tariff right and agitation will be impossible as well as unnecessary and unjustifiable." (National Association of Manufacturers, 1908.)

For a time following the war there was a hue and cry about German imports, which, however, have been inconsiderable up to date and usually so thin and poor in quality that many stores refused to sell them.

GERMAN COMPETITION

The Senate Finance Committee's group of 71 special experts required to study these and similar conditions displayed 11 aluminum utensils from Germany, together with the nearest obtainable duplicates made in the United States. In each case the differences in quality were so great that the experts changed the American prices sometimes by 30 per cent or more to offset differences in quality. In every case but one the American article was decidedly superior. Then, to complete the comparison, the experts showed 11 German importations with no comparable American products to be found.

Usually the German metal is so little purified that it turns blackish from chemical change upon the application of heat. Although interested persons may excite alarm, there is nothing to fear from importations.

COST OF PROTECTION

The Fordney rate is a gift to this trust of as much of $28,000,000 as it cares to add to its prices. Whatever the trust uses of this $28,000,000 will be doubled to consumers at retail.

In 1921, with trade depressed, the American manufacturer made low prices and demonstrated his ability to do with small concessions by way of protection. In the first 10 weeks following the enactment of the Fordney law, by two advances in price, 3 cents and then 2 cents, he added the entire tariff increase on sheets. (March, 1923. The domestic price is now the foreign price plus freight to the United States on the foreign competitive product.)

How fortunate if the Secretary of the Treasury, sworn to serve the public interest, himself the principal stockholder in this trust, and one of the richest men on earth, would be as fair as the soap manufacturers, who say, "Take away our duty. We don't need it." He now stands to get millions of dollars annually to which he is no more entitled than to the money which he is guarding in his country's Treasury.

NEW ENGLAND AND THE TARIFF

"As the center of population and industry moves westward, Massachusetts' position becomes more isolated, both for her supplies and for our home markets. She must, if confined to this country, get her coal, lumber, wool, hides, leather, iron and steel, copper, etc., from more distant points and she must send her manufactured goods farther to market, paying the increased freight both ways." (Wm. L. Douglas, shoe manufacturer, ex-Governor of Massachusetts.)

New England can not afford excessive tariff rates. They advance her costs unreasonably.

THE FORDNEY TARIFF ON ASBESTOS

UNDERWOOD DUTY, 17.3 PER CENT—FORDNEY DUTY, 27.7 PER CENT—WAGES 15.6 PER CENT OF SELLING PRICE

It is not pleasant to inquire into other people's private affairs, but when an industry says it must have a special tax put on every citizen in this country in order that the industry may be kept alive and reasonably prosperous it is necessary that those who are trustees, like Senators, of the public interest shall inquire intimately into the facts.

The dominating power in the production of asbestos in this country is Johns-Manville (Inc). This corporation has seven plants well distributed over the country and, says our financial authority, "branches throughout the United States, Canada, Cuba, Porto Rico, and Manila; also agencies throughout the world." It has recently purchased 255 acres of land north of Chicago, where it will duplicate its New Jersey plant at a cost of $3,000,000. It has no funded debt. Its preferred stock, 7 per cent cumulative, is $1,895,000. Its common stock is $2,500,000.

AN EXTRA 15 PER CENT TACKED ON THE DINGLEY LAW, 1897

"The Dingley rates were made high for trading purposes in making treaties of reciprocity. I know, because I was on the committee that made them." (Senator Dolliver, of Iowa, 1909).

The Dingley rates on manufactures averaged 15 per cent above the McKinley. The Senate, under pressure, withheld approval of the reciprocity treaties which President McKinley earnestly favored, and so the interests were another 15 per cent ahead. They still have it, as the Fordney rates of 1922 average equal to the Dingley of 1898.

Its financial progress is indicated by the following figures:

| | Net working capital | Plus other assets equals amounts applicable to stocks |
|---|---|---|
| 1910 | $835,421 | $4,108,210 |
| 1914 | 1,667,068 | 7,210,962 |
| 1920 | 10,385,475 | 21,157,635 |

| | Sales | Net profits | Dividends | Total surplus |
|---|---|---|---|---|
| 1920 | $45,138,181 | $3,703,314 | $384,085 | $14,319,743 |
| 1919 | 34,338,966 | 2,582,944 | 384,310 | 11,634,627 |
| 1918 | 36,873,228 | 2,869,946 | 293,601 | 9,651,792 |
| 1917 | 29,881,979 | 2,189,637 | 299,964 | 7,072,052 |
| 1916 | 22,284,711 | 2,639,221 | 157,937 | 5,182,379 |
| 1915 | 15,671,151 | 662,498 | 166,538 | 2,698,293 |
| 1914 | 15,238,136 | [1] 275,134 | 271,988 | [2] 2,303,662 |
| 1913 | 16,635,200 | [1] 936,471 | 278,333 | 2,307,889 |
| 1912 | 13,747,749 | 915,193 | 185,000 | 1,829,751 |
| 1911 | 11,122,643 | 730,178 | 185,000 | 1,599,558 |
| 1910 | 9,850,387 | 624,119 | 135,000 | 1,108,210 |

[1] After providing special reserve of $150,000 for depreciation of Milwaukee plant in 1913, and $80,596 depreciation reserves in 1914.

[2] After deducting $7,373 adjustments and $100,000 appropriation for retirement of preferred stock.

As here shown, the corporation increased its capital applicable to stock in 1910, being $4,108,210, to $21,157,635 in the 10-year period ending with 1920. It paid meantime excellent dividends.

In 1920, after paying its preferred-stock dividend of 7 per cent and 10 per cent upon its common stock, it carried to surplus account $3,319,229, or 115 per cent of its total common stock.

Competing companies are understood to be similarly prosperous.

CRUDE MATERIAL

The crude material, asbestos, costs the same the world over, 75 per cent of it coming from mines in Canada, in which it is understood that American manufacturers are largely interested. The crude material is 50 per cent of the cost of the product. No tariff consideration then should be given to this 50 per cent, and any tariff on the finished product is equivalent to twice the amount of this tariff on the differentials of labor, overhead, and profit. The Fordney protection of 27.7 per cent is therefore 50 per cent on the foreign producer's total labor, overhead, and profit.

A 10 per cent duty would protect consumers as well as manufacturers. Higher rates will increase dividends of companies that in ordinary times are prospering greatly.

The ability of the industry to prosper with little or no protection is indicated by exports of 24.4 per cent in the normal pre-war year 1914.

PRODUCTION EXPORTS AND IMPORTS

In 1919 production was $23,977,557, of which $3,531,978, or 14.7 per cent, was exported, with imports only $257,381, or 1.1 per cent of domestic production.

In 1921 exports of asbestos manufactures were $2,600,428, with imports only $222,652, exclusive of yarn, $132,737. In other words, exports were 11.7 times imports, showing the perfect ability of our manufacturers under present conditions to meet world prices at their option, and the inability of outsiders to enter our markets under the Underwood duty, 17.3 per cent.

WAGE COST, 15.6 PER CENT—FORDNEY DUTY, 27.7 PER CENT

In the face of these facts the Congress enacts a duty of 27.7 per cent against a total wage cost averaging 15.6 per cent from the crude material to the finished product. The new duty is 166 per cent of the amount of the factory selling price going to wages.

FOREIGN COSTS

The English labor in converting asbestos into cloth is about 11.5 per cent, and into sheeting 14.2 per cent, and tape 21.5 per cent. This wage per cent is low, partly because a single operator controls several of the automatic looms on which the work is done. The difference in wage cost is less than 20 per cent between the United States and England, our only considerable competitor, partly because the industry is highly unionized in England. English labor on asbestos works 48 hours per week and American 54 hours.

While our manufacturers sold abroad at prices competing with the world, their domestic prices were greater than export prices by substantially the amount of the duty, 17.5 per cent, plus the profits that importers added on the 2.5 per cent that they brought in.

COST OF FORDNEY DUTIES

The protection given the manufacturers in 1919 was $4,000,000, costing consumers at retail not less than $8,000,000, which they actually paid for the most part. Against this $8,000,000 the Government collected in revenue only $50,000 in 1919, and $100,000 in 1920, being $1.25 for each $100 that the consumers were made liable for by act of Congress. The Fordney law substantially eliminates these petty Government receipts by shutting out imports and increases the tax upon the consumer from this $8,000,000 to $11,000,000. What will the manufacturers' profits be then?

THE PRESSURE OF SELFISH INTERESTS

The American people and the Republican Party have been committed since 1908 to the principle of the "difference in the cost of production here and abroad," with a fair addition for contingencies, as the measure of a protective duty. Congress pledges itself to this and then utterly defaults under pressure of the overprotected in-

terests—some believe because these interests pay the $10,000,000 party campaign expenses; rather, however, because these interests are all-powerful in politics and in the choice of candidates.

TARIFF MAKING NOT A PARTY MATTER—"TAKE POLITICS OUT OF THE TARIFF"

The trouble with the tariff has not been in the party but in the determination of Congress not to require proof as the basis of a rate, and instead, to give tariff beneficiaries whatever they want.

The Democratic Wilson tariff was as bad as the Republican McKinley tariff. It reduced McKinley rates only 3 per cent. It gave Standard Oil its first protection—45 per cent. Wilson was ashamed of it. Cleveland refused to sign it. "Bought, bought, bought in every schedule," said he, "a tariff of perfidy and dishonor."

Mr. Dingley, in 1897, said of the Wilson law: "The metal and cotton schedules of the present (Wilson) law were really made by the manufacturers, except as to a few items." Later he could have said the same of his own Republican law, and of the Payne law, the names of the manufacturers "who really made" the Payne law being well known.

THE DINGLEY REPUBLICAN TARIFF

"I have read with the utmost care the hearings before the Committee on Ways and Means of the House of Representatives. These hearings are utterly unsatisfactory. There is not cross-examination, but the statements are mainly the statements of interested parties." (Hon. John C. Spooner, Republican, United States Senate, when the Senate was framing the Dingley law.)

ONE RECENT TARIFF FREE FROM CORRUPTION

The late Underwood-Simmons tariff law was the only tariff in this generation to which no taint of corruption or undue political influence has ever attached. Republican protectionists have rejoiced in this fact from the day the bill was written, although they would have had it different in some respects.

It was up to Congress in 1922 to improve upon the Underwood-Simmons law, to better its provisions, while maintaining its character for impartiality and political cleanliness. An improvement of this sort would have advanced our Nation in self-respect, in international regard, and in financial well-being. It would have greatly lessened the distress of our farmers.

THE PAYNE AND FORDNEY REPUBLICAN TARIFFS

"The Payne-Aldrich bill was crooked, yet if it had not hurt the American people * * * there would have been no such political revolution as followed. * * *

"There is very little difference between the Payne-Aldrich bill and the duties as reported in this (Fordney) bill." (Hon. I. L. LENROOT, Republican, United States Senate, July 26, 1922.)

"In 1816 Henry Clay said: 'Give us protection for three years and the protected industries will be able to stand upon their feet.'

"In 1880 Mr. Morrill said that 15 years would be sufficient to put us abreast of England and that we would then be able to compete with England without defensive duties. And yet during the nearly twice 15 years since then Mr. Morrill has expended all of his energies in increasing that protection. In the discussion of the report of the Tariff Commission John Sherman said: 'Give us a steady protection policy for 20 years and we will give free trade to England and all the world." (William L. Wilson.)

THE FORDNEY TARIFF LAW AND MANUFACTURES OF COPPER AND BRASS

The United States has the richest deposits of copper in the world and the most easily worked. These mines set the price of copper for the whole world.

Some of them are in mountains from which the ore gravitates to railway cars and concentration plants.

"Gentlemen, Congress is becoming a bargain counter." (Senator Dolliver, 1909.)

We have likewise the greatest and most easily mined zinc deposits, whose products, added to copper, make brass. Also coal for smelting. Tin, the alloy for bronze, is an international commodity, refined here as cheaply as anywhere.

The wage cost in smelting and refining copper was 3.5 per cent in (census) 1914, and 4 per cent in 1919. After a fight of many years and much profiteering, crude copper, once "protected," is on the free list, with no thought of change.

MANUFACTURES OF COPPER—WAGES 15.1 PER CENT TO 20.4 PER CENT

Manufactures of copper and exports and imports thereof consist mostly of bars, plates, etc., but also include wire and highly manufactured articles, as classified in the census of 1919. Production was $78,338,948; wage cost 15.1 per cent. The wage cost of bars, plates, etc., would be somewhat less than this average. On highly finished products wages would not be more than in manufacture of brass and bronze, which were 20.4 per cent in 1919 and 15.5 per cent in 1914.

FORDNEY DUTY 48 PER CENT

Congress now raises the Underwood duty of 18.8 per cent, which virtually equals the entire wage cost, to 48 per cent, or about two and one-half times the wage cost, which is the considerable factor of difference.

Our wage costs being only one-seventh of the factory selling price, there is no reason to believe that the relatively underfed, disheartened, slow labor of Europe, whatever its daily wage, can produce below the American wage cost.

EFFICIENCY, WAGES, AND TARIFF RATES

An English report shows that in America from three to four times more horsepower is used per operative than in England. This means vastly more output per man. If our labor gets twice as much per day, with the wage cost only one-seventh of the selling price, a tariff of less than 10 per cent would offset the difference per unit produced, even if labor were not more productive here. The Fordney rate is 48 per cent.

Other elements of difference in cost would be offset mostly by our higher speed and mechanical genius.

BRASS AND BRONZE MANUFACTURES

These are made mostly, possibly 90 per cent, upon semiautomatic and automatic machines. Often a single operative learns in a few days to feed long rods into the rear end of from 3 to 15 machines, and pieces of metal drop out of the other end, with a half dozen or more difficult operations performed outside and inside. A man getting 40 to 70 cents per hour thus produces, per minute, two very difficult pieces, 2½ inches in diameter and 4 inches in length. Of small pieces, an inch or so in length, he produces two per second. Figure the wage per piece and estimate the protection required. The Senate bill would require the foreign manufacturer to pay 45 per cent on the copper that is in it, which the foreign manufacturer bought in the United States, on his overhead, and his profit. The Underwood duty was 20.7 per cent, which equals our total wage percentage.

UNDERWOOD DUTY, 20.7 PER CENT—FORDNEY DUTY, 48 PER CENT—WAGES, 20.4 PER CENT

The wage cost in the United States was 15.5 per cent of the factory selling price in 1914. Wages plus superintendence were 19.8 per cent. The Payne duty was 48.2 per cent, or two and one-half times the American percentage of wages plus superintendence. The Fordney duty, 45 per cent, is two and one-fourth times the total American wage percentage.

When Congress, at the request of an industry, considers raising prices on the ground that the industry needs financial assistance from the public through taxes, it is necessary to investigate profits.

The American Brass Co., says a financial authority, largely controls the output of brass in this country and is the largest consumer of copper in the United States. It has no funded debt, its capital stock (par $100) outstanding is $15,000,000, increased from $12,500,000 in 1917 by a stock dividend of 20 per cent.

Its profits for the 10 years ending December 31, 1921, are reported as follows:

| | Net earnings | Dividends | Surplus for year | Previous surplus | Total surplus |
|---|---|---|---|---|---|
| 1912 | $2,274,738 | $1,050,000 | $1,224,738 | $5,956,861 | $7,181,599 |
| 1913 | 1,917,605 | 1,050,000 | 867,605 | 7,181,599 | 8,049,204 |
| 1914 | 1,450,347 | 900,000 | 550,347 | 8,049,204 | 8,599,551 |
| 1915 | 6,128,454 | 1,950,000 | 4,178,454 | 8,599,351 | 12,778,005 |
| 1916 | 10,991,670 | 3,750,000 | 7,241,670 | 12,778,005 | 20,019,675 |
| 1917 | 7,109,177 | 6,675,000 | 434,177 | 20,019,675 | 20,453,852 |
| 1918 | 3,992,220 | 3,000,000 | 992,220 | 20,458,852 | 21,440,072 |
| 1919 | 2,856,140 | 1,800,000 | 1,056,140 | 21,446,072 | 22,502,212 |
| 1920 | 3,364,564 | 1,800,000 | 1,554,564 | 22,502,213 | 24,056,777 |
| 1921 | 1,581,855 | [1] 2,500,000 | [1] 3,081,855 | 24,056,777 | 20,974,776 |

| | Net working capital | Plus other assets | Net tangible assets applicable to stock |
|---|---|---|---|
| 1912 | $10,117,089 | $13,114,510 | $23,231,599 |
| 1914 | 9,957,293 | 14,642,258 | 24,599,551 |
| 1920 | 18,167,150 | 21,400,838 | 39,567,988 |

[1] Deficit.

This shows dividends of $24,475,000 in 10 years, including the deficit in 1921 covering postwar deflations. In addition, surplus account increased $13,793,177. Total profits for this period, $38,268,177, on a capital and surplus in 1912 of $19,181,599, being 20 per cent per annum. Does this company need special public contributions by order of Congress? Should "bonus" be voted it, as Congress has done, before the soldiers' bonus bill?

The expected earning capacity of the company is indicated by its purchase in February, 1922, by the Anaconda Copper Mining Co., an enormously great and profitable organization, for $150 in cash, plus $150 in Anaconda stock, now at a premium, for each share of American Brass.

A competitor of the American Brass had a capital and surplus in 1910 of $7,494,835, which it increased to $23,808,267 in 1920, paying meantime dividends of $20,350,920—a profit of $44,156,187 in 10

years, mostly, to be sure, in war years, but good profits in poor years. In 1921, evidently a "clean-up" year, it reported a deficit of $937,763 after taxes and charges. This left a profit, including the clean-up year, of $43,218,424 for 11 years on a capital of $7,494,835.

PRODUCTION, FOREIGN COMPETITION

The ability of our industry to meet foreign competition and its monopoly of the domestic market under the present tariff of 20.7 per cent is shown by the following table:

*Brass and bronze manufactures*

| Year | Production | Exports | Imports | Per cent of imports to domestic production (census 1919) | Exports, excess imports, by number of times[1] |
|---|---|---|---|---|---|
| 1914 | $128,580,000 | $4,758,556 | $1,126,556 | 1.0 | 4.2 |
| 1919 | 389,550,094 | 14,841,037 | 491,598 | .1 | 30.2 |
| 1920 | | 15,866,275 | 984,005 | .2 | 16.8 |
| 1921 | | 8,658,508 | 963,938 | .2 | 9 |

[1] Basis 1919 production.

Before the war, exports were far less than now, and imports greater. Since the war, imports have been only from one to two hundredths of 1 per cent of domestic production. Virtually nothing can come in. Exports have been from 9 to 30.2 times more than imports.

Nothing would be more truly profiteering on the part of Congress and the industry than to increase the present rate. Industries like these must earn their own living so far as reasonable.

Said Chairman McCumber (CONGRESSIONAL RECORD, July 1) concerning wheat, "Under ordinary conditions our tariff has given a benefit to the farmer of a little less than one-half the tariff." "When our crops were short these benefits measured up to the full amount of the tariff." "We want better prices." Can anyone doubt the purpose of this rate increase for brass manufacturers?

COST OF FORDNEY DUTY

The cost of "protection" as thus falsely figured in the Fordney law gives manufacturers of brass and copper goods $177,000,000 to add to their prices if they can. The cost to the consumer will be twice this at retail, and sometimes much more than twice, say $354,000,000, two-thirds of it absolutely unwarranted under the principle of protection.

This taxes every inhabitant, for—at first or second hand—its adds to the cost of every manufactured product, of plumbing, waterworks, machinery generally, and most of the conveniences of life.

CORSETS AND THE TARIFF

A former excessive tax of $23,000,000 is raised to $29,000,000, costing American women up to $58,000,000, if they will endure it. Possible revenue, $10,000.

PRODUCTION, IMPORTS, AND EXPORTS

Imports of corsets, pre-war, 1914, were $52,711, only one-tenth of 1 per cent of domestic production, which was $40,550,702.

Exports in 1914 were $2,220,739, or 5.5 per cent of production. Exports were forty-two times greater than imports.

In 1919, with a production of $75,541,959, we imported $37,422, or five one-hundredths of 1 per cent. We exported $2,880,858, or 3.8 per cent of production. Exports were seventy-seven times greater than imports.

In 1920 exports were $3,583,767, or 4.7 per cent of 1919 production. Imports were $9,408, or one one-hundredth of 1 per cent. Exports were three hundred and eighty times imports.

In 1921 exports, $1,695,555, were sixty-two times imports, which were $27,511, or one four-hundredths of 1 per cent of (census) 1919 production. Had the higher prices of 1920 held, these 1921 exports would have been charged out at $2,508,828.

IMPORTS IMPOSSIBLE

Women dress humanely now. Corsets are fitted to the person. She is no longer encased in a form-made steel compress. Distance alone is sufficient protection, as says an American corset manufacturer, unless his European competitors send fitters here. He has 5,000 saleswomen in Europe.

This corset tax is because women haven't known and haven't voted.

WAGES AND TARIFF

Underwood duty, 30 per cent to 60 per cent. Fordney duty, average 77 per cent. Wages, 17.3 per cent.

The total wages in the corset industry in pre-war 1914 were only 19.7 per cent of factory selling prices and in 1919 still less, 17.3 per cent. Our production methods are the best in the world.

The Payne duty, 1908–1914, was 50 per cent, or over two and one-half times the wage cost. Was this for the girl wage earners, as honest protection requires, or was all above 19.7 per cent for the manufacturers?

The former duty was 30 per cent on plain cotton corsets, or nearly twice the present wage cost of 17.3 per cent. If there is 5 cents or more of lace on the imported corset the duty is doubled—60 per cent. No luxuries allowed, women! Not 5 cents' worth of lace.

The Fordney duty is 77 per cent on all qualities, or four and one-half times the wage cost.

It shuts out imports. It compels women to buy from domestic manufacturers at any prices they dare charge. "It's an outrage," says a domestic manufacturer.

COST OF FORDNEY DUTY

The former duty invited manufacturers to combine and to add $25,000,000 to the prices at which they met foreign competition on their exports.

The new Fordney duty is a possible tax of $39,000,000 for the manufacturers, to cost women at retail twice this, or $77,000,000.

REVENUE COLLECTED

This tax is for manufacturers, not for revenue. Congress knows that the Government collected in customs duties on corsets in 1919 only $10,000; in 1920, $4,000; in 1921, $10,000. It can't collect more.

Why this $77,000,000 possible increases in corset prices? Does Congress think women stupid?

Some corset factories are hard up; so are some women.

Women are rebelling against old-fashioned calsson clamps. Up-to-date corset makers are prospering. They are getting whatever trade our women have to offer.

THE FORDNEY RATES ON SILKS—THE CHENEYS AND THE TARIFF

The silk tariff has virtually been written for a generation under pressure of the Cheney family, who operate what is said to be the biggest silk mills on earth at South Manchester, near Hartford, Conn. Just so Lippett, of Rhode Island, has dominated the cotton schedule, and other manufacturers their several schedules. In New England the present cotton schedule is called "the Lippett schedule."

There has always been a handy man from Connecticut on the Ways and Means Committee of the House and in the Senate, as subservient as office boys to the silk and other exploiting manufacturers of Connecticut.

TARIFF RIGGING

Some day a profit and loss account may be worked out showing how these handy men have taken from every pocketbook in America nickels, dollars, and hundreds of millions of dollars through the sale of Connecticut products, to the end that half or less of these moneys might reach the pockets of her manufacturers, among the richest in America.

Millions of ordinary consumers in Connecticut have lost more from this exploitation than their few wealthy manufacturers have profited. But what care these handy men for the uninfluential millions, even in their own State?

> "To lay with one hand the power of the Government on the property of the citizen and with the other to bestow it upon favored individuals to aid private enterprise and build up private fortunes is none the less robbery because it is done under the forms of law and is called taxation." (Supreme Court of the United States, Marshall case.)

It is reported that when, shortly after the passage of the Payne bill, the leader of the silk manufacturers heard the bill denounced he exclaimed:

"The Payne tariff bad! Why, it's the best I ever wrote."

Literally this statement may be untrue. It carries, however, the fundamental truth of a New Testament parable.

Now, under the pressure and leadership of a Cheney and with the vigorous opposition of some silk manufacturers in Connecticut and elsewhere, the Payne paragraph is practically restored in the pending bill, with a slight increase in rates.

SILK RATES

The Underwood rates averaged 42.6 per cent on woven fabrics, laces, embroideries, and other manufactures. The rates in the Fordney law average 57.2 per cent.

Under the former rate the silk mills were permitted to add to their prices, if they could, $206,000,000 above the prices of their foreign competitors.

COST OF PRESENT RATES

Under the Fordney law they are invited to add $276,000,000, mostly to be picked from the pockets of the women of the United States. The unfortunate women will have to give up under the Fordney law an additional $140,000,000 above present costs, one-half of this going to the manufacturers and the other half going to jobbers, wholesalers, and retailers, who are everywhere protesting against it.

This statement of the unrighteousness of the proposed silk rates is based upon the following facts:

THE "DIFFERENCE IN COST HERE AND ABROAD"

Prominent and successful silk manufacturers, upon thorough investigation, declare that the difference in the cost of production (the rule of protection) between this country and Switzerland is 15 per cent. This, therefore, 15 per cent, would be a definite and extremely close protective rate; one which, however, no protectionist would ap-

prove, because the rates should be so liberally figured as to cover all contingencies, and give domestic confidence and satisfaction.

A silk manufacturer and expert, representing many domestic silk manufacturers, says it is well known that the industry in this country is far ahead in quantity production and labor-saving devices. Also that American labor, per unit produced, is undoubtedly the cheapest in the world. One manufacturer says he could sell in any country in the world at a profit if he cared to go after its trade. In China and Japan a weaver operates one loom, usually a primitive hand-loom. Here she operates from two to five high speed machine looms.

Says he, The ratio of raw material to finished marketable product in domestic silk ranges between 50 and 70 per cent.

"Based on a careful survey and investigation of the costs of production here and in Switzerland, for instance, we (these manufacturers) came to the conclusion that a rate of duty of approximately 25 per cent to 30 per cent ad valorem would amply protect domestic manufacturers against any possible competition of Switzerland." Switzerland has the lowest production costs of any country making competitive silks.

Thirty per cent would be twice this difference in cost of production, and decidedly liberal. The Underwood rate was 42.6 per cent. The present rate is 55 per cent on woven fabrics.

MONOPOLY OF MARKET ON COMPARABLE GOODS

Under the former rate, silk manufacturers had a virtual monopoly of the domestic market. Search through a great department store shows that not a single yard of foreign-made silk is commonly sold in this country, except novelties in design or quality, and an extra cheap silk from Japan, known as habutai, used mostly for linings, and made of second quality silk too weak for our looms, as we choose to run them. Shall our women of small means be estopped from the use of this silk? It is not a question of protection, because we do not make it.

From China come the Shantung light-brown silks, worn in summer by people of moderate means.

In 1919 we imported less than 1 per cent of the silk ribbons consumed, 3 per cent of our velvets and plushes, and 7.2 per cent of our broad silks, including the habutais and Shantungs, and 5.9 per cent of our total production of silks of all kinds, including knit goods.

A consolidation has just been effected of domestic silk ribbon manufacturers making more than 2,000,000 yards annully and including the greatest producer in the world.

Imports from France have been steadily declining. They are now mostly very sheer fabrics, which are not profitable for our looms, novelties and art fabrics, which are needed for the stimulation of our industry as well as for the satisfaction of those who can afford them.

Importations from Switzerland have almost ceased. Silks formerly imported, such as taffetas, satins, umbrella silks, and tie silks, have for a long time been successfully produced here.

WAGES

We get some idea of the patriotism and altruism of these manufacturers from the further fact that when under the Payne law they had the highest protection then conceivable, 50.5 per cent, the industry paid in Rhode Island (and presumably elsewhere) only $7 to $8 wages per week of long hours, with 92.8 per cent of its operatives foreign-born, and doubtless many of the remaining 7.2 per cent children of the foreign-born operatives. Labor then got 18.5 per cent of the factory selling price of the product. Labor, plus superintendence, got 22.7 per cent. The tariff, 50.5 per cent, was over two and one-half times wages plus superintendence.

MATERIAL ONE-HALF OF COST

While percentages vary, generally speaking, the cost of the silk itself is more than half of the cost of the final product. Certain crepes are 80 per cent silk, 10 per cent overhead, and 10 per cent labor.

As the raw silk coming from the Orient is the same price the world over, no protection is required on raw material. The duty, therefore, is measurable only by differences in labor, overhead, and profit, which average only 50 per cent of the total cost. The present duty of 42.6 per cent is 85.2 per cent of all cost elements subject to difference.

The present duty, averaging 57.2 per cent, is 114 per cent of the foreigner's total labor, overhead, and profit; a 57 per cent tariff against an actual difference in cost of about 15 per cent.

JAPAN

Much is said about the low wages of Japanese silk workers. Japanese processes are essentially different from ours. Not a yard of the silk we commonly use is made in Japan except the inferior habutai before mentioned. For 50 years those who would frighten us picture Japan as adopting our methods some day. If in another 50 years she does adopt our methods, action can be taken then.

PRODUCTION, EXPORTS, AND IMPORTS

The domestic industry's control of our market is evidenced by the fact that out of a total production in 1919 of $716,084,858 we imported only $48,286,344, of which $31,000,000 were the noncomparable, noncompeting habutais from Japan, with much of the remainder Shantungs from China. Exports were $16,467,168. Such is the present throttle hold of our silk industry.

In 1920 exports were $15,595,915; imports, $54,763,689, mostly the noncomparable fabrics of China and Japan. We are now exporting good quality silks to free-trade England at satisfactory profits.

PROFITS

When the necessities of poverty are pleaded by manufacturers demanding financial relief through Congress from the women of America it is fair to investigate the claim.

During the war and shortly thereafter the silk market was extremely speculative, raw material rising to $15 or more per pound from $4.50 to $6 per pound, pre-war. Some bankruptcies resulted and heavy losses. This is aside from tariff considerations, however.

The Cheney Co., as shown in financial statements, increased its net worth from $7,000,000 in 1905 to $14,075,489 in 1916, exclusive of dividends, if any.

Mr. Horace B. Cheney, in pleading his cause before the Ways and Means Committee, February 3, 1922, gave the then net capital as three times the par value ($7,000,000) of the stock, or $21,000,000. "That is just the value." "Absolutely." This indicates a profit of $6,924,511 from 1914 to 1921, exclusive of dividends, if any—a total of $14,000,000 plus dividends, 1905–1921. Should they require more liberal public assistance?

NOT A LUXURY

Silk is not a luxury. If it were, the American people are for whatever luxuries and convenience they can enjoy properly and modestly and against congressional interference.

PUBLIC MISCONCEIVES COSTS

The public has misconceived the cost of manufacturing silk. Although silk shines and delights, the wage cost of manufacture being the substantial factor, as shown by the census of 1919, is substantially the same, 15.7 per cent, as in woolens, 15.6 per cent, and less than in cottons, 16.3 per cent.

The Underwood duties should have been reduced. Let the silk manufacturers with their cost books show how much. Plenty of them say this. Then let them reasonably earn their own living.

The Underwood protection, 42.6 per cent, gave the silk manufacturers congressional permission to add $214,000,000 to their prices above those of foreign competitors.

COST OF PROTECTION

The Fordney duty, averaging 57.2 per cent, lifts this $206,000,000 to $276,000,000, which would be doubled at retail, making $552,000,000 to consumers, half of it lost in gratuities to manufacturers and percentage to retailers who strenuously protest against the entire scheme.

TIN SILKS AND A SENATOR'S MORALS

"IT'S 'LOADED'—A PURE IMPOSITION"

Senator McLEAN, of Connecticut, exhibiting imported silks from China:

> "Here is a pongee. It is 'loaded.' * * * It is a pure imposition. It is weighted with china clay and rice glue, and when you boil it and wash it it is worthless. I do not think the American people would suffer greatly if they were not permitted to buy this stuff at all."

American manufacturers take 19 ounces of tin (chloride of) and 13 ounces of silk and with these make 32 ounces of taffeta silk cloth.

An American mill is spending approximately $300,000 to change from yard to piece weighting. "Everything is to be weighted hereafter."

Said Cheney Bros. to the Ways and Means Committee, January 6, 1909: "Silk is capable of being weighted to almost any extent up to, say, 300 to 400 per cent."

Our present tariff, averaging 57.2 per cent, shuts out these European silks, except novelties bought regardless of price.

A great New York store is having trouble with its manufacturers. It wants to sell less tin at its silk counter. It wants its silks to wear better. The chloride of tin is an acid solution. It rots the silk.

Madam finds her dress in a closet cut as with a knife—too much tin. Her pongee remains as good as new. Pongees, we are told, are usually not much loaded, and only with china clay or rice starch.

Is loading with tin "a pure imposition," as some domestic manufacturers say, or only loading with china clay?

Neither cleans well. Madam should less often blame the cleaner. Often it's the tin chloride. No silks should be boiled.

*Percentage of chloride of tin weighting in certain silks*

| Silk cloth | United States | Europe |
|---|---|---|
| Yarn-dyed taffetas weighted in the skein. | 10 to 50 and 100 per cent. | 10 to 45 and 100 per cent. |
| Piece-dyed, broad-loom silks and fine chiffons. | 10 to 25 per cent. | 10 to 25 and 45 per cent. |
| Crêpe de chine, georgettes, canton crêpes, and crêpe satins (crêpe difficult to weight). | ------do------ | |
| Fancy good-quality crêpe meteors and crépons. | 25 per cent maximum | |

Charmeuse, taffetas, plain, brocaded, and satin-faced crêpes and satins are successfully weighted only in Europe so far.

Eighty-five per cent of all European silks are now weighted. "All American silks will be weighted hereafter," says an authority.

SILK INEXPENSIVE—NOT A LUXURY

CONGRESS SHOULD NOT INTERFERE WITH ITS REASONABLE PURCHASE

Women, weigh your silk dresses. It's amusing. An ample, modest office dress weighed 3¾ ounces. A lady of scant means is wearing her grandmother's silk dress, remade several times, and 65 years ago. The original cost equaled about 40 cents per year.

Congress proposes to tax silk cloth 55 per cent. Many domestic manufacturers insist that 25 per cent is ample and that 15 per cent is a close measure of the difference in cost here and in Europe, where is our only competition on the silks commonly used in American dresses.

This 55 per cent is for a few silk manufacturers who want to maintain profits. "This is a luxury," says McLean, as he does what he can to make it so.

The following table gives the weights of the silk per square yard in various piece goods, and in a dress of 3 yards, which suffices in many cases, and of 4½ yards with full panels.

*Value of raw material in certain broad silks*

| Samples | Name | Weight per square yard, ounces | Value per square yard silk content at 65 cents per ounce | Value silk in dress of 3 yards | Value silk in dress of 4½ yards |
|---|---|---|---|---|---|
| No. 1 | Taffeta | 1.75 ounces gross, net 0.9 ounce. | $0.58 | $1.75 | $2.62 |
| No. 2 | Printed crêpe de chine | 1.08 ounces | .702 | 2.11 | 3.16 |
| No. 3 | Foulard | 0.96 ounce | .623 | 1.87 | 2.80 |
| No. 4 | Satin charmeuse | 2.1 ounces | 1.37 | 4.11 | 6.15 |
| No. 5 | Crêpe de chine | 1.48 ounces | .92 | 2.75 | 4.12 |
| No. 6 | Radium | 1.1 ounces | .68 | 2.04 | 3.06 |
| No. 7 | Canton crêpe | 2.32 ounces | 1.51 | 4.53 | 6.80 |
| No. 8 | Heavy black duchess satin. | 2.5 ounces gross, 1.2 ounces net. | .80 | 2.40 | 3.60 |

Sample No. 1 weighs 1¾ ounces, of which $\frac{1}{10}$ ounce is silk, the balance tin. No. 8 weighs 2.5 ounces of which 1.2 ounces is silk. The other samples are unweighted.

Raw silk averages $7.50 per pound. There is 20 per cent loss in boiling out the natural gum, and 5 per cent waste in spinning and weaving, making the cost about 62 cents per ounce in the cloth, or $1.90 to $4 in ordinary summer dresses. The silk above is figured at 65 cents per ounce.

A woman's winter suit of rough tweed takes 3 yards of 12-ounce cloth, 54 inches wide. The wool is worth about 85 cents per pound in the cloth, or $1.91 for the suit. The raw material costs more than in most silk dresses. The silk dress costs less to make. Store prices run substantially the same for silk and wool dresses.

Silks have become as necessary for summer as woolens for winter. Congress makes it difficult for women to buy silks.

MORE MORALS

The Fair Tariff League said in its statement of July 8, 1922, on silks:

> "[Search through a great department store shows that not a single yard of foreign-made silk is commonly sold in this country] *except novelties in design or quality, and an extra cheap silk from Japan, known as habutai.* * * *
>
> *"From China come the Shantung light-brown silks, worn in summer by people of moderate means."*

Mr. McLEAN in the Senate, August 1, read only the lines in plain type above, and then told how Japanese habutai is imported.

He made his opportunity to criticize my omitting the lines in italics, that covered the point he raised. It's his way.

"The league's statement," said McLEAN, "is so full of misstatements that it is hardly worth considering." And then he falsified it.

Is it strange or not to find this sort of morals and of intelligence in the Senate of the United States—and from Connecticut?

SALT AND THE FORDNEY TARIFF LAW

Since protection was first corrupted in practice, high tariff rates have been put upon very simple commodities, like salt and lead, commodities so simple that the public would not suspect that Congress was giving millions of dollars in gratuities picked by deft fingers from every pocket in America.

We have innumerable salt beds, some of them from 300 to 600 miles long, 50 to 200 miles wide, 200 to 500 feet thick, and in some cases 1,000 to 2,000 feet thick. One bed, for instance, runs from a point north of Detroit, nearly to the Hudson River, with a few breaks, the whole area dotted with salt wells.

Water, preferably heated, gravitates through pipes to the salt beds. (This is a case where gravity has to be "protected" at the dictation of a trust.) This water saturated with pure salt is pumped up and evaporated in a vacuum at a summer temperature of about 100° by the use of American coal, which is so cheap that we export it in vast quantities to Europe and elsewhere. There is no refining cost—only evaporation of the water.

In 1914, pre-war, the entire wage cost in the manufacture of salt was 21.6 per cent of the factory selling price of the product. Wages plus superintendence were 28.5 per cent, and yet the Payne tariff was 82.5 per cent, or virtually four times the total wage cost of production. It would seem that there might have been, if not moral, then a fear of being found out, that would have kept both Congress and the Salt Trust from working the American people to such an extent. Wages are now 19.6 per cent of the selling price.

Under free trade in 1896, the price was 29.2 cents per barrel. Under the Dingley duties, averaging 50 per cent, the price was, in 1900, 75 cents. Prices in many Middle and Western States were nearly double those of 1896. The New York City price, for the same grade of salt, from western New York, was $1.40, as against $1 to $1.10 in 1896 to 1897.

In 1921 we exported $1,415,471 of salt, and imported, still under free trade, $531,031, or about one-third of our exports. Says a big producer, Germany sent in considerable quantities, but of so poor quality that she got no second orders.

PROFITS

The claim that salt manufacturers need the especial assistance of the Congress of the United States in their business requires the consideration of the profit and loss account of the trust, the International Salt Co. (N. J.). Its outstanding capital stock (for $100) is $6,077,130. It is a holding company only. If it is like all other similar companies of which we are advised, its capital was originally mostly water. It made no dividends in 1907-1914; 3 per cent in 1915; 3 per cent in 1916; 12½ per cent in 1917; 6 per cent in 1918–1920, and 8 per cent in 1921.

Its capital stock has now been made good, and a profit and loss surplus accumulated of $2,569,156. Its profits, in 1920, were 14.69 per cent, and in 1921, 15.53 per cent.

The Payne law of 1909 gave salt manufacturers $5,000,000, costing consumers $10,000,000, or as much of that as the manufacturers can add to their prices.

COST OF NEW FORDNEY DUTIES

The manufacturers have profited greatly under the free list of the Underwood law.

The Fordney law offers them $11,000,000, to cost consumers $23,000,000—a tidy gift.

> "This method of taxation, this graft masquerading as protection, has the effect of extorting from every man and woman a sum which belongs by rights to the purchaser. Nothing but the fact of its skillful indiscretion has kept the people from rising in protest and sweeping from power the representatives who have made this possible. * * * The duties are mysteriously incorporated in the price. The added price adds not a cent to the value, not a mill to the Government, but forever swells the total of the profits of the manufacturers." (H. E. Miles (1909), chairman tariff committee National Association of Manufacturers.)

The Federal Trade Commission has recently ordered an association of salt producers to cease discriminating by concerted action in favor of certain jobbers and dealers and refusing, by mutual agreement, to sell to certain others.

PRODUCTION, DUTY, EXPORTS, AND IMPORTS

Underwood, free list: Fordney duty averages: 25.3 per cent in bags, barrels, etc., and 38.7 per cent in bulk. General average, 30.3 per cent. Wages, 19.6 per cent.

In 1919 production was $37,513,821. In that year and since salt has been on the free list. Under this free list we exported in 1920 $1,901,593, or 3.7 per cent of production. Imports were $676,499, or 1.8 per cent of production. That is, with salt on the free list, we exported at world prices 2.8 times more than was imported. Our consumers were protected, while the trust, the International Salt Co., made 14.69 per cent on its capital.

In 1921, when an impoverished world was trying to buy the least it could from us and to sell the most it could, we exported $1,415,471 of salt and imported only a third of that sum at $531,031. And that year, 1921, the Salt Trust made 15.53 per cent, or 1 per cent more than in 1920.

FORDNEY DUTY 30.3 PER CENT

Congress has now taken this trust off the free list, where it had to earn its own living and did so with 15 per cent profit per annum, and gives it 30.3 per cent protection, being 11 cents per 100 pounds in bags, etc., or 25.3 per cent and 7 cents per 100 pounds in bulk, or 38.7 per cent. Relief from abroad is to be shut off by act of Congress until the trust increases its price 30 per cent, or likely 30 per cent plus ocean freights, for the importer must recover his duty and his freight plus a profit for doing business.

WAGES

Wages in 1919 were 19.6 per cent of the factory selling price, or less than one-third of the tariff now proposed. The laboring man in the salt works will "enjoy" this protection only as he pays as much of a 62 per cent addition to the present cost of his salt as the trust dares charge.

TRUST PRICES

The salt manufacturers have always had an affinity for selling agencies and price agreements. In 1866 the Michigan manufacturers were united. Ever since there has been one trust or another. The price is what the trust makes it, with no "protection" for consumers except in imports, and no harm to manufacturers or labor from free trade.

Before salt was put on the free list in the Wilson bill, which was operated from 1894 to 1897, the manufacturers told the Senate Committee on Finance that "When salt shall be admitted free * * * our even now struggling industry shall be paralyzed or destroyed in an unequal competition with the cheaper product of foreign cheaper labor. We will then soon be made to pay to the English Salt Union the price which it exacts elsewhere."

Contrary to this prediction, we both produced and consumed more salt from 1895 to 1897 than ever before.

LEATHER GLOVES AND THE PRESENT TARIFF LAW

The leather-glove tariff has been written for many years under the pressure of an ex-Congressman, the sincerity of whose general devotion to high-tariff rates may be indicated by his conviction for smuggling merchandise variously valued at from $14,000 to $40,000, for which offense he was sentenced to six months in jail and fined $1,000.

It is distasteful to note this, even as it must have been distasteful to President Taft, in 1909, to denounce, as reported, "the consideration shown" this man as "a scandal and a disgrace," and to declare that he, the President, "would not become a party to the payment of political debts by placing exorbitant duties on gloves."

Incidents of this sort, everywhere evident, make the tariff a moral issue, even more than economic, for morals are greater than money.

The Payne duties averaged 45.4 per cent. Wages were then 21 per cent of factory selling prices. Underwood duties 13.7 per cent. Fordney duties 50 per cent to 70 per cent. Wages in 1919, 17.4 per cent. However much postwar wages increased, they did not keep pace with manufacturers' prices.

"Gentlemen, Congress is becoming a bargain counter." (Senator Dolliver, 1909.)

The Payne duties gave the industry $6,000,000 to add to its prices, costing consumers twice this at retail, or $12,000,000.

Under the Payne law (census, 1914) there were 11,354 wage earners in the leather-glove industry, with total pay rolls of $4,558,360, or only three-fourths of the protection given. It is clear who got the benefit.

Under the pressure of this ex-Congressman the Fordney law makes the duties "not less than 50 nor more than 70 per cent." They offer the industry as much as $18,000,000 as it can add to its prices, to cost consumers $36,000,000 at retail. These huge sums to protect a total pay roll of only $8,150,740.

The Underwood duties equaled 8½ to 46 cents per pair.

The highest duties in any law since 1890 were $1.75 to $5.50 per dozen pairs, or 14½ to 46 cents per pair.

The Fordney duties of $4.40 to $22.50 per dozen pairs run from 36½ cents to $1.87 per pair. They raise retail prices 44 cents per pair on the cheapest gloves and $2 per pair on the most expensive.

Domestic production in (census) 1919 was $46,440,511. Imports were $6,162,848, or 13.1 per cent of domestic production. Substantially all imports were of kinds not made here.

The Fordney duties are more than three times the total wage cost. And wages constitute the only considerable difference between foreign and domestic costs of production.

AMERICA'S GENIUS FOR PRODUCTION

America can make anything. There are, however, some things that America will not make. Its genius is for quantity production. American industrial democracy insists on serving democracy at large. It will not make fussy and elegant things for the few. It will not make the type of fine gloves now imported, although women require considerable quantities.

The foreign glove industry is a "home" or village industry. The brushing on of the dye by hand on the outside of the skin only, leaving the inside white, the dowling or shaving down of the delicate skins to an even thickness and elasticity, the manipulation of the skins "to the exact size that will stretch to the desired width when drawn on the hand," the patient retrieving and making of perfect-fitting gloves from defective skins require the sort of mental and physical application that Americans dislike. In certain European towns and villages, notably in France, from the seventeenth century the inhabitants have done nothing else. They will continue, despite the vote of our women's money to Littauer. He'll buy diamonds but he won't make these kinds of gloves.

Meantime America makes another kind of gloves with special tanning and dyeing typical of her character, strong, durable, handsome enough, but so heavy, so different from the types imported as to be utterly unfit, in the estimation of all women, for the finer use of afternoon and evening wear as contrasted with street wear, sports, and automobile use. These are made also in Europe but not at much less cost.

These heavier gloves are made from the hair-growing "Mocha" sheep of Arabia and the "Cape" tough-skinned sheep of South Africa.

The raw skins are on the free list and cost the same the world over.

For dyeing they are thrown into drums not unlike modern revolving washing machines, with about the difference in cost of dyeing here and abroad as in laundering without ironing here and abroad.

"Protection ceases to be protection when it is carried to the extent of pampering an industry into slothfulness and beyond the whip and spur of competition." (Col. George E. Tichenor, 1882, later president board of General Appraisers.)

The cost of tanning Mocha skins here to-day is $4.50, and dyeing, $2.50 per dozen skins, all sizes, making 30 pairs of short gloves selling at the factory for $3.50 per pair. This is 23½ cents per pair for tanning and dyeing, including tanner's profit. It is 6¾ per cent of the selling price of the gloves.

If costs abroad, including profits, are one-half of domestic costs, there should be 3 per cent tariff protection for tanning and dyeing.

The Underwood duty on colored skins was 10 per cent; Fordney, 20 per cent.

The present domestic charge, $4.50, for tanning, is double pre-war. With diminished foreign competition, our tanners are now adding the present 10 per cent protection. Why give them an additional 10 per cent?

That these figures are correct is indicated by the present free admission of tanned [illegible]ve leather of all sorts ready for coloring. Many "Capes" are thus imported; Mochas not, because our own tanning is preferred.

*American labor cost, "Mocha" and "Cape" leather gloves, union wage scale of July, 1920, with later reductions, one of 10 per cent and another, recent, averaging 8 per cent*

| | Sample No. 100, women's Mocha | Sample No. 200, women's Capes | Sample No. 300, men's Mocha | Sample No. 400, men's Capes |
|---|---|---|---|---|
| Dowling or shaving | | $1.25 | | $1.75 |
| Dowling or cutting | $2.45 | 2.25 | $2.55 | 2.35 |
| Trimming and punching | .25 | .25 | .25 | .25 |
| Trimming and embroidery | .75 | .75 | .75 | .75 |
| Trimming and sewing | 2.25 | 2.25 | 2.25 | 2.25 |
| Trimming and finishing | .25 | .25 | .45 | .45 |
| Trimming and laying off | .25 | .25 | .45 | .45 |
| Less reductions about 18 per cent | 1.12 | 1.31 | 1.21 | 1.49 |
| Manufacturer's price per dozen | 27.00 | 21.00 | 42.00 | 22.50 |
| Per cent labor to factory prices | 18.51 | 28.20 | 13.07 | 30.04 |
| Total | 6.20 | 7.25 | 6.70 | 8.25 |
| Less reductions, about 18 per cent | 1.12 | 1.31 | 1.21 | 1.49 |
| Total labor cost per dozen | 5.08 | 5.94 | 5.49 | 6.76 |
| Manufacturer's price per dozen | 27.00 | 21.00 | 42.00 | 22.50 |
| Per cent labor to factory prices | 18.51 | 28.20 | 13.07 | 30.04 |

COMPARISON, DOMESTIC AND FOREIGN LABOR COSTS

The Associated Glove Manufacturers say in their brief that American wages "have always been from two to two and one-half times the wages paid abroad for the same work, and to-day the difference is even greater than in pre-war times." Let us see.

*Men's cape and mocha leather gloves—Labor costs in Germany and the United States, 1913*

| | Marks at 23.80 | Equivalent dollars | United States dollars |
|---|---|---|---|
| Cutting Mocha | 3.72 | .89 | 1.00 |
| Cutting Cape | 3.60 | .86 | 1.25 |
| Sewing pique | 2.80 | .67 | 1.30 |
| Sewing prixseam | 2.80 | .67 | 1.08 |
| Sewing on binding | .30 | .07 | .12 |
| Hemming | .30 | .07 | .12 |
| Putting on fasteners complete | .50 | .12 | .10 |
| Laying off | .35 | .08 | .16 |
| Total | | 3.43 | .13 |
| Difference | | 1.70 | |

Add for embroidery according to style from 25 cents to $2.75. The cost of producing women's gloves is essentially the same as men's.

The above table shows American labor 50 per cent higher than foreign, instead of 200 per cent to 250 per cent. Labor is little in any country. The difference in labor per pair is slight.

PRODUCTION AND IMPORTS

The production of leather gloves in the United States in (census) 1899 was 2,895,661 dozen pairs. In 1919, 3,666,045, an increase of 27 per cent. Population increased in this period 39 per cent. The industry has failed to advance with population under the extreme protection of the Dingley and Payne laws and later the war embargo.

Approximately 73 per cent of production is men's gloves; 18 per cent women's and children's, and 9 per cent boys'. The domestic industry serves, substantially, men only.

That neither Germany nor any other country is importing to the injury of the American glove industry in the kind of gloves it makes is shown below.

*Imports of men's gloves of all kinds*

| Calendar Year | Total imports | From Germany |
|---|---|---|
| | *Dozens* | *Dozens* |
| 1919 | 5,185 | None. |
| 1920 | 29,151 | 1,940 |
| 1921 | 18,262 | 2,749 |

These imports against domestic production of over 2,000,000 dozen pairs per annum of men's gloves.

The manufacturers' brief attributes to these inconsequential imports the unemployment of "the thousands of operatives who are now out of work or working part time."

Mr. Littauer gave a better reason when pleading for rates on cotton sueded gloves running up to 143 per cent, later amended on the floor of the Senate to 75 per cent. Said he: "Cotton gloves are driving out the leather gloves. The consumption of leather gloves is no more than one-half to three-fourths of what it used to be."

THE CRIME AGAINST MEN—BARE HANDS AND DIRTY

The Wilson, Dingley, and Payne tariffs virtually embargoed men's gloves with duties averaging, as said Mr. Littauer, "66⅔ per cent in the past." Importations of men's suede gloves, comparable to domestic Mochas, from 1908 to 1914, averaged only 1,239 dozen per annum.

Without healthy competition from abroad, men's Mochas sell now for $4.50 to $5.50, which retailed pre-war for $2 per pair. With the same cost for skins the Englishman is buying his to-day for 6 to 8 shillings or $1.20 to $1.60 per pair.

IMPORTS OF COMPETING GLOVES NEGLIGIBLE

The Reynolds report of experts shows a shipment of Czechoslovakia men's gloves at $8.10 per dozen foreign value, selling in the United States for $16.50 against the American glove at $24.

Only 2,376 dozen pairs came from Czechoslovakia in 1920. The average foreign price was $18.39. Only 466 dozen pairs came in 1921, at an average price of $12.37. Czechoslovakia is not hurting us.

The report shows English lambskins, foreign price $17.05, selling here, plus $2.75 duty and $1.20 landing charges, for $27.75 against domestics at $30.

There were imported of men's gloves from England in 1920 only 18,981 dozen pairs, at average price of $26.16; and in 1921 only 9,451 dozen pairs, at an average price of $21.75. The English margin of profit is moderate. Her importations of men's gloves are negligible as against our domestic production of over 2,000,000 dozen pairs annually.

WAGES 1.74 PER CENT OF FACTORY SELLING PRICES

The essential difference in cost here and abroad, as shown, is in labor.

We have seen that foreign wages are 70 per cent of wages in this country.

The difference in wage cost here and abroad is, therefore, about 6.3 per cent of the factory selling price, or one-tenth of the Payne, Dingley, and Wilson tariffs.

Wages in 1919 were 17.4 per cent of factory selling prices. This makes the difference in wage cost here and abroad less than 6 per cent, and less than one-tenth of the Fordney duty.

Let American men wear gloves. Let them have clean and warm hands for comfort and health. Instead of this, Congress proposes duties higher than ever for men, and to exploit women likewise—to exploit them all.

These duties have nothing to do with protection, as real kid gloves of goat origin are not made in the United States in commercial quantities. Only 5,694 skins for these real kid gloves were imported in 1914—enough for 1,000 dozen pairs, against an annual consumption of about 300,000 dozen pairs, mostly from France, and a total of 1,000,000 pairs of gloves of all kinds.

Although failing for 30 years and under high tariffs to develop this fine-glove industry, our manufacturers produce an average of 3,276,572 dozen pairs of their sort, being the heavier Mochas and Capes.

Domestic production is now 76.53 per cent of total consumption, including the kinds we do not make. Domestic manufacturers now want to shut out the 23.47 per cent of imports, including the kinds we do not make. During the war and later, with a shortage of 500,000 dozen pairs annually, our manufacturers did not even try, as above shown, to make real kid gloves. The war embargo produced desperately high prices. What will a tariff embargo produce?

HOW CAN WE MAKE THEM

There are about 1,200 cutters of dress Mocha and Cape gloves in the United States, of whom 900 learned their trades abroad.

This again shows the distaste of American labor for the difficult hand processes in the fine-glove industry.

The proposed duties would shut out some 700,000 dozen pairs of the extra fine types, now made abroad, that we have never made. (The manufacturers' brief said: "40 to 50 per cent of importations" embargoed, or about 450,000 pairs.) It is estimated that not over 300 cutters in this country could successfully cut these skins.

Our present laws restrict immigration to 3 per cent. Will our women go barehanded or pay 1919 prices, $5 for short gloves, such as men still pay, until Providence drops additional cutters from the skies or changes the disposition of our wage earners?

A JOKER FOR THE FUTURE

Foreign prices of gloves should drop some 20 per cent before long, leaving them still 50 per cent above pre-war.

At present prices the Fordney duties are about the same as the Payne. For instance, real kids averaged under the Payne law 42.5 per cent. The proposed rate is "not less than 50 per cent." It can be more, up to 70 per cent.

This 50 per cent lifts real kids 15 per cent. If, however, these gloves drop 20 per cent in price (leaving them still one-third above pre-war, the duties will average 62 per cent, as against the Payne rate of 42.5 per cent.

Thus the Fordney excessive duties promise to get worse as time advances and to offset price reductions that are due.

COST OF FORDNEY DUTIES

The Fordney duties are an irresistible temptation to the manufacturers to add millions of dollars to their prices. The proposed increase in prices on domestic production and on imports is $18,000,000, to "protect" pay roll of $8,150,784. This $18,000,000 to be doubled to consumers at retail, costing the men and women of the United States $36,000,000.

COTTON GLOVES AND THE TARIFF

The Senate Finance Committee gave Mr. Littauer and his friends 25 per cent on the heavy cotton cloth gloves used in rough work; 50 per cent on the cheap, unshrunk, knit, "funeral gloves" worn by pallbearers and by elevator boys and girls, and from 90 per cent to 119 per cent on the handsome sueded knit cotton gloves now replacing kid gloves. By later amendment, these sueded duties were made "not to exceed 75 per cent."

WHO PAYS THE DUTY

Senator LENROOT, June 20, last:

> "Upon an article like this (cotton gloves), used in every home in the land, we ought not to tax the American people more than 75 per cent."

He knows who pays the duty—the consumer—"only 75 per cent."

Said Senator McCumber regarding wheat:

> "We want higher prices. 'When the crop is short we add all the duty. When crops are heavy, we get half the duty.'"

He knows who pays—the consumer.

We lead the world in knit goods. Knitting is the cheapest known method of making cloth. Sueding is merely roughing up the surface of the piece goods on revolving cylinders with needlelike teeth that tear up enough of the yarn to give the sueded, leatherlike appearance. This is a simple mechanical process, done here essentially as cheaply as anywhere.

The gloves are cut out of the yardage by stamping machines. They are then sewn, inside out, on machines and then reversed. The only hand labor involved is the sewing on of the buttons. Why 75 per cent?

PRESSED AND BLOWN GLASSWARE—NEW TARIFF 54.9 PER CENT

Said a great manufacturer of pressed glass, "When Mr. McKinley was framing the McKinley bill he said to me, 'I know nothing about pressed glass; you make the rates and be fair about it.' I had a distributing house in London costing me $10,000 a year. I added this cost to my European prices and sold my glass freely in Europe. I conferred with two or three competitors. We agreed that pressed glass might fairly be on the free list. Mr. McKinley originally put it there, but it came out in the bill at 60 per cent duty." Greed had intervened.

Before the war American pressed glass was retailed across the street from Belgian factories. We produce in such quantities as to offset differences in wage cost, if any.

Pressed glass is a universal necessity. It furnishes the humblest table and, as cut glass, is an object of art.

METHODS AND MATERIALS

Our methods of production are extremely efficient. The materials used are cheap and nowhere more abundant than in the United States,

being sand, lime, and soda ash, which is a product of salt and ammonia. Lead is used for the highest quality of crystal and cut glass, constituting one-third of its weight. Our lead deposits are great and easily worked.

Domestic users have a great advantage from natural gas, which is especially serviceable in this industry. Foreigners must use coal, which, however, is as cheap here as anywhere.

PRODUCTION EXPORTS AND IMPORTS

Production in 1914, $30,279,290, against which $999,961 was imported, being 3.3 per cent of domestic production. This was an increase in production of 37.9 per cent over 1904. It was 24.6 per cent of the total production of glass of all kinds in 1914. Exports not given.

Production in 1919, $79,093,084, against which imports were $411,351, or one-half of 1 per cent. Exports in 1919, $200,969, or three-tenths of 1 per cent of production.

Exports in 1920, $262,391, or three-tenths of 1 per cent. Imports, $1,197,859, or 1.5 per cent of 1919 production.

Exports in 1921, $231,735, or three-tenths of 1 per cent. Imports, $1,489,688, or 1.9 per cent of 1919 production.

Domestic prices are held so high as to invite small importations. Only by such importations does the industry know that it is getting the highest prices possible. A study of the relation of prices to imports is interesting.

PRICES, FOREIGN AND DOMESTIC

The 71 experts employed by the Senate Finance Committee made many comparisons between foreign and domestic prices, under the present average rate of 44.9 per cent.

A blown-glass purple candlestick, sold by an Italian manufacturer for $1.53, is made and wholesaled from an American factory for $6.25. Another, at an Italian factory for $1.25, finds its duplicate from an American factory wholesaling for $6.75. A plain blown pitcher, 3 pints, costs at the factory in Holland $18.75 per 100. The American product wholesales at $93.33.

A Czechoslovakia 6½-inch blown glass goblet costs at the factory there $1.74 per dozen. Why does our domestic product cost wholesale $4.94 and twice that at retail?

An English 12 inch tube gauge costs 40 cents per dozen at the English factory. Why should our domestic product wholesale for $1.44 and retail for $3 or more?

Czechoslovakia factories charge 23½ cents per gross for 2¼-inch electric shades. Why does our domestic product wholesale for $2.49 and retail for two or three times that? Czechoslovakia's currency is par, and her prices generally now are high.

In most highly protected industries the cost of living is higher here than abroad by the great difference in prices as above indicated. Unjust tariffs sometimes double and quadruple domestic prices.

Importers are not chargeable with these high prices. On the above glassware they add only from 32 to 48 per cent to their delivered costs, duty paid.

If Americans want fair domestic prices, the tariff must be made upon proof of the need of the industry and not, as in the glass business and elsewhere, only upon the insistence of beneficiaries.

From above comparisons we can conjecture what will happen to prices with the Fordney rate of 54.9 per cent substituted for the present average of 44.9 per cent.

WAGES 30.2 PER CENT

The census of 1914 published only the average wages for the glass industry as a whole, being 35.7 per cent of the factory selling prices. Wages, plus superintendence, were 42.2 per cent. The Payne tariff was 60 per cent, or about twice the total percentage going to labor.

In 1919 in the pressed and blown glass industry 37.9 per cent of factory selling prices went to labor. The Underwood tariff, being 44.9 per cent, is about one-fifth more than the total American wage percentage.

This industry began with a tariff of 10 per cent in 1789, increasing to 221 per cent in 1804. The new Fordney duty is the highest in its history, 54.9 per cent.

PROFITS

The Tariff Commission says that the highest percentage of profit on capital invested in the eight blown tableware establishments was 30.43 per cent, and the average profit was 10.34 per cent. In the 20 blown and pressed tableware establishments the highest profit was 29.26 per cent, with the average only one-tenth of 1 per cent. In the 18 lighting-goods establishments the highest profit was 40.1 per cent and the average 10.25 per cent. In lamp-chimney establishments the highest profit was 27.51 per cent and the average 4.86 per cent.

Apparently efficient factories can profit under lower duties than now, while increased duties will make their profits extreme, and make the least competent profitable.

As said Col. George Tichenor, in 1882, later president Board of General Appraisers, "Protection ceases to be protection when it is carried to the extent of pampering an industry into slothfulness and beyond the whip and spur of competition."

COST OF FORDNEY DUTY

The Underwood tariff permitted the manufacturers to add $25,000,000, if they could make consumers pay it, to the prices of their foreign competitors. The Fordney duty, 54.9 per cent, invites them to add $30,000,000, which would cost consumers twice this at retail, or $60,000,000. There are many indications that they would add substantially all of it, especially in good times.

PROTECTION AND COMMON HONESTY—HOW ATHENS "PROTECTED" PURITY IN LEGISLATION

One who believes in the beneficence of the principle of protection honestly applied may well wonder how many Members of Congress, and manufacturers who testified before the congressional committees in loose and exaggerated terms, would have fared in the Republic of ancient Athens, where, says Lord Bryce in his Modern Democracies, "any citizen could indict another for an alleged offense against the State for having led the assembly into a breach of the laws or given it bad advice, which it had followed." "Whoever brought forward and carried in the assembly any decree or proposition which transgressed any law in form or in substance," if convicted, "was fined, or possibly put to death."

[From Weekly News, League of Women Voters of New York State]

PROTECTION OR EXPLOITATION

[By H. E. Miles, chairman Fair Tariff League]

Hamilton's tariff, passed on our natal day, July 4, 1789, was clear and simple. It could be written on three of the 358 pages used by the present Fordney law to hide its innumerable robberies from the public understanding. Each Congressman knew what he was voting for in Hamilton's time, and every voter knew what he was voting for. Not one-tenth of the present Members of Congress can know either, nor the public. Hamilton's tariff gave 7 per cent protection on many manufactured articles, with 10 per cent on some, and more on only one, being carriages, 15 per cent. Congress now gives from four to ten times higher rates than Hamilton—not to infant industries but to the greatest industries on earth.

If an article costs 80 cents abroad and $1 here, there must be a duty of 25 per cent on the 80 cents, or our manufacturer must quit business, for we will not let him debase his wages. This is all there is to protection—absolutely simple, as most honest things are. For 40 years the principle of protection has been confused in the public mind and debased so as to yield trusts and price-fixing manufacturers enormous wealth at the cost of the consumer. Roosevelt and Taft tried to mend this, and the Republican platform of 1908 secured Mr. Taft's election by declaring for a righteous tariff revision that would represent, as Hamilton's did, "the difference in the cost of production here and abroad." But the "Old Guard" learns nothing. Taft was defeated for reelection because the party broke this platform promise in the Payne tariff of 1909.

Now Chairman McCumber, of the Senate Finance Committee, says the duty should measure the difference between the landing cost of the foreign article in the American market and the selling price of the manufactured article by the manufacturer in the American market, selling price—mind you—without reference to costs of production. Every item of the Fordney law is on this basis. Its purpose is to maintain the price of American manufacturers, whether honest or dishonest, fair or extortionate. When Chairman McCumber said this, June 10 in the Senate, he showed a pearl necklace, costing $12.50 in Europe (this necklace was, in fact, made in Brooklyn; the factory price was $75; most of the McCumber statements of cost to retailers were later proven to be grossly in error), that his committee paid $150 for at retail, a cuckoo clock for which they paid the retailer 2,200 per cent above its foreign cost, and other like articles.

This is retail profiteering. As Mr. McCumber said, "it is not a matter of the tariff," and yet, as above declared, he makes the whole tariff support manufacturers' prices whatever they are. He even invites extreme increases in prices. He makes the duty on women's fashionable "heather" hose, sold by our manufacturers at lower prices than Europe's, 57 per cent. We export silks to free-trade England at a profit, duty 55 per cent. The whole tariff is this way. Ordinary gingham—for aprons and cheap dresses, 31 per cent, although none has been imported in 20 years. It is freely exported and its principal manufacturer has increased his capital stock from $4,000,000 in 1898 to $44,500,000, besides declaring $30,000,000 of cash dividends.

Men have become used to this exploitation. Senators hate it, but do it. How about women? Will they restore protection to honest use, or submit to increases in living costs of $2,000,000,000 per year in this Senate bill above any requirement of true protection? The question is nonpartisan—just common honesty.

(Senator McCumber has just been defeated for renomination in the Republican primaries of North Dakota by LYNN J. FRAZIER, Progressive Republican and Non-Partisan Leaguer.—Editor.)

THE FORDNEY (PRESENT) LAW MORE EXTREME THAN THE PAYNE

"This bill in its entirety is a more radical and more extreme measure, so far as protection is concerned, than even the Payne-Aldrich law. I had hoped, Mr. President, that protection would

not run mad, as it had done. * * * I never in all my life saw such a swarm of men as were around the Finance Committee while they had this bill before them, and most of them got their work in well." (Senator Knute Nelson, Republican, Minnesota, CONGRESSIONAL RECORD, August 11, 1922.)

PLATE GLASS AND THE TARIFF—THE SENATE PROFITEERING ON SUNLIGHT

UNDERWOOD DUTY 14.9 PER CENT

Plate glass is a necessity. The storekeeper without it in his windows would lose his profit. It is the only glass used for mirrors. It is used for windows, tables, desks, and other furniture, for automobiles, ship lights, and other purposes. In our Northern States its density and thickness make it an economy, paid for by savings in coal.

FORDNEY DUTY 23 PER CENT—WAGES 31.5 PER CENT

The materials used are among the cheapest in the world, and nowhere more plentiful or cheaper than in the United States. Silica sand, which is not unlike beach sand, limestone, and soda ash, which is made in plants owned by the glass manufacturers, common salt, of which we have limitless quantities, and ammonia, and arsenic, which is a waste product of smelters.

MATERIALS

These materials are liquefied in pots holding a ton each, then poured on an iron table some 15 feet wide by 25 feet long, where a heavy roller quickly passes over it, flattening it into sheets of uniform thickness. After tempering, the rough edges are cut off, it is cut to desired size, and ground on a revolving iron table with sand and water. It is then polished with rouge, water, and felt-covered oscillating blocks or disks.

The use of natural gas gives our industry a decided advantage. Foreign competitors must use coal, which is decidedly less desirable for glass making. Coal is, however, as cheap here as elsewhere.

PRODUCTION

Production in 1914 amounted to $14,799,646, of which $35,757, or two-tenths of 1 per cent, was exported, against imports of $693,846, or 4.7 per cent of domestic production. This 1914 production was an increase of 12.2 per cent in quantity and 85.2 per cent in value over 1904.

Production in 1919 was valued at $34,582,862, of which $4,221,360 was exported, or 12.2 per cent. Only $3,055 was imported, or 4.7 per cent of domestic production.

EXPORTS AND IMPORTS

In 1920 exports were $2,853,666, or 8.3 per cent of 1919 production, against imports of $2,228,672 or 6.4 per cent.

Exports in 1921 were $1,834,517, or 3.8 per cent of 1919 production, with imports $2,025,823 or 5.9 per cent. We produced in 1921, in round figures, 70,000,000 square feet of plate glass, and imported only 3,000,000 square feet. We meet world competition better now than before the war.

Import demand has been due to the superior quality of French and Belgian glass for mirrors, etc., not to prices. Our manufacturers have made our people pay as nearly as possible the price of the superior importation, duty paid.

WAGES AND PRICES

Of the factory selling price, in 1919, 31.5 per cent went to wages. Wages are not separately shown in the 1914 census. Said an authority in 1890, "prices of pressed glass have steadily fallen in foreign markets from 1835 until now, except during the Franco-Prussian War. American manufacturers, however, have kept domestic prices up to the importing point," and "consumers have been obliged to pay enormous profits on watered stocks, while wages are lower than those paid to laborers anywhere in the United States for work equally difficult and exhaustive, and requiring equal skill. Labor then got from $1.25 to $2.60, with master teasers and boss layers $3, for a day's work of from 10 to 12 hours, in the plants of the Pittsburgh Plate Glass Co. at Tarentum and Creighton, Pa. At Ford City some wages were 40 per cent less. The company then paid 31 per cent dividends, and other companies made 25 per cent and over.

In the Dingley days, the manufacturers got rates running from 50 to 100 per cent, whereupon they doubled many of their prices against domestic consumers, and warned customers not to buy abroad even those sizes which could be brought in to advantage because of our price increases. About a third of this increase went to labor, and the balance to the stockholders.

TRUST PRACTICES

Said a merchant, who was thus ordered not to buy abroad, "It took me several days to comply. I saw I would lose my business otherwise, so I promised not to import." He said the trust later advised customers to order ahead liberally, as prices were going up. They so ordered, and then prices were reduced 35 per cent.

These practices were not new. About 1889 a combination was formed at Pittsburgh between the manufacturers and jobbers and shortly after prices advanced 33 per cent.

Says the National Furniture Co. (July 17, 1922):

"The plate-glass people have advanced their prices to the extent of 10 to 15 cents on the foot. This is an unreasonable advance, and they will not sell a piece of glass to-day or take an order for it except subject to prices prevailing at date of shipment. They claim that the demand and scarcity of glass and the cost forces the price up. Still there are several glass plants closed down now.

"The freight has been reduced, and nothing they use in manufacturing glass has advanced. Their labor has been cut. Still they have advanced their prices.

"Glass is getting to such a price that it is almost impossible for furniture dealers to use it, but they are forced to."

TARIFF RATES AND WAGES

The tariff averaged 63.2 per cent in the Payne year—1913. Wages in the glass industry, as a whole, were 35.7 per cent of factory selling prices. The Payne rates were, therefore, about twice the total wage costs, with all other elements of cost as low here as abroad. Prices were substantially equal to foreign prices, plus the tariff.

The Underwood tariff was 14.9 per cent, with wages 31.5 per cent, and the industry very profitable, as later indicated. The new Fordney rate is 23.1 per cent.

Profits in the business are indicated by the following statement:

*Pittsburgh Plate Glass Co.*

[Incorporated under the laws of Pennsylvania, August 24, 1883]

| | |
|---|---|
| Original capital | $800,000 |
| Present capitalization: | |
| Funded debt | None. |
| Capital stock (par $100) | $36,927,840 |

| | Net profits for stock after taxes | Dividends paid | | Surplus after dividends |
|---|---|---|---|---|
| | | Preferred | Common | |
| 1921 | $6,742,876 | Stock retired. | $2,948,490 | $3,794,386 |
| 1920 | 8,595,916 | $18,000 | 3,337,964 | 5,239,952 |
| 1919 | 7,013,719 | 18,000 | 1,792,559 | 5,203,260 |
| 1918 | 2,968,509 | 18,000 | 1,730,078 | 1,220,451 |
| 1917 | 5,276,579 | 18,000 | 2,022,716 | 3,235,863 |
| 1916 | 5,970,232 | 18,000 | 1,571,000 | 4,381,232 |
| 1915 | 1,659,238 | 18,000 | 1,570,137 | 71,101 |
| 1914 | 1,738,705 | 18,000 | 1,569,456 | 151,249 |
| 1913 | 1,685,217 | 18,000 | 1,569,456 | 97,761 |
| 1912 | 1,669,322 | 18,000 | 1,569,445 | 81,877 |
| Total | 43,320,313 | 162,000 | 19,681,301 | 23,477,132 |

| | Net working capital | Plus other assets equals | Net tangible assets applicable to stock | Profit and loss surplus |
|---|---|---|---|---|
| 1921 | $26,139,832 | $61,467,874 | $61,467,874 | $20,159,587 |
| 1914 | 8,079,093 | 28,480,793 | 28,480,793 | 5,550,080 |
| 1912 | 7,176,441 | 28,224,105 | 28,224,105 | 5,307,072 |

Profits for the 10 years, 1912–21, were $43,320,313, of which $19,843,301 went to dividends, and the remainder, $23,477,132, to surplus.

Profits averaged $4,332,031 annually. The company has never profited so much as since the war, and under the present relatively low duties. Should these duties be increased as in the Fordney law, at public expense, or lowered?

The control of prices and deliveries have been so severe that importers have hesitated to give information. Prices were so high in 1920 that the authorities of a great city considered the advisability of using paper temporarily in the inside partitions of a big new school building, hoping for lower prices later.

COST OF FORDNEY DUTIES

The protection given the industry, under the Payne law, was $5,000,000, costing consumers $10,000,000. Under the Underwood law, $4,000,000, costing consumers $8,000,000. The Fordney law offers the industry $7,000,000, to cost consumers $14,000,000.

Note—March 1923. Certain sizes of plate glass have advanced 10 per cent and others 22 per cent since enactment of Fordney law.

"Instead of such rates as this being something to the credit of the Republican Party, they will tend to damn the Republican Party if they are put into the bill." (Hon. IRVINE L. LENROOT, United States Senate, July 13, 1922.)

Why not let common folk enjoy plate glass which, fairly bought, is an economy? Only through plate glass can the household see the outside world straight.

Obscured, wire, and other building glass is plate glass rough finished. It is a simple necessity in skylights, sidewalks, for fire protection, etc. Cheaper materials are used and less labor. Production in 1914, $4,528,467. Production in 1919, $8,673,392. Exports are not separately shown in the census. Imports in 1920, $370,271, or 4.3 per cent of 1919 production. Imports in 1921, $351,083, or 4 per cent of production. Wages in 1919, 22.3 per cent. The Payne rate averaged

29.7 per cent. The Underwood rate was 16.6 per cent, which the Fordney law increases to 22 per cent, thereby giving the industry $1,600,000, to cost consumers $3,200,000.

AMERICAN FARM BUREAU FEDERATION

Upon extensive analysis shows in its weekly news letter of January 11, 1923, that the farmers lose ten dollars to one of gain from the Fordney tariff.

It estimates:

| | |
|---|---|
| Gross cost to farmers | $426,000,000 |
| Gain to farmers as producers | 125,000,000 |
| Net cost to agriculture of Fordney tariff | 301,000,000 |
| Gain to farmers as producers | 124,800,000 |
| Loss to farmers as consumers of farm products | 94,900,000 |
| Net gain to farmers from agricultural duties | 29,900,000 |
| Total cost to all consumers from farm duties | 391,700,000 |
| Total cost to all consumers on all schedules | 1,715,000,000 |

THE M'KINLEY BILL—1890

"Was the McKinley bill protective? It bore the title, 'To reduce the revenue and equalize duties on imports, and for other purposes.' Mr. McKinley knew, what Fordney seems not to know, that the way 'to reduce the revenue' is to make rates high, and the way to stop revenue is to make rates prohibitive, like so many of them in the Fordney bill.

"Said George E. Tichenor in a letter to Vice President-elect Hobart in 1896: 'President-elect McKinley is well aware that the controlling idea in the preparation of the McKinley bill was to dispose of and prevent the accumulation of surplus revenue. It was in that view that duties upon certain articles were made prohibitive, upon others higher than they would otherwise have been, and that numerous other articles (proper subjects of revenue) were put upon the free list." (Mr. Tichenor framed the McKinley and Dingley bills and was later president Board of General Appraisers.)

WINDOW GLASS AND THE FORDNEY TARIFF LAW

A tax on sunlight. Price rigging by help of Congress.

In the glass industry for from 40 to 60 years the Congress of the United States has been almost as definite and powerful a factor in the restriction of production, in price rigging, and the high cost of living as the 58 manufacturers and 3 labor unions now under indictment in the Federal court of southern New York charged with criminal practices. This prosecution is a repetition in substance of like prosecutions running back to 1866.

The grand jury finds that these manufacturers and labor unions "did arbitrarily fix, exact, and maintain uniform arbitrary and excessive prices; curtail, control, and reduce production, and suppress competition, by common agreement and understanding, extended, renewed, and carried out throughout the last three years."

CONGRESS AND THE TRUSTS

The report on the glass industry by the United States Tariff Commission in 1921 informed Congress and the public that a single American producer of window glass, the largest in the world, was so efficiently organized and equipped that it exported 80 per cent of all exports of window glass in 1916, the total amounting to over $3,000,000.

It curtails production, says the commission, and with other machine factories divides the domestic market with the 55 small hand-blowing glass factories who produce 40 per cent of the window glass.

Prior to the war, says the commission, and notwithstanding the great advantages of machine production, there were practically no domestic sales of machine glass in foreign countries, because of domestic price understandings limiting the trade to our domestic market, the factories meantime remaining idle for two-thirds of each year.

PRICE RIGGING

Said this principal machine glass company in 1916 in its annual report:

"So long as the company was securing what we considered a satisfactory portion of the going business it would be far more profitable to curtail its operations to the extent we did rather than attempt to operate the capacity and possibly precipitate a price war in the midst of the greatest export business we have ever had."

LIMITING OUTPUT

Said the Tariff Commission:

"The effectiveness of [cheap] machine production in the domestic and foreign markets is practically nullified by the policy of restricting output to suit the requirements of hand production. Machine production is marketed under conditions that encourage the continuation of antiquated methods. Profits of machine production are based on the costs of production of handmade glass, selling prices being practically the same."

Thus does this trust deprive consumers here and abroad of the fruits of American genius and of low costs and take unto itself for the cheapest production on earth, profits based upon the most antiquated and expensive methods of an unimportant few.

EFFICIENCY AND COSTS

The hand blower makes a cylinder of single-strength glass about 5 feet in length and from 12 to 15 inches in diameter. The best machine draws, hoists, and blows cylinders of glass nearly 39 feet in length and about 22 inches in diameter, yielding more than eight times as much glass as the cylinder made by hand. The machine cylinder is made in less than the small hand-blown cylinder. The machine blower operates from three to five machines at a time. Allowing for speed and number of machines, the machine blower produces about forty times more than the hand blower. The method of flattening out, cutting, and delivering these cylinders to the consumer is the same in each case.

WINDOW GASS, UNDERWOOD DUTY 9.6 PER CENT; FORDNEY DUTY 28 PER CENT

Sixty per cent of the total production in 1916–17, of 9,000,000 boxes, was made in 27 factories by machines. Forty per cent was made in 55 factories by the hand method. The 57 hand-blowing factories determine costs and prices. The handblowers needn't modernize their equipment, because an indulgent Congress helps them to profits anyhow. Machine producers run a third of the year and get profits on the full year, on forty times their own cost for blowing. Congress, however, now trebles the former rate of 9.6 per cent, making it 28 per cent, or 80 per cent of the total wages.

WAGES 37 PER CENT

Wages (census) 1919 are 37 per cent of factory selling prices. We may well question whether wages will be more than 15 or 20 per cent when the Federal court puts these manufacturers upon the basis of legitimate production and public service.

RELATION OF BUSINESS AND TARIFFS TO PUBLIC SERVICE

Said President Wilson: "As I take it, private business is public service for private profit." These manufacturers and others have yet to learn the relation of private business, and the tariff also, to public service. Congress might also learn.

MATERIALS

Materials used in the production of glass are among the cheapest in the world, being silica sand, which looks like beach sand, and is handled in the same way; soda ash, which has been made here for years cheaper than elsewhere; and crushed limestone. These materials were formerly fused in clay pots now in continuous automatic tanks not unlike pig iron.

Soda ash is a product of salt, of which we have limitless deposits, and ammonia, which is a by-product of our coke ovens.

These ingredients are used in the proportion of about 73 per cent silica, 13 per cent soda ash, and 13 per cent lime.

So long as our natural gas holds out our glassmakers have a great advantage over foreign competitors. Our coal is the cheapest in the world.

Who would protect sand, salt, limestone, and coal, limitations of production, idleness, high costs, and prices? Answer: Congress.

It would seem that an industry running under criminal agreements only six months in the year, with proportionate excessive overhead and other charges (and even then shutting out importations), can stand against foreign competition and even increase its exports, which now are many times more than imports.

PRODUCTION, EXPORTS, AND IMPORTS

The production of window glass in 1914 was $17,495,956, presumably under present practices; for charges, in court and out, of bad practices, run back to 1866.

We exported in the fiscal year 1914, under the Payne tariff of 39.6 per cent, $311,339, or 1.8 per cent of production, against imports of $134,584.

These imports indicate, as might be expected, that the tariff was added to domestic prices, thereby permitting on these slight importations a profit above freight and duty.

In 1919 production was $42,789,634, of which we exported $6,492,608, being 5.2 per cent of production, and imported $134,584, being three-tenths of 1 per cent of production.

In 1920 we exported $4,097,133, or 9.6 per cent of 1919 production, and imported $567,471, or 1.3 per cent of domestic production.

In 1921 we exported $455,086, or two-tenths of 1 per cent, against imports of $2,612,146, or 6.1 per cent.

Says the Tariff Commission of foreign competition:

"The European glass industry has suffered considerably as a result of the war. The French and Belgian window and plate-glass industry was located along the border between the two countries and suffered greatly during the German occupation. One plant is now operating in France, and the Belgian producers are bending every effort toward a resumption of productive activity. It will be some time before either nation will be in a position to supply its pre-war surplus for export, because, aside from the decreased production capacity, the home market is stripped of the finished product, and the demand is increased by the large quantities necessary for reconstruction purposes."

PRICES AND IMPORTS

The report of the 71 experts employed by the Senate Finance Committee shows that domestic prices are kept "excessively" high. Importers, however, sell at slightly higher than domestic prices, in order to get the small gross margin of 13 to 17 per cent for handling and selling charges and profit. On this basis window glass wholesales in the American market at 50 per cent more than the foreign manufacturer's prices or our own export prices. The Fordney rate would make window glass wholesale here, under present practices, 70 per cent above European factory prices, though costing no more.

A Congress that didn't mind the price-rigging evidence of the commission or the indictment of the court didn't mind this 70 per cent increase in prices. Will the people mind?

COST OF FORDNEY DUTY

The Fordney duty offers the industry $11,000,000, a premium for the continuance of its present practices. This would be doubled against consumers, making $22,000,000.

In 1888, on the very day that the industry was complaining of low foreign costs, and demanding higher duties, the president of one of the associations said in his annual report, "The selling prices of American glass were advanced beyond the cost of importing, resulting in increase of imports." Domestic makers had added the tariff and enough more to make importations profitable. This is general trust practice, but Congress raises duties up and up as fast as these trusts induce imports by domestic price increases. Chairman McCumber says (CONGRESSIONAL RECORD, July 10), "The duty should measure the difference between the importing price and the selling price of the comparable American article by the American manufacturer—prices, mind you, not cost of production, prices honest or dishonest, fair or unfair. Handy men these Congressmen. The trusts set their prices higher and higher, and Congress maintains them.

The representative of the File Trust, taking an order from Spain this month, was asked, "How can you sell abroad?" Answer, "We can undersell the world." Why do you want "protection"? "To keep up domestic prices." Congress is raising its duty from 25 to 44 per cent.

PROFITS IN WINDOW-GLASS MANUFACTURE

WHEELS WITHIN WHEELS

About 85 per cent of the window-glass factories of the United States were acquired in 1899, upon its incorporation, by the American Window Glass Co., strictly a holding company, and itself in turn, owned by the American Window Glass Machine Co., which has no property of consequence except exclusive rights in the United States to patents on machines for window-glass making, and the common stock of this American Window Glass Co.

The American Window Glass Co.'s financial record is here given:

AMERICAN WINDOW GLASS CO.

Incorporated under the laws of Pennsylvania August 2, 1899, acquiring 20 glass companies comprising about 85 per cent of the window-glass production of the United States.

Company is controlled by American Window Glass Machine Co.

Present capitalization:

| | |
|---|---|
| Funded debt | $245,000 |
| Preferred stock 7 per cent cumulative (par $100) | 4,000,000 |
| Common stock (par $100) | 13,000,000 |

Of the common stock, $12,999,993 is owned by the American Window Glass Machine Co.

| Year ended Aug. 31 | Net after interest and taxes [1] | Dividends preferred | Surplus after dividends | Royalties paid |
|---|---|---|---|---|
| 1921 | $776,977 | $279,650 | $497,327 | |
| 1920 | 4,537,963 | 279,650 | 2,828,384 | $2,453,877 |
| 1919 | 3,010,980 | 279,650 | 2,731,330 | 2,071,581 |
| 1918 | 3,812,421 | 279,650 | 3,532,771 | 1,784,312 |
| 1917 | 3,166,430 | 279,650 | 2,886,890 | 1,541,180 |
| 1916 | 1,956,334 | 739,075 | 1,217,259 | 1,380,861 |
| 1915 | 1,111,321 | 1,957,550 | [2] 846,229 | 862,295 |
| 1914 | 734,752 | 1,080,000 | [2] 345,248 | 987,325 |
| 1913 | 830,429 | | 830,429 | 975,674 |
| 1912 | [2] 555,459 | | [2] 555,459 | 814,856 |
| Total, net | 19,382,168 | 5,174,875 | 12,777,364 | 12,871,901 |

[1] Deducted from other assets. [2] Deficit.

In lieu of dividends upon common stock the company pays royalties to its owner, the American Window Machine Glass Co. It paid, however, in 1920, a common-stock dividend of $1,429,923, in addition to royalties of $2,071,581.

| | Net working capital | Plus other assets equals | Less bonded liabilities | Net tangible assets applicable to stocks | Profit and loss surplus |
|---|---|---|---|---|---|
| 1921 | $26,076,602 | $28,026,000 | $345,000 | $27,780,000 | $7,326,047 |
| 1914 | 2,667,952 | 20,794,176 | 247,000 | 20,539,176 | [1] 6,402,298 |
| 1912 | 1,805,577 | 21,484,088 | 2,791,400 | 17,394,088 | 3,074,708 |

[1] Deducted from other assets.

Under date of March 21, 1922, it is reported that the company was indicted for keeping its factories closed two-thirds of the year, thereby limiting production and keeping prices five and six times higher than pre-war levels.

Under these conditions the company earned in the 10 years, 1912-1921, $19,382,168. It paid in dividends ($1,429,923) and royalties, ($12,871,901) to its owner-company, $14,301,824.

AMERICAN WINDOW GLASS MACHINE CO.

Incorporated March 6, 1903, in New Jersey.

Owns exclusive rights in the United States to patents on machines for window glass making, and leases these rights to the American Window Glass Co. on a royalty basis. Also owns $12,999,200 of the $13,000,000 common stock of the American Window Glass Co.

Present capitalization:

| | |
|---|---|
| Funded debt | None. |
| 7 per cent cumulative preferred stock (par $100) | $6,999,600 |
| Common stock (par $100) | 12,998,600 |

| | Net earnings after all charges | Dividends paid | | Surplus after dividends |
|---|---|---|---|---|
| | | Preferred | Common | |
| 11 months ended Mar. 31, 1921; years ended Apr. 30 | $1,508,729 | $489,972 | $1,364,814 | [1] $268,057 |
| 1920 | 2,292,433 | 489,972 | 1,802,461 | [1] 147,253 |
| 1919 | 2,972,741 | 489,972 | [2] 1,960,549 | 532,220 |
| 1918 | 1,777,908 | [3] 594,906 | [2] 1,259,682 | [1] 76,740 |
| 1917 | 3,479,400 | [4] 3,394,907 | | 84,553 |
| 1916 | 2,106,434 | [4] 2,099,896 | | 7,638 |
| Total 5 years | 14,197,805 | 7,549,685 | 6,387,506 | 132,361 |

[1] Deficit.
[2] Paid in liberty bonds.
[3] Also 5 per cent in liberty bonds.
[4] Also on account of accrued dividends.
Earlier income accounts and balance sheets not available.

The company's only assets are its patent rights in the United States and American Window Glass Co. common stock as above, which in 1921 were carried on the books at $6,999,000 and $12,999,200 (par), respectively. As of that date it also had cash, $9,734, and Liberty bonds, $105,300, and its profit-and-loss surplus amounted to $115,034.

COST OF PROTECTION

The protection given window-glass makers by the Payne law, 39.6 per cent, amounted in 1913 to $5,000,000, costing consumers $10,000,000. In 1919, 9.6 per cent, it amounted to $3,800,000, mostly thrown away by the manufacturers, according to above statement of the grand jury and the Tariff Commission. This cost consumers $7,600,000. The Fordney law offers the manufacturers 28 per cent of $9,000,000, to cost consumers some $18,000,000. Against this great burden the Government collected in revenue at the customhouse relatively nothing.

NOTE.—March, 1923, prices of window glass have advanced since the enactment of the Fordney law from 6 to 10 per cent.

"No one single interest should be protected at the expense or to the detriment of other and greater interests. Protection ceases to be protection when it is carried to the extent of pampering an industry into slothfulness and beyond the whip and spur of competition." (Col. George E. Tichenor, 1882, later president Board of General Appraisers.)

GLASS BOTTLES, JARS, AND OTHER HOLLOW WARE

Underwood duty, 39.5 per cent; Fordney duty, 51.2 per cent; wages, 30.2 per cent.

Alexander Hamilton, in America's first protective tariff, gave 10 per cent duty to manufacturers of all glassware. This rate was steadily increased in the five following tariffs up to 20 per cent in 1794. It reached 49.8 per cent in the Payne law, then dropped to 39.5 per cent in the Underwood law, and now the Fordney rates average 51.2 per cent.

When the duties were from 10 to 30 per cent, bottles, jars, carboys, etc., were blown by human lungs, and the industry prospered.

AMERICAN EFFICIENCY—FOREIGN COMPETITION

Now, an American-made machine produces 1-dram bottles at the rate of 165 per minute, or 50,400 pint bottles in 24 hours, displacing in this latter production about 54 skilled workmen. The labor cost is negligible. No operator is needed, only a man to oil the machine. Why does the Congress give 60 per cent duty?

"The makers of bottles by automatic machines have no fear of foreign competition," says the Tariff Commission. They will hold the domestic market against foreign competition by superior quality, better service, and improved methods, independently of tariff duties.

"Our hand-blowers," says the commission, "are able to meet any competition that has arisen or may arise from foreign sources. * * * In adjusting themselves to the domestic competition of machine blowing, hand blowers have met severer competition than can possibly come from abroad." To continue hand production is like going back to old fashioned hand weaving looms.

The use of natural gas gives American manufacturers a great advantage over foreign producers who must use coal, much less desirable in glass production. Coal is as cheap here, however, as anywhere. Fuel is about one-third of the cost of production.

Freights alone would embargo imports except to Atlantic ports and near-by markets. This geographic protection within the country has caused the plants to be widely distributed over some 20 States.

PRODUCTION, EXPORTS, AND IMPORTS

The bottle industry used to be small—$5,670,433 in 1880. It became great upon the extension of the canning industry and the use of soft drinks. Production in 1914, $51,958,728, of which 1.4 per cent was exported, with imports 4.6 per cent of production. Imports of unfilled bottles have seldom exceeded $300,000 per year. They were $84,578 in 1915, and less than $20,000 annually since 1917 to 1919.

Production, in 1919, $94,007,682, of which $5,283,655 was exported, being 5.9 per cent of production, with imports $565,163, or six-tenths of 1 per cent.

In 1920, exports were $9,998,407, or 10.6 per cent of 1919 production. Imports were $1,413,754, or 1.5 per cent.

In 1921, exports were $4,726,332, or 5 per cent of 1919 (Census) production, against imports of $1,721,569, or 1.8 per cent of production.

*Summary table United States Tariff Commission*

| Year | Imports for consumption [1] | Domestic exports | Value imports: For consumption | Amount of duty | Actual or ad valorem rate per cent |
|---|---|---|---|---|---|
| 1913 | $211,729 | $808,327 | $211,729 | $92,013 | 43.46 |
| 1914 | 217,995 | 711,353 | 217,995 | 71,227 | 32.67 |
| 1915 | 84,578 | 772,427 | 84,578 | 25,373 | 30.00 |
| 1916 | 24,347 | 2,168,244 | 24,347 | 7,297 | 30.00 |
| 1917 | 19,235 | 2,435,610 | 19,235 | 5,770 | 30.00 |
| 1918 | 5,844 | 2,671,892 | 5,844 | 1,753 | 30.00 |
| 1918 [2] | 6,656 | 2,781,076 | 6,656 | 1,997 | 30.00 |
| 1919 [2] | 14,180 | 5,283,655 | 14,180 | 4,253 | 30.00 |

[1] The figures below include only empty bottles, vials, jars, etc.
[2] Calendar year.

Our ability to meet the competition of the world in the neutral markets of the world is apparent from our export figures, and our greater ability since the war than before.

COST OF FORDNEY DUTY

The protection given the bottle and hollow-ware industry in the Payne law was $17,000,000 in the fiscal year, 1914, costing consumers $34,000,000. Under the Underwood duty of 39.5 per cent, it was, in 1919, $27,000,000, costing consumers $54,000,000.

Congress now levies a duty of 51.2 per cent, or almost double the total per cent—30.2—of the factory selling price that goes to labor and five times what Hamilton gave the industry in 1789. This will amount to $35,000,000 to the industry, if used, as it appears to be used now.

It will cost the consumer $70,000,000 if so used.

THE FARMER HAS MUCH TO LOSE

"So far as a high or low schedule may be concerned, the farmer probably has much more to lose by high tariffs on the things which he buys than he could ever hope to gain by any tariff on his own commodities. Our economists have all reported convincingly on that point. There may possibly be some exceptions to it."—(President J. R. Howard, American Farm Bureau Federation, 1922.)

"Mr. CLARK (Ways and Means Committee). 'The truth about the whole business is that the way you will make your money is by getting a little here and a little there from a great many people, so that there is not enough for one of them to come here and testify against you about it, and the general total of the rake-off amounts to a fortune.'

"WITNESS. 'Yes; every little helps.' (Tariff hearing, November 24, 1908.)"

FILES

For some 25 years the File Trust has used the Congress of the United States and the tariff for profit making as definitely as it has used its machinery and its pay rolls.

When the Payne committee was taking testimony on files, an invoice was presented showing export prices 40 per cent below domestic prices. This was common practice for years. Notwithstanding this, the Payne Congress, in 1909, definitely and knowingly continued the practice with a duty of 56.1 per cent.

The export price, 60 per cent of the American price, plus the Payne duty, equaled 96.6 per cent against the American price $1. This shows that the trust's superiority in production enabled it to add to its foreign prices 3.4 per cent plus the duty for American prices.

"We New Englanders know that the Dingley tariff was made by New England for New England, and that when it goes we will never get another as good." (Hon. Charles Littlefield, M. C., Maine, 1909.)

A representative of the so-called File Trust in taking an order from Europe recently, was asked, "How can you sell abroad against German competition?" Answer: "We can undersell the world." "Then why do you want protection?" "To keep up domestic prices."

UNDERWOOD DUTY 25 PER CENT—FORDNEY 44 PER CENT

The Underwood duty was 25 per cent. Recent export quotations are 20 per cent below domestic prices. That is, an Englishman, Frenchman, or Chinaman procures from a New England factory for 80 cents what the domestic user, by order of Congress, is required to pay $1 or, the addition being precisely the amount of the present tariff. Congress has now authorized file manufacturers to add 44 per cent, the new rate, against domestic users, instead of their former addition of 25 per cent, and the manufacturers at once add another 15 per cent to their domestic prices.

PRODUCTION, EXPORTS, IMPORTS

Production in 1919 was $17,616,563, of which 29.4 per cent was exported, being $5,181,792 against imports of three-tenths of 1 per cent, or $49,855.

In 1920 exports were $5,550,619, or 31.5 per cent of 1919 production, with imports $100,471, or six-tenths of 1 per cent of domestic production. For these two years exports were 78 times greater than imports.

In 1921, a bad year generally, exports were 14.4 per cent of production and imports six one-hundredths of 1 per cent.

There had to be a special reason for the importation of files at 25 per cent higher prices than our trust floods foreign markets with. Imports are of extra fine qualities and odds and ends which our makers do not make, for dentists, jewelers, etc. There is no competition, for imports are not comparable.

Congress might as well write a check on the Federal Treasury to the File Trust as to increase its duties. The handy men from New England on the Ways and Means and Finance Committees must see this.

Investigation indicates a single ownership of substantially all file factories, many of which, however, operate under separate names; also price agreements or at least closely related prices.

WAGES 30.2 PER CENT

Ordinary files are made with marvelous speed, accuracy, and low cost by semiautomatic machinery. America should feel proud of this industry, as typical of her genius and efficiency. Here, as in many industries, America demonstrates that high wages are cheap wages. In 1914 wages were 38 per cent of the factory selling price, or about two-thirds of the Payne duty, of 56.1 per cent. In 1919 wages were 30.2 per cent, or slightly more than the former duty of 25 per cent. Congress now makes the duty 44 per cent, or 147 per cent of the total wage cost. Other cost factors are substantially the same here and abroad.

THE TRUST

The Nicholson File Co., which controls file production, is as secretive as to its profits as its tariff practices. It has plants in Providence, Philadelphia, Paterson, Anderson, Ind., and Port Hope, Ontario, and elsewhere, under other names.

It has no funded debt. Its capital stock (par $100) is $10,000,000. It declared annual dividends from 1888 to 1901 averaging 6 per cent; in 1902, 10 per cent; 1903–5, 8 per cent; 1905, 12 per cent; 1907, 14 per cent; 1908, 10 per cent; 1909–14, 16 per cent; 1915–16, 20 per cent; 1917, 16 per cent, and 24 per cent extra; 1918, 16 per cent, and 10 per cent extra; 1919, 16 per cent and extras; 1920, 8 per cent and extras.

An extra cash dividend of 50 per cent was paid out of surplus on October 11, 1904; also a stock dividend of 100 per cent in May, 1920. No balance sheets or income accounts are available.

COST OF FORDNEY DUTIES

The Underwood duty gave the file people $4,000,000, to be doubled to consumers at retail. The Fordney duty offers them $6,000,000, at a cost to consumers at retail of approximately $12,000,000, or as much of this as file manufacturers dare add to their prices.

NOTE.—October 10, 1922, a few days after the enactment of the Fordney law the File Trust increased its domestic prices 15 per cent, or three-fourths of the Fordney increase in its duties.

THE "FLEXIBLE PROVISIONS" OF THE FORDNEY (PRESENT) LAW

THE PRESIDENT'S POWER TO RAISE OR TO LOWER RATES 50 PER CENT

The Federal Constitution requires that all revenue laws shall originate in the House of Representatives. This was provided after much consideration in the Constitutional Convention, in accordance with the experience of centuries in which the struggle for popular government was largely an endeavor to wrest the power of taxation from a sovereign executive and to vest it in a popular assembly chosen by the people.

"I should be the last to advocate a commission with any power to fix rates, if that were constitutional, as it would not be." President Taft (January 18, 1909), now Chief Justice U. S. Supreme Court.

If this power of taxation can not under the Constitution be delegated to a commission, it can not be delegated to anyone; but must be exercised directly by Congress, as commonly held heretofore.

Now, however, by a few lines in the Fordney law, without public consideration at the polls or elsewhere and with little discussion in Congress, the power of taxation through the tariff, covering both the visible taxes, aggregating some $350,000,000, at the ports of entry, for the use of the Government and invisible taxes of some $3,000,000,000, to be collected by our manufacturers for their use and disbursement, is transferred to whichever is elected President of the two men nominated in the presidential party conventions. Methods in these conventions, now none too well regarded, will hereafter be tainted with tariff manipulations. The Fordney type of mind will be at a premium. Campaign contributions will depend upon the tariff promises of candidates and the party money raisers.

Congress no longer counts. It can make rates like the Underwood, averaging 30 per cent on dutiable merchandise and the lowest in a generation, and the President can raise them to 45 per cent.

Or Congress can make rates, the highest in a generation, averaging 40 per cent, like the Payne and the Fordney, and the President can lower them to 20 per cent or raise them to 60 per cent.

Get the President and you get the tariff. Get the Tariff Commissioners and you are likely to get him.

All the machinations by which the Fordney Ways and Means Committee was misled will be brought to bear on party conventions and on the President's selection of the personnel of his Tariff Commission.

The President can give little time to tariffs and none continuously. There is only one President with a third of the Government on his shoulders. There are over 400 Members of the House of Representatives from whom a small committee, assisted, like the President, by the Tariff Commission, may well give all its time, if need be, to the tariff. If all its time, there would be left 400 Members for other tasks. Such a committee by complete devotion could marvelously advance America's economic and social welfare. It would enhance respect for the Constitution and the Congress. The Senate might well have such a committee. The President would do his share, as heretofore, in passing on tariff bills as they came to him.

It is doubtful if even Congress realizes how inexperienced in tariff making are the members of the Ways and Means Committee to whom this task is committed. The average Congressman knows almost nothing either of manufacturing or of tariffs.

Mr. McKinley was the only one with any previous experience of the majority members who framed the McKinley bill. Of the majority members who framed the Wilson bill, only Mr. Wilson and two others had had previous experience and then only as minority members, little considered, of the McKinley committee.

Only Mr. Dingley and three attorneys of the Dingley committee had had previous experience. Of the Payne committee, only Messrs. Payne and Dalzell, two attorneys, had previous experience. The Fordney majority members consisted of 8 lawyers, 1 banker, 3 farmers, and 3 commercial men. All were inexperienced except Mr. Fordney, a lumberman, and Mr. Longworth, a lawyer. Six of them had never before sat in a tariff-making Congress.

Special committees (subcommittees of the present Ways and Means and Finance Committees) might be carefully chosen with special reference to their industrial experience and long service.

The Fordney law requires that rates made by the President shall, in his judgment, equal the difference in costs of production here and abroad. This is the essential restriction, if any, upon the President.

Costs vary greatly between different factories in the United States, as well as between domestic and foreign factories. The President can name almost any rate an advisor suggests and find some costs to support that rate.

With full respect for the high honor of our successive Presidents, it is impossible for any President, without lifelong and special industrial experience, with some 4,000 rates involved, to do other than follow in the main, and with little of exact knowledge the recommendations of the majority of the six Tariff Commission advisors appointed by himself or his predecessor.

Their appointment, too, must be largely upon faith. The two recent appointees were from the group responsible for the original Fordney bill, repudiated upon exhaustive investigation by the Republican Senate and the country.

The constitutionality of this provision will probably be determined soon by the courts.

Its enactment is a confession by the legislators who voted for it that Congress, in their judgment, can not perform this function as required by the Constitution. Its character and resistance is not equal to the pressure of privateering interests.

Congress passes the buck. Will a Congress that won't or can't make a fair tariff, legislate properly in other matters?

To what extent, and how seriously, the present and succeeding Presidents will exercise this new power is a matter of conjecture. One President will be indisposed, upon his personal authority, to vitally change an act of Congress. Another may delight in changing it utterly.

Is it not pitiful to find America, almost without public discussion, and by an unexpected congressional enactment, involved as respects her entire prosperity, prices, profits, and living costs, and dependent therefore, upon each succeeding President or any Vice President advanced to the presidential chair, and the members of a commission appointed by him? Does this work comport with the presidential office, which until now only executes laws and directs international relations in the broadest way, and through great secretaries of departments?

OUR SCIENTIFIC TARIFF COMMISSION AND THE FRELINGHUYSEN BILL, S. 3199

A bill to transfer the functions of the United States Tariff Commission to the Department of Commerce, to increase the personnel of the commission from 6 to 10, appointed for life, and for other purposes. Bill defeated.

The following statement of July 1, 1922, is here reprinted as indicating the character of the Tariff Commission and the need of its public support and safeguarding:

Why does the tariff plunderbund want to change the character of the United States Tariff Commission?

(1) The Tariff Commission (see p. 77) has all the powers possible under our Constitution except to "recommend rates," which power is unimportant.

Its statements of facts are, within narrow limits and often precisely, equivalent to recommendations.

(2) It is a semijudicial body. Its character and its reports are virtually unquestioned.

There is no contra authority. The findings of no court have been so little questioned.

This is history.

(3) All leading business and farm organizations, including the foremost in each large city national associations of manufacturers, chambers of commerce, protectionists all, joined in the National Tariff Commission Association, with the assistance of Presidents Roosevelt and Taft, and labored for six years for the creation of this "scientific, nonpartisan, permanent Tariff Commission."

"Those who don't want a commission to find out the facts don't want the facts found out." (Senator Albert J. Beveridge, 1909.)

Only the tariff plunderbund opposed—with all its might.

First was secured, in 1909, the Tariff Board, whose work is still an authority. The board was too good to live—killed by the withdrawal of its appropriation.

Renewed public insistence secured the present "independent, scientific, nonpartisan Tariff Commission," whose life has frequently, and up to the beginning of the present revision, been likewise threatened by the withdrawal of its appropriations. Its work has been so dependable and illuminating that it can't be killed. So its enemies would weaken and control it.

Apparently for fear of its life the commission has lacked courage at times. It needs the overwhelming support of intelligent public opinion.

Now, the plunderbund uses the good old reasons for a "scientific commission" for campaign and other purposes when, in fact, we have had for many years what they say they now want to give us! As well advocate drinking water for our great cities. They have it.

The commission corresponds to those in all other great competing nations. It is a saving wall of truth against predatory tariff interests.

For instance, the commission shows that importations are "practically impossible" of the products of the Tile and Terra Cotta Trust, now under indictment for conspiracy and for "arbitrary and exorbitant prices."

The Senate, with this information, votes to this industry $32,600,000, to cost consumers at retail $70,000,000.

Likewise of a dozen other trusts.

The commission, and the tariff board before it, with proof, shows that ordinary cotton cloths are made cheaper here than elsewhere. The Senate votes cotton manufacturers $500,000,000, to cost consumers a billion.

The Senate raises the duties on Amoskeag apron ginghams from 15 per cent to 31½ per cent, contrary to the commission's findings. This is to help, among others, a cotton mill that has raised its capital stock since 1896 from $4,000,000 to $44,500,000, besides declaring $30,000,000 of cash dividends.

The Senate raises the duty to 11½ cents on the ordinary fluted bread knife that American factories sell the world over for 6½ cents.

The Senate accepts the findings of the commission on the cost of manufacturing wool blankets here and abroad and then votes tariff rates that "equal the entire American conversion cost in a great many cases," says Senator LENROOT.

The commission shows the basic steel industries in need of no protection. Congress gives them $445,000,000, to cost consumers $900,000,000.

Both can't live. The bund must "get" the commission, or the commission's facts will kill the bund.

Do you want the independent truth-finding commission, or will you let the bund "re-form" it after the bund's ideas, naming four additional members of its own sort?

The decision of this issue means billions to the bund.

It means to the public the same billions. Also the elimination of dishonesty in Government, perverting elections, and weakening the foundations of society.

It means government by money and greed or government by intelligence.

WHAT THE BILL DOES

(a) It destroys the commission, as in itself a power and authority; transfers its personnel and staff to the Department of Commerce; and vests its present "powers, privileges, and duties" upon the Secretary of Commerce, a shifting political appointment.

Thereafter the plunderbund would concentrate on the naming of the Secretary of Commerce and on the then powerless, still-called commission. Everyone could then "pass the buck."

Why risk it? Is there any reason? Why put unnecessary additional care upon the Secretary?

(b) It authorizes the Secretary of Commerce to appoint "advisors" to the commission from each interest affected. There is no suggestion of advisors from the supreme interest, the public. Whose "commission" is this to be?

The present commission gets any advice it wants when it wants it, and none by official order. In this it is like every other similar agency, National and State. Its speciality is facts, not advice.

(c) Four new members "for life"—total, 10. Why? Experts do the essential work. Four in all have been thought enough, and 6 a maximum. No court has 10 members. Only the Federal Supreme Court has as many as 9. State supreme courts usually 5.

DOES THE BUND WANT TO PERPETUATE ITSELF FOR A GENERATION?

Why "for life"? Two members were recently appointed from the worst and most extreme tariff-exploiting organizations on earth, where for long years they did their utmost to promote the kind of tariffs now universally condemned.

The tariff activities of one of them is understood to have been publicly "discredited" by a board of general appraisers.

Why risk four other such appointments? Is there any reason?

Who will be Secretary of Commerce two years hence, and six?—with power to make and unmake prices of all commodities, wages, domestic and international trade?

The talk of a scientific tariff is old. Was Frelinghuysen asleep? The scientific Tariff Commission came in 1916 under the leadership of Roosevelt and Taft. The accomplishment of its purpose, a scientific tariff, is defeated solely by this plunderbund that relentlessly uses its constitutional power to defeat the commission's findings.

All other great nations except free-trade England have had these commissions for a generation with utmost satisfaction. Their Frelinghuysens are different. That's all. Theirs use facts honestly without twisting or intervening friendships.

All we need is Congressmen who will use our scientific commission's scientific and indisputable findings and modify only such as may not be scientific and correct.

If an agent is dishonest, his employer doesn't send his work out to be done by others. He changes agents.

Whichever party wins next election its elected personnel will not be predominantly plunderbund.

This is an old prophecy. Sometime it will come true. Only then is a "scientific tariff" possible.. "It takes two" to make a scientific tariff, (1) the scientific commission that we have, and (2) a Congress of like mind which we have yet to get. Let not pretty words from uncertain lips deceive anyone.

"ACT CREATING A TARIFF COMMISSION

"Approved, September 8, 1916, * * *

"TITLE VII.—TARIFF COMMISSION

"SEC. 700. * * * of six members * * * appointed by the President (for terms of 12 years) * * * with the advice and consent of the Senate * * * members of different political parties shall alternate as nearly as may be practicable. * * * The President shall designate annually the chairman and vice chairman. * * * No member shall engage actively in any other business, function, or employment. Any member may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

"SEC. 701. * * * each commissioner shall receive a salary of $7,500 * * * secretary $5,000 * * * shall have authority to employ and fix the compensations of such special experts, examiners, clerks, and other employees as necessary. * * *

"SEC. 702. That it shall be the duty of said commission to investigate the administration and fiscal and industrial effects of the customs laws of this country * * * the relations between the rates of duty on raw materials and finished or partly finished products * * * effects of duties * * * wages * * * revenues.

"SEC. 703. That the commission shall put at the disposal of the President of the United States, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, whenever requested, all information at its command * * * shall make such investigations and reports as may be requested by the President or by either of said commitees or by either branch of the Congress, and shall report to Congress on the first Monday of December of each year. * * *

"SEC. 706. * * * shall have access to any document, books, or papers relating to any matter pertaining to such investigation, * * * may administer oaths and affirmations, examine witnesses, take testimony, and receive evidence. * * * and any failure to obey such order of the court may be punished by such court as a contempt thereof. * * *

"The commission may order testimony to be taken by deposition * * * reduced to writing * * * and * * * subscribed by the deponent. * * *

"SEC. 707. * * * any other departments * * * of the Government * * * shall cooperate fully with the commission * * * and shall furnish to the commission information in their possession and shall detail, from time to time, such officials and employees to said commission.

"SEC. 708. It shall be unlawful * * * to divulge, or to make known in any manner whatever not provided for by law, to any person, the trade secrets or processes of any person, firm, copartnership, corporation, or association embraced in any examination or investigation conducted by said commission * * * punished by a fine not exceeding $1,000, or by imprisonment not exceeding one year, or both. * * *

"SEC. 709. That there is hereby appropriated, for the purpose of defraying the expense * * * and maintenance of the commission * * * $300,000 for the fiscal year ending June * * *."

*Relation of customs tariff rates to production, wages, trade extension, and cost of living—A study in 1922 of recent tariffs and the new Fordney law*

| 1 | 2 | | 3 | | | | 4 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Industries | Domestic production, manufacturers sales prices | | Domestic exports, value | | | | Imports for consumption, value | | | |
| | 1914 | 1919 | 1914[1] | 1919 | 1920[2] | 1921[2] | 1914[1] | 1919 | 1920[2] | 1921[2] |
| Cotton manufactures (not including carpets, handkerchiefs, and wearing apparel): | | | | | | | | | | |
| Woven goods (including plain and fancy cloths and pile fabrics; including tapestries) | $488, 728, 054 | $1, 487, 723, 000 | $28, 844, 627 | $151, 907, 817 | $238, 153, 557 | $71, 573, 875 | $16, 538, 904 | $19, 594, 187 | $52, 152, 257 | $38, 458, 877 |
| Other manufactures (known as "cotton small wares")[4] | 199, 366, 094 | 678, 446, 028 | 11, 622, 701 | 64, 993, 339 | 81, 133, 582 | 25, 605, 174 | 10, 942, 058 | 12, 033, 142 | 33, 569, 913 | 10, 429, 409 |
| Laces, etc | 13, 206, 785 | 20, 396, 853 | 232, 457 | 1, 731, 675 | 1, 629, 409 | 611, 506 | 33, 882, 126 | 14, 085, 099 | 21, 485, 425 | 17, 790, 200 |
| Total | 701, 300, 933 | 2, 195, 565, 881 | 40, 699, 785 | 218, 722, 831 | 320, 916, 548 | (144, 695, 794) 97, 790, 555 | 61, 362, 988 | 45, 712, 698 | 107, 207, 595 | (88, 834, 548) 66, 678, 486 |

[1] The Payne law was operative only July 1–Oct. 3 of this fiscal year 1914. As there is no other census of production since 1909, we use the Payne rates to the 1914 census as indicative of pre-war Payne conditions.

[2] On the basis of 1919 production, the latest census available.

[4] There are mostly finished products, like braids, pillowcases, thread, and belting.

[5] The shrinkage in exports and imports in 1921 were much less in quantity than indicated in the money values used in these tables. These totals below in parentheses for each industry for 1921 show what the exports and imports would have amounted to in dollars if the 1919 prices had held through 1921.

*Relation of customs tariff rates to production, wages, trade extension, and cost of living—A study in 1922 of recent tariffs and the new Fordney law*—Continued

| 1 | 2 | | 3 | | | | 4 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Industries | Domestic production, manufacturers' sales prices | | Domestic exports, value | | | | Imports for consumption, value | | | |
| | 1914 | 1919 | 1914 | 1919 | 1920 | 1921 | 1914 | 1919 | 1920 | 1921 |
| Silk manufactures (not including handkerchiefs and wearing apparel): | | | | | | | | | | |
| Woven fabrics | $157,265,554 | $435,935,000 | $2,307,605 | $10,225,376 | $8,775,079 | $3,337,764 | $16,156,237 | $30,025,626 | $28,831,509 | $26,111,297 |
| Laces, embroideries, etc | 2,387,621 | 9,417,000 | | | | | 4,246,179 | 5,002,855 | 7,024,727 | 6,185,545 |
| All other manufactures [1] | 94,358,082 | 243,117,523 | | 6,241,782 | 6,829,836 | 2,722,360 | 10,055,921 | 13,257,863 | 19,347,453 | 10,402,380 |
| Total | 254,011,257 | 688,469,523 | 2,307,605 | 16,467,158 | 15,595,915 | (8,966,862) 6,060,124 | 30,458,337 | 48,286,344 | 54,703,689 | (54,966,283) 42,699,223 |
| Wool manufactures, including felt goods (except carpets and wearing apparel): | | | | | | | | | | |
| Felt goods | 13,692,765 | 39,229,540 | 1,668,199 | 20,623,267 | 25,516,017 | 4,298,029 | 105,824 | 27,664 | 64,483 | 50,657 |
| Woven fabrics | 270,721,500 | 730,743,000 | | | | | 20,564,870 | 7,149,789 | 18,769,198 | 16,966,243 |
| Laces | 108,762,870 | 334,691,072 | | | | | 58,250 | 68,516 | 106,853 | 153,437 |
| All other manufactures [1] | | | | 7,005,992 | 8,081,817 | 2,308,328 | 4,659,894 | 2,144,332 | 9,070,222 | 21,197,860 |
| Total | 393,177,144 | 1,104,663,612 | 1,668,199 | 27,629,259 | 33,597,834 | (9,775,096) 6,606,357 | 25,389,608 | 9,390,301 | 28,010,756 | (49,390,224) 38,367,597 |
| Hosiery and knit goods | 258,912,903 | 713,139,680 | 2,546,822 | 45,784,576 | 61,373,475 | (19,596,220) 13,243,821 | 6,135,428 | 1,191,236 | 5,677,426 | (10,762,594) 8,360,660 |
| Shirts, men's—cotton or flax | 95,815,013 | 205,327,133 | | | | | | | | |
| Collars and cuffs: | | | | | | (505,728) | | | | (157,353) |
| Cotton | 18,530,840 | 47,564,949 | | 771,219 | 816,142 | 341,789 | 5,619 | 24,035 | 75,228 | 49,075 |
| Linen, etc | | | | | | (2,505,828) | 56,630 | 55,884 | 71,980 | 73,161 |
| Corsets, cotton, flax, silk | 40,550,702 | 75,541,959 | 2,220,739 | 2,880,858 | 3,583,767 | 1,695,555 | 52,711 | 37,423 | 9,408 | (35,416) 29,512 |
| Gloves, leather | 21,614,109 | 46,940,511 | | 623,693 | 552,930 | (52,288) 35,334 | 9,366,899 | 6,162,848 | 14,107,580 | (16,854,996) 13,093,395 |
| Clothing (not including knit underwear): | | | | | | | | | | |
| Men's (including buttonhole making) | 458,848,713 | 1,164,075,682 | 8,148,122 | 35,847,940 | 41,651,861 | 14,052,625 | 6,760,447 | 10,232,507 | 21,796,809 | 16,451,274 |
| Women's | 473,888,354 | 1,208,543,128 | | | | | | | | |
| Total | 932,737,067 | 2,372,618,810 | 8,148,122 | 35,847,940 | 41,651,861 | (20,792,967) 14,052,625 | 6,760,447 | 10,232,507 | 21,796,809 | (21,177,599) 16,451,274 |
| Furs: | | | | | | | | | | |
| Dressed on the skin | 2,875,036 | 20,384,569 | 870,824 | 7,474,873 | 6,613,698 | 1,931,609 | 3,299,698 | 3,111,626 | 3,080,973 | 1,507,750 |
| Hats, fur-felt | 37,349,744 | 82,745,308 | | | | | 2,464,726 | 2,755,485 | 4,111,635 | 475,271 |
| Garments and other manufactures | 43,632,693 | 173,137,739 | | | | | | | | 1,777,367 |
| Total | 83,857,473 | 276,267,616 | 870,824 | 7,474,873 | 6,613,698 | (2,858,105) 1,931,609 | 5,764,424 | 5,867,111 | 7,192,608 | (4,840,710) 3,760,388 |
| Buttons | 20,711,979 | 41,840,459 | 654,372 | 3,206,687 | 3,846,830 | (1,529,326) 1,033,573 | 2,122,461 | 1,599,531 | 1,989,503 | (1,972,318) 1,532,147 |
| Umbrellas, parasols, etc | 13,813,353 | 25,308,826 | 29,903 | 681,137 | 746,401 | (376,458) 254,424 | 119,301 | 32,988 | 117,233 | (162,941) 83,781 |
| Canes, sticks for | | | | | | | 100,628 | 25,446 | 75,005 | 42,796 |
| Trunks and valises | 26,471,527 | 63,932,266 | 505,331 | 742,382 | 1,807,027 | (968,379) 654,465 | 283,259 | 61,908 | 384,050 | (488,937) 379,819 |
| Rubber goods: | | | | | | | | | | |
| Belting and hose | 23,560,989 | 34,210,540 | 2,372,887 | 6,100,460 | 8,398,401 | 4,106,937 | | | | |
| Boots and shoes | 53,822,123 | 116,917,434 | 1,113,495 | 5,266,009 | 10,750,449 | 3,396,941 | | | | |
| Tires | 223,610,784 | 987,088,045 | 4,068,639 | 30,481,886 | 53,074,015 | 16,313,414 | 1,484,601 | 358,146 | 194,445 | 31,727 |
| All other rubber goods | | | 3,453,472 | 10,368,279 | 11,597,201 | 6,390,663 | | 580,815 | 1,179,024 | 1,002,905 |
| Total | 300,993,796 | 1,138,216,019 | 11,008,493 | 52,216,724 | 83,820,106 | (44,607,201) 30,207,955 | 1,484,601 | 948,961 | 1,373,469 | (1,331,871) 1,034,632 |
| Earthen stone and china ware: | | | | | | | | | | |
| Brick and tile, terra-cotta and fire-clay products | 136,915,644 | 210,085,972 | 2,378,773 | 3,625,038 | 5,608,163 | 3,544,769 | 282,687 | 195,640 | 419,964 | 301,959 |
| Earthen and crockery ware (including stoneware) | 8,191,606 | 7,994,533 | 413,261 | 1,711,785 | 2,020,652 | 1,549,835 | 10,348,356 | 2,892,224 | 4,282,589 | 4,390,953 |
| Chinaware (including decorating) | 29,961,960 | 63,903,840 | 166,635 | 523,861 | 816,817 | 312,161 | | 4,086,255 | 6,288,020 | 7,564,906 |
| Crucibles and all other | 4,402,129 | 9,181,263 | 1,394,572 | 721,600 | 951,991 | 873,182 | 148,454 | 49,041 | 94,295 | 47,850 |
| Total | 176,471,339 | 291,165,608 | 4,353,241 | 6,582,284 | 9,397,623 | (9,292,124) 6,279,947 | 10,779,497 | 7,223,160 | 11,085,868 | (15,839,419) 12,304,668 |
| Glassware: | | | | | | | | | | |
| Window glass | 17,495,956 | 42,780,634 | 311,339 | 6,492,608 | 4,097,133 | 455,086 | 271,017 | 184,594 | 567,471 | 2,612,146 |
| Plate glass, unsilvered | 14,799,646 | 34,582,862 | 35,767 | 4,221,360 | 2,853,666 | 1,334,517 | 693,846 | 3,055 | 2,228,672 | 2,025,828 |
| Obscured, wire, and other building glass | 4,528,467 | 8,673,392 | | | | | 178,240 | 15,411 | 370,271 | 351,083 |
| Pressed and blown | 30,279,290 | 79,093,087 | | 200,969 | 262,391 | 231,735 | 909,961 | 411,351 | 1,197,899 | 1,489,698 |
| Bottles and hollow ware | 51,958,728 | 94,007,682 | 711,353 | 5,552,780 | 9,998,407 | 4,726,332 | 2,401,127 | 565,163 | 1,413,754 | 1,721,569 |
| All other (including mirrors, optical goods, glass cutting, etc.) | 48,846,167 | 105,729,317 | 3,536,236 | 9,869,923 | 14,229,616 | 8,515,297 | 3,021,914 | 521,409 | 1,527,009 | 1,696,775 |
| Total | 167,908,254 | 364,875,974 | 4,594,697 | 26,337,640 | 31,441,213 | (22,583,849) 15,262,967 | 7,565,835 | 1,650,973 | 7,305,076 | (12,740,424) 9,897,089 |
| Linseed oil | 44,882,538 | 120,638,100 | 134,540 | 2,606,885 | 1,239,633 | (601,419) 406,460 | 91,544 | 3,018,725 | 6,488,817 | (5,169,704) 4,015,959 |
| Salt | 14,070,333 | 37,513,821 | 542,783 | 1,396,625 | 1,901,593 | (2,094,402) 1,415,471 | 456,426 | 242,704 | 676,499 | (683,591) 531,031 |
| Sugar, refined | 289,398,715 | 730,986,706 | 1,839,983 | 114,737,491 | 94,877,045 | (72,246,708) 48,826,890 | 108,606,047 | 391,866,947 | 997,354,345 | (320,506,943) 248,977,265 |

[1] These are mostly finished products, like braids, pillowcases, threads, and belting.

*Relation of customs tariff rates to production, wages, trade extension, and cost of living—A study in 1922 of recent tariffs and the new Fordney law*—Continued

| 1 | 2 | | 3 | | | | 4 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Industries | Domestic production, manufacturers' sales prices | | Domestic exports, value | | | | Imports for consumption, value | | | |
| | 1914 | 1919 | 1914 | 1919 | 1920 | 1921 | 1914 | 1919 | 1920 | 1921 |
| Lead: | | | | | | | | | | |
| Ore | | | | | | | $147,288 | $196,363 | $308,619 | $781,962 |
| Bullion and pigs and bars (smelting and refining) | $171,578,587 | $196,794,519 | $2,610,207 | ($5,969,979 | $2,948,799 | $2,438,626 | 418,455 | 1,546,031 | 7,228,523 | 6,430,534 |
| Manufactures | 7,430,957 | 17,174,281 | | 2,155,392 | 3,586,254 | 1,375,646 | 60,207 | 17,815 | 26,811 | 11,344 |
| Total | 179,009,544 | 213,968,800 | 2,610,207 | 8,106,371 | 6,535,050 | (5,643,788) 3,814,272 | 625,950 | 1,760,209 | 8,163,951 | (8,011,887) 6,223,840 |
| Chocolate and cocoa | 35,712,849 | 138,258,296 | 336,940 | 21,380,801 | 9,047,948 | (1,719,597) 1,162,165 | 738,309 | 332,176 | 488,895 | (554,364) 430,644 |
| Oilcloth and linoleum | 25,598,361 | 68,110,081 | 727,087 | 3,676,730 | 5,202,227 | (2,995,163) 2,024,508 | 1,877,329 | 129,218 | 1,222,101 | (409,763) 311,323 |
| Paints and varnishes | 145,623,691 | 340,346,803 | 7,256,318 | 25,568,426 | 28,600,608 | (17,952,372) 12,132,850 | 2,338,557 | 1,216,274 | 3,182,067 | (3,043,886) 2,364,509 |
| Asbestos, manufactured | 2,813,578 | 23,977,557 | 687,073 | 3,531,978 | 4,431,132 | (3,856,508) 2,606,426 | 308,150 | 257,381 | 618,450 | (457,502) 355,399 |
| Automobiles and parts of | 632,831,474 | 3,080,073,979 | 33,198,806 | 151,688,159 | 266,480,581 | (121,216,416) 81,922,357 | 1,354,955 | 394,093 | 958,403 | (2,137,061) 1,660,124 |
| Glucose and corn sugar | 36,833,620 | 134,548,109 | 4,565,919 | 15,130,944 | 10,067,830 | (9,857,881) 6,662,386 | 9,073 | 3,040 | 5 | (183) 142 |
| Starch | 15,785,781 | 51,708,151 | 1,825,230 | 15,562,165 | 8,945,524 | (8,879,489) 6,001,674 | 440,425 | 259,615 | 813,649 | (430,589) 334,557 |
| Toys and games | 13,758,748 | 45,656,803 | 809,120 | 2,869,529 | 4,189,592 | (2,872,656) 1,941,443 | 9,090,900 | 2,835,526 | 9,087,326 | (9,931,926) 7,715,376 |
| Carpets and rugs (other than rag) | 60,128,185 | 123,253,828 | | | | | 4,769,769 | 2,907,556 | 9,665,683 | (11,478,765) 8,917,030 |
| Total | 5,012,319,067 | 14,713,914,920 | 134,142,139 | 812,264,356 | 1,057,370,093 | (539,136,114) 364,367,326 | 298,626,110 | 543,726,815 | 1,271,043,644 | (639,361,557) 496,672,511 |

*Relation of customs tariff rates to production, wages, trade extension, and cost of living—A study in 1922 of recent tariffs and the new Fordney law*—Continued

| 1 | 5 | | | | 6 | | | | 7 | | 8 | | | 9 | | | 10 | | 11 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Industries | Per cent of exports to production | | | | Per cent of imports to production | | | | Domestic wages | | Per cent of wages to domestic manufacturers' selling price | | | Average ad valorem rates (per cent) | | | Per cent tariff rates to wages per cent | | Tariff protection to manufacturers (in millions of dollars) | | |
| | | | | | | | | | | | 1914 | | | | | | | | | | |
| | 1914[1] | 1919 | 1920[2] | 1921[2] | 1914[1] | 1919 | 1920[2] | 1921[2] | 1914 | 1919 | Wages | Wages and salaries | 1919 wages | Payne law imports 1913 fiscal | Underwood law imports 1919 calendar | Fordney law 1922 | 1914 Payne rates | 1919 Underwood law | 1914 | 1919 | Fordney law 1922 |
| Cotton manufactures (not including carpets, handkerchiefs, and wearing apparel): | | | | | | | | | | | | | | | | | | | | | |
| Woven goods (including plain and fancy cloths and pile fabrics, including tapestries) | 5.9 | 10.2 | 16.0 | 4.8 | 3.4 | 1.3 | 3.5 | 2.6 | $148,954,518 | $362,637,155 | 21.6 | 24.0 | 16.7 | 43.4 | 22.9 | 40.2 | | | | | 486 |
| Other manufactures (known as "cotton small wares")[3] | 5.8 | 9.6 | 12.0 | 3.8 | 5.5 | 1.8 | 4.9 | 1.5 | | | | | | 33.5 | 22.6 | 29.3 | | | | | 161 |
| Laces, etc | 1.8 | 5.9 | 5.5 | 2.1 | 266.7 | 48.0 | 73.1 | 60.5 | 3,468,081 | 6,086,557 | 26.3 | 35.4 | 20.7 | 62.4 | 59.9 | 86.6 | | | | | 16 |
| Total | 5.8 | 10.0 | 14.6 | 4.5 | 8.7 | 2.1 | 4.9 | 3.0 | 152,422,599 | 368,723,712 | 21.7 | 24.2 | 16.8 | 54.2 | 34.2 | 50.8 | 250 | 204 | 246 | 560 | 663 |
| Silk manufactures (not including handkerchiefs and wearing apparel): | | | | | | | | | | | | | | | | | | | | | |
| Woven fabrics | 0.9 | 2.3 | 2.0 | 0.8 | 10.3 | 6.9 | 6.5 | 6.0 | 47,108,469 | 108,226,330 | 18.5 | 22.7 | 15.7 | 53.9 | 45.2 | 55.4 | | | | | 166 |
| Laces, embroideries, etc | | 2.5 | 2.7 | 1.1 | 177.8 | 53.1 | 74.6 | 65.7 | | | | | | 62.6 | 60.0 | 87.0 | | | | | 5 |
| All other manufactures[4] | | | | | 10.7 | 5.5 | 8.0 | 4.3 | | | | | | 39.7 | 30.1 | 43.7 | | | | | 106 |
| Total | 0.9 | 2.1 | 2.3 | 0.9 | 12.0 | 7.0 | 8.0 | 6.2 | 47,108,469 | 108,226,330 | 18.5 | 22.7 | 15.7 | 50.5 | 42.6 | 57.3 | 273 | 271 | 85 | 206 | 277 |
| Wool manufactures, including felt goods (except carpets and wearing apparel): | | | | | | | | | | | | | | | | | | | | | |
| Felt goods | 0.4 | 2.8 | 3.5 | 0.6 | 0.8 | 0.07 | 0.2 | 0.1 | 2,080,243 | 4,873,400 | 13.3 | 23.2 | 12.4 | 95.5 | 35.0 | 60.9 | | | | | 17 |
| Woven fabrics | | | | | 7.6 | 1.0 | 2.6 | 2.3 | | | | | | 95.2 | 36.0 | 72.8 | | | | | 394 |
| Laces | | | | | | | | | 75,953,444 | 168,108,681 | 20.0 | 22.9 | 15.8 | 83.2 | 60.0 | 87.0 | | | | | 161 |
| All other manufactures[4] | | 2.1 | 2.4 | 0.7 | 4.3 | 0.7 | 2.9 | 6.4 | | | | | | 91.1 | 19.2 | 65.1 | | | | | |
| Total | 0.4 | 2.5 | 3.0 | 0.6 | 6.5 | 0.8 | 2.6 | 3.5 | 78,042,687 | 172,982,171 | 19.8 | 22.8 | 15.7 | 95.0 | 31.6 | 68.2 | 480 | 201 | 192 | 265 | 572 |
| Hosiery and knit goods | 1.0 | 6.4 | 8.6 | 1.9 | 2.3 | 0.2 | 0.8 | 1.2 | 59,758,151 | 125,198,820 | 23.0 | 27.4 | 17.6 | 72.0 | 36.9 | 66.6 | 313 | 210 | 108 | 192 | 347 |
| Shirts, men's—cotton or flax | | | | | | | | | 19,169,097 | 25,833,855 | 30.0 | 24.7 | 12.6 | 50.0 | 33.0 | 37.5 | 250 | 276 | 32 | 53 | 57 |
| Collars and cuffs: | | | | | | | | | | | | | | | | | | | | | |
| Cotton | | 1.6 | 1.7 | 0.7 | 0.3 | 0.2 | 0.3 | 0.3 | 4,494,146 | 7,430,729 | 24.2 | 29.6 | 15.6 | 58.6 | 30.0 | 27.9 | 225 | 192 | 7 | 11 | 10 |
| Linen, etc | | | | | | | | | | | | | | 49.1 | 30.0 | 25.3 | | | | | |
| Corsets, cotton, flax, silk | 5.5 | 3.8 | 4.7 | 2.2 | 0.1 | 0.05 | 0.01 | 0.04 | 7,976,721 | 13,082,242 | 19.7 | 30.2 | 17.3 | 59–60 | 30–60 | 77.0 | 279 | 260 | 14 | 23 | 39 |
| Gloves, leather | | 1.3 | 1.2 | 0.08 | 43.3 | 13.1 | 30.1 | 27.9 | 4,598,360 | 8,150,784 | 21.0 | 27.5 | 17.4 | 45.4 | 13.7 | 80.0 | 216 | 79 | 7 | 6 | 20 |

[1] The Payne law was operative only July 1–Oct. 3 of this fiscal year 1914. As there is no other census of production since 1909, we use the Payne rates to the 1914 census as indicative of pre-war Payne conditions.

[2] On the basis of 1919 production, the latest census available.

[3] These are mostly finished products like braids, pillowcases, thread, and belting.

*Relation of customs tariff rates to production, wages, trade extension, and cost of living—A study in 1922 of recent tariffs and the new Fordney law*—Continued

| 1 | 5 | | | | 6 | | | | 7 | | 8 | | | 9 | | | 10 | | 11 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Industries | Per cent of exports to production | | | | Per cent of imports to production | | | | Domestic wages | | Per cent of wages to domestic manufacturers' selling price | | | Average ad valorem rates (per cent) | | | Per cent tariff rates to wages per cent | | Tariff protection to manufacturers (in millions of dollars) | | |
| | | | | | | | | | | | 1914 | | | | | | | | | | |
| | 1914 | 1919 | 1920 | 1921 | 1914 | 1919 | 1920 | 1921 | 1914 | 1919 | Wages | Wages and salaries | 1919 wages | Payne law imports 1913 fiscal | Underwood law imports 1919 calendar | Fordney law 1922 | 1914 Payne rates | 1919 Underwood law | 1914 | 1919 | Fordney law 1922 |
| Clothing (not including knit underwear): | | | | | | | | | | | | | | | | | | | | | |
| Men's (including buttonhole making) | 0.9 | 1.5 | 1.8 | 0.6 | 0.7 | 0.4 | 0.9 | 0.7 | $87,154,333 | $198,336,590 | 19.0 | 24.9 | 17.0 | 59.8 | 51.9 | 71.4 | | | | | |
| Women's | | | | | | | | | 92,573,642 | 195,295,834 | 19.5 | 25.0 | 16.2 | | | | | | | | |
| Total | 0.9 | 1.5 | 1.8 | 0.6 | 0.7 | 0.4 | 0.9 | 0.7 | 179,727,975 | 393,632,424 | 19.3 | 25.0 | 16.6 | 59.8 | 51.9 | 71.4 | 310 | 313 | 349 | 811 | 1,000 |
| Furs: | | | | | | | | | | | | | | | | | | | | | |
| Dressed on the skin | 1.0 | 2.7 | 2.4 | 0.7 | 114.8 | 15.3 | 15.1 | 7.4 | 922,966 | 7,098,286 | 32.1 | 41.6 | 34.8 | 20.0 | 30.0 | 25.0 | | | | | 4 |
| Hats, fur-felt | | | | | 3.0 | 1.1 | 1.6 | 0.6 | 12,070,812 | 19,642,531 | 32.3 | 37.5 | 23.7 | 50.8 | 45.0 | 58.9 | | | | | 34 |
| Garments and other manufactures | | | | | | | | 1.0 | 6,334,661 | 24,149,212 | 14.5 | 20.9 | 13.9 | 38.0 | 29.3 | 28.1 | | | | | 30 |
| Total | 1.0 | 2.7 | 2.4 | 0.7 | 6.9 | 2.1 | 2.6 | 1.4 | 19,328,439 | 50,890,029 | 23.0 | 29.0 | 18.4 | 28.2 | 25.5 | 30.7 | 114 | 139 | 17 | 36 | 68 |
| Buttons | 3.1 | 7.9 | 9.2 | 2.5 | 10.2 | 3.8 | 4.5 | 3.7 | 6,424,399 | 13,772,599 | 31.0 | 36.9 | 32.9 | 49.1 | 35.9 | 99.0 | 158 | 109 | 7 | 11 | 30 |
| Umbrellas, parasols, etc | 0.2 | 2.7 | 2.9 | 1.0 | 1.6 | 0.2 | 0.8 | 0.5 | 2,167,453 | 3,139,662 | 15.7 | 23.2 | 12.4 | 49.9 | 33.0 | 46.0 | 200 | 200 | 4 | 6 | 9 |
| Canes, sticks for | | | | | | | | | | | | | | 40.0 | | | | | | | |
| Trunks and valises | 1.9 | 1.2 | 3.0 | 1.0 | 1.1 | 0.1 | 0.6 | 0.6 | 5,540,157 | 12,463,767 | 20.9 | 29.1 | 19.5 | 45.5 | 31.3 | 35.3 | 218 | 164 | 8 | 15 | 17 |
| Rubber goods: | | | | | | | | | | | | | | | | | | | | | |
| Belting and hose | 10.1 | 17.8 | 24.5 | 12.0 | | | | | 2,902,193 | 6,073,539 | 12.3 | 19.6 | 17.7 | 35.0 | 10.0 | 25.0 | | | | | 8 |
| Roots and shoes | 0.3 | 4.4 | 9.2 | 2.9 | | | | | 9,986,454 | 30,882,722 | 18.5 | 22.2 | 26.4 | 35.0 | 40. | 25.0 | | | | | 27 |
| Tires | 3.4 | 4.1 | 6.6 | 2.3 | 0.6 | 0.1 | 0.1 | 0.1 | 31,278,735 | 156,806,828 | 14.9 | 19.6 | 15.9 | 35.0 | 10.0 | 10.0 | | | | | 220 |
| All other rubber goods | | | | | | | | | | | | | | 35.0 | 10.7 | 26.1 | | | | | |
| Total | 3.7 | 4.6 | 7.4 | 2.7 | 0.5 | 0.08 | 0.1 | 0.09 | 44,167,402 | 193,763,089 | 14.6 | 20.1 | 17.1 | 35.0 | 10.4 | 25.6 | 240 | 61 | 78 | 107 | 264 |
| Earthen, stone, and china ware: | | | | | | | | | | | | | | | | | | | | | |
| Brick and tile, terra-cotta and fire-clay products | 1.7 | 1.7 | 2.7 | 1.7 | 0.2 | 0.09 | 0.2 | 0.1 | 55,229,374 | 78,757,939 | 40.3 | 48.1 | 37.5 | 36.3 | 11.8 | 65.5 | | | | | 88 |
| Earthen and crockery ware (including stone ware) | 5.0 | 21.4 | 25.3 | 19.4 | 29. | | 36.2 | 53.6 | 54.9 | 3,461,100 | 2,747,140 | 42.2 | 50.8 | 34.9 | 59.6 | 39.1 | 48.9 | | | | 3 |
| China ware (including decorating) | 0.6 | 0.8 | 1.3 | 0.5 | | | 6.4 | 9.8 | 11.8 | 12,308,701 | 25,917,617 | 47.1 | | 40.6 | | 54.6 | 69.1 | | | | 29 |
| Crucibles and all other | 31.2 | 7.9 | 10.4 | 9.5 | 3.4 | 0.5 | 1.0 | 0.5 | 1,227,499 | 2,283,019 | 27.9 | | | 24.9 | 35.7 | 29.1 | 30.3 | | | | 2 |
| Total | 2.5 | 2.3 | 3.2 | 2.2 | 6.1 | 2.5 | 3.8 | 4.2 | 72,226,674 | 109,745,715 | 40.9 | 48.6 | 37.7 | 58.2 | 47.0 | 61.7 | 142 | 125 | 65 | 93 | 122 |
| Glassware: | | | | | | | | | | | | | | | | | | | | | |
| Window glass | 1.8 | 15.2 | 9.6 | 0.2 | 1.5 | 0.3 | 1.3 | 6.1 | 59,943,406 | 15,823,083 | 35.7 | 42.2 | 37.0 | 39.6 | 9.6 | 28.1 | | | | | 11 |
| Plate glass, unsilvered | 0.2 | 12.2 | 8.3 | 3.8 | 4.7 | 0.008 | 6.4 | 5.9 | | 10,901,399 | | | 31.5 | 63.2 | 14.9 | 23.1 | | | | | 7 |
| Obscured, wire and other building glass | | | | | 3.9 | 0.2 | 4.3 | 4.0 | | 1,937,382 | | | 22.3 | 29.7 | 16.6 | 22.1 | | | | | 2 |
| Pressed and blown | | 0.3 | 3.3 | 0.3 | 0.3 | 0.5 | 1.5 | 1.9 | | 29,939,831 | | | 37.9 | 60.0 | 44.9 | 54.9 | | | | | 30 |
| Bottles and hollowware | 1.4 | 5.9 | 10.6 | 5.0 | 4.6 | 0.6 | 1.5 | 1.8 | | 28,357,110 | | | 30.2 | 49.8 | 39.5 | 51.2 | | | | | 35 |
| All other (including mirrors, optical goods, glass cutting, etc.) | 7.2 | 9.3 | 13.4 | 8.0 | 6.2 | 0.5 | 1.4 | 1.6 | | 23,930,128 | | | 22.6 | 45.3 | 30.3 | 45.5 | | | | | 19 |
| Total | 2.7 | 7.2 | 8.6 | 4.2 | 4.5 | 0.5 | 2.0 | 2.7 | 59,943,406 | 110,888,893 | 35.7 | 42.2 | 30.4 | 48.5 | 35.2 | 38.4 | 136 | 116 | 55 | 95 | 104 |
| Linseed oil | 0.3 | 2.2 | 1.0 | 0.3 | 0.2 | 2.5 | 5.4 | 3.3 | 1,127,169 | 3,052,289 | 2.5 | 4.6 | 2.5 | 37.5 | 7.1 | 49.4 | 1,500 | 284 | 9 | 8 | 58 |
| Salt | 3.9 | 3.7 | 5.1 | 3.8 | 3.2 | 0.6 | 1.8 | 1.4 | 3,041,204 | 7,353,420 | 21.6 | 28.5 | 19.6 | 82.5 | Free. | 30.3 | 382 | 0 | 5 | 0 | 11 |
| Sugar, refined | 0.6 | 15.7 | 13.0 | 6.7 | 37.5 | 53.6 | 132.3 | 34.5 | 7,823,377 | 22,710,464 | 2.7 | 3.6 | 3.1 | 71.0 | 17.4 | 66.6 | 2,630 | 561 | 108 | 108 | 411 |
| Lead: | | | | | | | | | | | | | | | | | | | | | |
| Ore | | | | | | | | | | | | | | 54.6 | 15.7 | 31.0 | | | | | |
| Bullion and pigs and bars (smelting and refining) | 1.4 | 3.0 | 1.5 | 1.2 | | 0.7 | 3.6 | 2.7 | 6,134,274 | 9,179,615 | 3.5 | 4.4 | 4.7 | 102.2 | 25.0 | 60.0 | | | | | 95 |
| Manufactures | | 12.5 | 20.8 | 8.0 | 0.8 | 0.1 | 0.2 | 0.07 | 406,614 | 1,096,941 | 5.5 | 10.7 | 6.3 | 41.5 | 20.2 | 41.0 | | | | | 19 |
| Total | 1.4 | 3.8 | 3.1 | 1.8 | 0.3 | 0.8 | 3.8 | 2.9 | 6,540,888 | 10,276,556 | 3.7 | 4.7 | 4.8 | 99.4 | 23.9 | 66.0 | 2,687 | 498 | 89 | 41 | 114 |
| Chocolate and cocoa | 0.9 | 15.3 | 6.4 | 0.8 | 2.0 | 0.2 | 0.4 | 0.3 | 2,035,598 | 9,270,077 | 5.7 | 9.8 | 6.6 | 22.9 | 9.0 | 17.5 | 402 | 136 | 7 | 11 | 22 |
| Oilcloth and linoleum | 2.8 | 5.4 | 7.6 | 3.0 | 7.3 | 0.2 | 1.8 | 0.5 | 3,213,315 | 7,718,966 | 12.6 | 16.2 | 11.3 | 43.1 | 32.4 | 35.0 | 342 | 267 | 8 | 16 | 17 |
| Paints and varnishes | 4.9 | 7.5 | 8.4 | 3.6 | 1.6 | 0.4 | 0.9 | 0.7 | 10,180,288 | 24,118,159 | 6.9 | 16.7 | 7.1 | 30.9 | 11.4 | 28.1 | 448 | 161 | 34 | 35 | 86 |
| Asbestos, manufactured | 24.4 | 14.7 | 18.5 | 10.9 | 14.2 | 1.1 | 2.6 | 1.5 | 483,736 | 3,731,974 | 17.2 | 25.0 | 15.6 | 28.7 | 17.3 | 27.7 | 167 | 111 | 1 | 4 | 6 |
| Automobiles and parts of | 5.2 | 4.9 | 8.7 | 2.7 | 0.2 | 0.01 | 0.03 | 0.06 | 101,926,874 | 491,121,372 | 16.1 | 22.0 | 16.0 | 45.0 | 35.0 | 25.0 | 240 | 219 | 196 | 799 | 610 |
| Glucose and corn sugar | 12.4 | 11.3 | 7.5 | 5.0 | 0.02 | 0.002 | | | 2,326,565 | 7,930,957 | 6.3 | 9.8 | 5.9 | 41.9 | 14.9 | 50.0 | 665 | 253 | 11 | 17 | 59 |
| Starch | 11.6 | 30.1 | 17.3 | 11.6 | 2.8 | 0.5 | 1.6 | 0.6 | 1,223,000 | 4,031,528 | 7.7 | 11.8 | 7.8 | 52.2 | 12.7 | 34.7 | 678 | 165 | 5 | 6 | 16 |
| Toys and games | 5.9 | 6.3 | 9.2 | 4.3 | 66.1 | 6.2 | 21.2 | 14.7 | 3,498,866 | 11,247,277 | 25.4 | 32.7 | 25.9 | 35.0 | 35.0 | 70.0 | 138 | 135 | 4 | 12 | 27 |
| Carpets and rugs (other than rag) | | | | | 6.9 | 2.3 | 7.8 | 7.2 | 14,715,615 | 24,216,121 | 21.3 | 25.4 | 19.6 | 58.6 | 47.8 | 53.1 | 275 | 244 | 26 | 40 | 44 |
| Total | 2.7 | 5.5 | 7.2 | 2.5 | 6.0 | 3.7 | 8.6 | 3.4 | 921,146,320 | 2,345,304,870 | 18.4 | | 15.9 | | | | | | 1,777 | 3,609 | 5,139 |

FOREIGN TRADE

The United States is an expanding nation. From a handful of settlers on the Atlantic seaboard it first peopled a continent. Then it acquired the Philippines. Then by its special affiliations it developed in Cuba a trade of $500,000,000 annually. With the war and since, it has entered all the markets of the world. It must continue to expand. Its increase in population and, even more, its genius in devising automatic and semiautomatic machinery is immeasurably increasing its industrial production. Its annual increase in manufacturing capacity is twice as great as its increase in population. It is not unusual for a single operative to-day to produce as much as 500 men produced 100 years ago or 50 men 10 years ago.

There are only four great manufacturing nations in the world: England, France, Germany, and the United States. Outside of these four

nations are 1,500,000,000 human souls looking to these four for the bulk of their manufactured supplies. The other three acquired vast wealth and world-wide power and influence through international trade, while we held aloof.

The great war killed and maimed some 20,000,000 Europeans and left their countries broken for years to come. We are in unexampled strength and vigor. The world needs our goods, and we need to grow in understanding and wealth in the service of all mankind through our industries.

Says Doctor Eaton: "In the Middle Ages the church was the agency of civilization. Now industry is the agency of civilization." Our service should be world wide. We need protection of a moderate sort, and there is no considerable endeavor in any quarter to do away with it. To misuse it, however, is to make it an impediment to happy foreign relations and to the more equal division of wealth among ourselves. It is to make America dishonest and unreasonable, disliked by nations that wish to honor her.

WAGE EARNERS PROFIT IN FOREIGN TRADE

American wage earners have a great stake in foreign trade. In the two years next preceding the World War we exported $1,051,500,000 more than we imported. American labor made a net gain of $331,000,000 in the wages carried by this excess of exports over imports.

In the two years next after the war we exported $4,672,000,000 more than we imported, with a gain of $1,210,000,000 to American labor in this excess of exports.

Labor needs these favorable trade balances. Labor must not be made an excuse for rates that are several times higher than the total going to labor in the industry, such as are common in the Fordney law.

Labor should advise itself on the tariff. It now lets its purchasing power be reduced 15 per cent by excessive rates. The employer should not do all the figuring and all the talking. Labor will draw in increasing sums upon the wealth of all the world when it helps to make its protection genuine.

"It is facts that are wanted; facts, facts, facts"—Lord Bryce.

STEEL AND IRON INDUSTRY

"A protective tariff is essential to the interests of our wage earners. Hence the difference in the cost of production here and abroad is the fundamental consideration.

"But I do not believe in making this policy a cover for exorbitant rates or for obtaining special privileges from the Government which are not based upon consideration of the general welfare."—Charles E. Hughes, 1908, now Secretary of State.

28 STEEL AND IRON INDUSTRIES GIVEN IN THE FORDNEY TARIFF LAW $800,000,000 ABOVE HONEST PROTECTION, COSTING CONSUMERS $1,600,000,000, POSSIBLE REVENUE $6,890,950

"Mr. Carnegie, in 1909, quoted the Steel Corporation's latest report, showing an average profit of $15.50 per ton.

"'No judge,' said Mr. Carnegie, 'is ever permitted to sit upon a case in which he is interested, and you will make the greatest mistake in the world if you give too much weight to their testimony. * * * I don't judge by figures, but by results. * * * There are more ways of figuring cost than there are of killing a cat. It is simply a matter of bookkeeping.' * * * 'The cost of producing rails at Gary won't be half as much as in England, notwithstanding the cheaper cost of labor abroad.'"

THE STEEL AND IRON INDUSTRY AND THE PRESENT TARIFF LAW

The United States has the largest, richest, and most conveniently located deposits of iron ore, copper, lead, and zinc in the world, and coal for their reduction, being the five principal minerals.

In the Alabama district, iron ore and coal are in close proximity, virtually eliminating transportation costs in their assemblage.

In the North the world's greatest iron ore deposits are on the shores of Lake Superior, whence they are carried by water at marvelously little expense to meet coal in the reduction furnaces near Chicago (the freight cost per ton is 17 cents from Superior to Chicago), and in Pittsburgh and elsewhere.

MARVELOUS EFFICIENCY

Said Henry W. Oliver in a letter to Mr. Frick, July 27, 1897, when they were acquiring some 50 per cent of the known deposits of the Lake Superior region: "We are mining it at present for less than 5 cents per ton for labor." Eight men in 10 hours with one steam shovel mined and loaded into cars 5,800 tons of ore in 10 hours and 164,000 tons in one month. Three steam shovels mined "from its natural bed 915,000 tons of ore during the season of 1900, working day shift only. Five tons of ore are lifted by the steam shovel (like sand or gravel) at each stroke, and five full-weight lifts will fill a car. A 25-ton car can be filled in two and one-half minutes, which is at the rate of 600 tons an hour."

The most efficient and cheapest rail transportation on earth is that of the Pittsburgh, Bessemer & Lake Erie, owned by the United States Steel Co., whose vice president, Mr. J. T. Odell, said of it in 1897, "The lowest rate per ton-mile, the highest average length of revenue haul in proportion to its track mileage, the greatest density of tonnage in proportion to its freight train mileage, the greatest average paying load, and the lowest 'ton-mile cost' of any road on the American continent reporting to the Interstate Commerce Commission." Nine ships can be docked at the same time. Twenty-five thousand tons of all classes of freight can be handled every 10 hours. * * * A 6,000-ton ship can be cleared in 14 hours and in the same time from the moment the hatches are opened the ore can be at the furnaces at Pittsburgh. A new steam shovel was completed last winter by which a train of 35 to 40 cars will be loaded with ore in two hours. A 40-ton car of coal can be unloaded and partly trimmed in the ship in 36 seconds."

These feats were in the infancy of the industry. To-day, says J. G. Butler, a veteran of the industry, the great car dumpers will lift a car containing 110 tons of coal, dump its load, and repeat at the rate of 30 cars per hour, with no manual labor beyond pressing a button.

"Now we have vessels loading as high as 12,000 tons at the upper ports in one or two hours with one or two men on the dock, and unloading their cargo directly into 50-ton cars in about the same time, with practically no manual labor.

"Now we handle this vast tonnage entirely by machinery. Steam shovels mine the ore; it flows by gravity into great vessels; huge unloaders transfer it to railroad cars, and car dumpers empty it under ore bridges—all the work being done by power and at a speed little short of miraculous."

THE COST OF THE PROPERTIES

And what did these properties cost? Said Mr. Oliver, in 1897:

"I propose at a risk of using our credit to the extent of $500,000, or possibly $1,000,000, to secure these properties."

Says an authority associated with the United States Steel Corporation in 1903:

"On the organization of the United States Steel Co., the Carnegie, Oliver Co. owned two-thirds of the known Northwestern supply of Bessemer ore—roughly 500,000,000 tons, which Mr. Schwab has since valued at $500,000,000."

Says this authority, supposedly with Mr. Frick's approval, concerning the railroad just mentioned:

"It cost nothing beyond initial bonds, which the volume of traffic furnished by the Carnegie Steel Co., itself, made good."

These statements show that special congressional grants or taxing powers need not be given this or any other steel company, because of the cost to them of their properties.

The State of Minnesota retained its own mineral lands in the Superior region for its educational institutions instead of selling them for a song. Consequently, the University of Minnesota is estimated to own $100,000,000 of ore properties at a valuation far below Mr. Schwab's estimate above.

THE COST OF PRODUCTION

With these facilities "by 1897 the cost of steel rails on cars at the Braddock Mill was only $12 a gross ton"—2,240 pounds. Said Mr. Schwab, May 15, 1899, in a letter to Mr. Frick:

"I know positively that England can not produce pig iron at actual cost for less than $11.50 per ton, even allowing no profit on raw materials, and can not put pig iron into a rail with their most efficient work for less than $7.50 [additional] per ton. This would make rails at net cost to them of $19. We can sell at this price and ship abroad so as to net us $16 at works for foreign business, nearly as good as home business has been. What is true of rails is equally true of other steel products. As a result of this we are going to control the steel business of the world.

"You know we can make rails for less than $12 per ton, leaving a nice margin on foreign business. Besides this the foreign costs are going to increase year by year because they have not the raw materials, while ours is going to decrease."

WE HAVE THE TRADE OF THE WORLD

Said Mr. Carnegie in 1919:

"We have to supply the world—note last week's British advices * * * coke near $3.75 per ton and scarce. Impossible to increase supply of either coke or ore.

"Since we reach Atlantic ports at $1 per ton we have the trade of the world."

These predictions came true. For some 20 years England has made no attempt to get American business. Her costs will not permit. Only Belgium sends an occasional driblet to us, usually as ballast to the Pacific coast. In 1920 our imports of pig iron were 1.6 per cent of 1919 (census) production, and three-tenths of 1 per cent in 1921, with pig iron on the free list; of cast-iron pipe, imports were four one-thousandths of 1 per cent in 1921, against exports of 14.3 per cent; likewise on wrought-iron pipe. Imports of structural iron averaged $217,000 in 1920 and 1921, against exports averaging $32,500,000. This under the former duty of 10 per cent, which is now increased to 25 per cent.

PRICE FIXING AND WATERED STOCKS

It is commonly known that the half dozen great steel corporations of this country are a family group in essential respects. Usually they have fixed their prices to a penny and as high as the traffic would bear.

Properties valued at $400,000,000 were capitalized in 1901 in the United States Steel Corporation for about $400,000,000 in bonds and funded debt and $1,000,000,000 of common and preferred stock, all water, selling a little later at $8 a share.

Bar iron that had commonly sold a few months before this and other consolidations for 80 cents per 100 pounds was held by these price-fixing organizations for years at $1.60 per 100 pounds, and a further enormous sum added to profits by the exaction of the Pittsburgh rate of freight in all cases. A buyer, for instance, at whose door the steel competitors delivered their product for $6 freight per carload, was charged by the corporation $37 per carload, unlawfully, as the courts are likely to decide in pending cases.

By these price and other exactions the Steel Corporation quickly secured from the public profits that have given its preferred stock intrinsic value and accumulated against its common stock $1,318,864,413, after paying hundreds of millions in dividends.

While some of the smaller companies produce less advantageously than the great corporation, they are superior to foreign competitors.

PRICE FIXING AND THE TARIFF

Said Andrew Carnegie in the American Manufacturers, July 25, 1884:

> "We are creatures of the tariff, and if ever the steel manufacturers here attempt to control or have any general understanding among them, the tariff would not exist one session of Congress. The theory of protection is that home competition will soon reduce the price of the product so it will yield only the usual profit. Any understanding among us would simply attempt to defeat this. There has never been nor never will be such an understanding."

Said Mr. Phipps in 1889 to Mr. Carnegie:

> "I am gratified that we are not to go out of business, and especially to make room for a trust, which is by no means a creditable thing. As you say, the tariff would be repealed on rails and rightly so."

This was sound philosophy; the books of the Carnegie Steel Co. for 1889, however, show price agreements and pool settlements in large amounts, with protection running merrily on and Congress indifferent. For years following the consolidation American prices were European prices plus the duty and sometimes plus also freight to New York. In these same years the American producers were exporting freely at European prices, as they have done in recent years in enormous and unprecedented volume.

Justice Day, of the Supreme Court, in his dissenting opinion of March 1, 1920, held that the United States Steel Corporation—

> "for many years after its formation had exerted its power to control and maintain prices by pools, associations, trade meetings, and dinners, and that in combination with its competitors it had an ability to fix prices and restrain the free flow of commerce upon a scale heretofore unapproached in the history of corporate organizations in this country."

**It is the imperative duty of Congress, guardian of the public interest, to give no penny of duty not required upon definite proof.**

**The new Fordney law, however, puts duties upon all kinds of iron and steel products, for which no slightest excuse can be found in the theory of protection, as our costs are the lowest in the world as steel producers commonly allow.**

PROFITS

**No protection is needed on account of the financial condition of these steel companies, because they are the richest and most powerful of all the business organizations upon earth.**

**Organized with $400,000,000 of tangible property, covered by bonds, etc., and about $1,000,000,000 of watered stock, the net tangible assets of the United States Steel Corporation on December 31, 1921, amounted to $1,318,864,513, applicable to common stock. The aggregate net profits available for dividends in the 10 years 1912–1921 were $1,097,177,135.**

**Other steel companies have prospered correspondingly. The Bethlehem Steel Co.'s pre-war profits were approximately $4,250,000 annually. The average annual profits of 1916–1918 were approximately $29,000,000. The pre-war profits of the Cambria Steel Co. were approximately $3,800,000. In the two years 1916 and 1917 Cambria Steel made more than $50,000,000 of profit on a capital stock of $45,000,000. Crucible Steel and Republic Steel followed similar methods of capitalization, production, and sales prices as the other corporations, and to similar advantage.**

**United States Steel in 1916 earned, net, $271,531,730. In 1917 it made $340,651,016 after allowing $233,465,435 for Federal war taxes, etc. In 1918 it made $229,201,511 after paying for Federal taxes $274,277,835.**

Eighteen steel companies in the pre-war years 1912–1914 averaged a net income of $74,750,000 per annum.

These 18 companies and the Midvale Co., which was organized during the war, averaged in 1916–1918 profits of $337,000,000, or four and one-half times their pre-war profit. Their profits for these three war years totaled over $1,000,000,000.

To subsidize the steel industry, organized in half a dozen companies and virtually controlled by two or three financiers who think alike, is to legislate the money of the private citizen into such other private pockets as have least need of it.

> "To lay with one hand the power of the Government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprise and build up private fortunes is none the less robbery because it is done under the forms of law and is called taxation." (Supreme Court of the United States. Marshall case.)

PIG IRON

Underwood, free; Fordney duty, 2.2 per cent to 41 per cent; wages, 9.3 per cent.

We produced in 1914, $313,000,000 of pig iron at a wage cost at the furnace of 7.2 per cent of the selling price of the product, and yet the Payne tariff gave a protection of 7.6 per cent, or more than the total wage cost of production. Wages plus salaries and superintendence was only 9.1 per cent.

In 1919 with pig iron on the free list the product was valued at $794,000,000 with a wage cost of 9.3 per cent. We exported in 1919 $12,313,000, and imported $6,565,000 because our producers invited imports by charging all the traffic would bear. They were making enormous profits These imports, however, were only eight-tenths of 1 per cent of domestic production. In 1920 we exported $10,000,000 and imported $12,802,000 being one-sixth of 1 per cent of 1919 production. In 1921, still on the free list, we imported only $2,015,000, or three-tenths of 1 per cent.

COST OF FORDNEY DUTIES

The Fordney law now gives 2.2 per cent "protection" to ordinary pig iron, with 49.3 per cent on pig that carries manganese and 40 per cent carrying silicon, which alloys are necessary to us for high quality of steel.

The entire wage cost of conversion is only 9.3 per cent of the selling price. These duties, if used by the producers, will add $41,000,000 to their prices, which sum will be, at least, doubled to consumers in so far as they enter into the production of highly finished products like machinery and cutlery and by amortization charges on heavier materials.

Says Senator UNDERWOOD:

> "I am in the business myself. I represent a great iron and steel district. I would not willingly harm a people that I represented, but neither would I willingly betray a people I represented by taxing them unjustly for special interests. I know this iron and steel schedule and I know that it is a fraud and a shame upon the people of this country. I know that it is not even in the interest of the industry in the end. * * * It can compete anywhere in the world. We are the master iron makers of the world."

Regarding the farmer, he says:

> "Where the fallacy of this argument comes is that under the guise of doing something to help the farmers in some particular item, their support is asked for a bill of which, as a whole, it seems that for every dollar the farmers may derive from the bill they will pay $100 in taxes for the benefit of somebody else."

Senator UNDERWOOD thinks the pig-iron producers are competing to such an extent that they can not add this $41,000,000 to their prices. This, however, does not excuse Congress from offering them the opportunity.

Moreover, in every period of prosperity the competition has been from the other side. Consumers of pig iron, manufacturers of farm implements, stoves, and all other steel products have played into the hands of the producers by outbidding one another for supplies and themselves raised prices. Manufacturers with large contracts for their steel supplies have been compelled to buy in the open market at 20 to 30 per cent advance while their own contracted supplies were going to others at similar emergency advances in prices.

Why won't Congress do what it reasonably can to protect consumers instead of inviting a repetition of these experiences?

BAR STEEL

Underwood duty, 13 per cent. Fordney duty, 27 per cent. Wage cost, 22.2 per cent.

We are the world's greatest producers. We exported in 1914, prewar, 10.4 per cent of our domestic production. In 1919 we exported 16.1 per cent, or $57,000,000 worth. Under the former duty, which averaged 13 per cent on bars and billets, the wage cost of converting ore into bars was only 22.2 per cent of the mill selling price, and yet 27 per cent protection is now given. Our wage cost is the lowest in the world because of our large scale of production, the energy and skill

of our workers, and our unsurpassed mechanical devices. With the former duty of 13 per cent we imported in 1919 only one-half of 1 per cent. With such marvelous judgment do our steel producers lift their prices to the top of the tariff wall and hold them there with just enough imports trickling in to show that they can't make prices any higher.

COST OF FORDNEY DUTY

The Fordney duty of 27 per cent will add $75,000,000 to manufacturers' prices, which will be doubled in amount in the agricultural implements, automobiles, household utensils, and like articles, and amortized in coarser products, a final cost of $150,000,000. Twenty years' experience shows that the duty will be added to domestic prices.

STEEL RAILS

Underwood, free. Fordney, 5.8 per cent. Wage cost, 21.4 per cent.

The situation here duplicates bar steel, except that exports are still greater, being $10,000,000, or 19 per cent, on a production of $54,009,918 in 1914, and 42 per cent, or $39,000,000 of domestic production of $92,849,481 in 1919, 39 per cent of that production in 1920, and 19.8 per cent in 1921, with importations running a fraction of 1 per cent. And yet these commodities were on the free list. Imports were virtually embargoed, not by tariff but by our lower cost of production. The wage cost is 21 per cent only. The Fordney duty of 5.8 per cent makes a present to this industry of $5,000,000 to be doubled in amount against the consuming public, totaling $10,000,000.

STRUCTURAL IRON WORK

UNDERWOOD DUTY, 10 PER CENT—FORDNEY, 25 PER CENT FABRICATED, AND 4 PER CENT UNFABRICATED—WAGES, 20.3 PER CENT

If one iniquity exceeds another, here is a climax. The producers themselves say they beat the world. Exports in 1920, $38,000,000. Imports under the former 10 per cent duty, $284,000, or six one-hundredths of 1 per cent. Exports in 1921, $26,824,000, with imports $149,000, or three one-hundredths of 1 per cent of domestic production. It was not in vain that a representative of the steel industry haunted the room of the Finance Committee. Think of it! Congress dared to increase the existing 10 per cent duty under which imports were impossible to 25 per cent on the fabricated materials—as definite a tender of the people's money to a special and selfish interest as was ever made by a medieval despot, except that in this case the collection is to be made in such ways as may be by the grantee. The wage cost is only 20.3 per cent. Exports in 1921, with 10 per cent duty, were one hundred and ninety times greater than imports.

COST OF FORDNEY DUTY

If collected, the grantee secures $18,000,000 and the public pays $36,000,000 in amortization charges, freights, etc., and rents upon its stores and skyscrapers. The dwellers in hovels pay rent on skyscrapers, for in them is conducted to-day the principal enterprises of the world. "To him that hath shall be given, and to him that hath not shall be taken even that he hath."

All through this law some low rates are named apparently to deceive the public, being conditioned upon impossibilities. Here, for instance, unfabricated structural steel is admitted at 4 per cent instead of 25 per cent for fabricated. With a price difference of $20 per ton, it has been found in the past impossible to import mill lengths unfabricated, because on arrival they would have to go for fabrication to an American mill, with great wastage in cutting up and handling and an additional freight charge to point of erection.

The entire wage cost of converting ore into structural iron was in 1914, pre-war, 21 per cent of the mill price of product. The wage cost plus salaries was 28.6 per cent. In 1919 the wage cost was 20.3 per cent. The duty now on fabricated is 125 per cent of the entire wage of conversion.

CAST-IRON PIPE INDICTED FOR CONSPIRACY

UNDERWOOD, 10 PER CENT—FORDNEY, 20 PER CENT—WAGES, 29.3 PER CENT

This is one of many industries recently indicted by Federal grand juries. But Congress doesn't mind a little thing like this.

The indictment (December 28, 1921, United States Court of Southern New York) says they manufactured a universal necessity, "cast-iron soil pipe and fittings extensively used in the construction of apartment houses, hotels, dwellings, and office buildings, manufacturing plants, and structures of similar character."

They "have fixed and maintained arbitrary, uniform, and excessive prices."

"Each of said corporate defendants has had full information as to amount of tonnage * * * in the stock of each" of the others, "and as to the amount of tonnage" "due on orders placed with all corporate defendants."

In 1921 this Cast-Iron Pipe Trust, if so it is, exported three thousand five hundred and seventy-five times more than was imported of cast-iron pipe. This in the face of alleged "arbitrary, uniform, and excessive prices" in the American market that would have made imports great in volume if possible.

In 1920 it exported $9,753,000, or 19.3 per cent of (census) production. Imports were $41,074, or eight one-hundredths of 1 per cent of production.

Seven months' notice of this and to-day Congress, by a tariff of 20 per cent, makes a gift of $8,000,000 to this trust, as the indictment defines it, this $8,000,000 to become $16,000,000 to consumers at retail.

The duty isn't wanted for revenue for only $8,000 of duties will be collected.

WROUGHT PIPE

Underwood duty, 20 per cent.

Fordney, 27 per cent.

Wages, 19.2 per cent.

Forty-three million dollars, or 13.4 per cent, of 1919 production was exported in 1920 and $49,000,000, or 15 per cent, exported in 1921. Only two one-hundredths of 1 per cent, or $53,862, imported in 1921 and $66,816 in 1921 under the former duty of 20 per cent, which should be eliminated. Honest protection has put agricultural implements, shoes, sewing machines, and cash registers on the free list because they are produced cheaper here than elsewhere. The Fordney law offers 27 per cent, or $70,000,000, to the makers of wrought pipe, if they can collect it. The wage cost is 18.2 per cent of mill price of product. The Congress now requires the Government to prevent importations except on this basis of a duty of 150 per cent above the mill's entire wage cost of production. Is this in the wage earner's behalf?

TINPLATE AND TERNEPLATE

Underwood, 15 per cent.

Fordney, 8 per cent.

Wages, 5.9 per cent.

Production in 1914, $68,000,000. The wage cost of converting billets into these plates was only 5.8 per cent, yet the Payne duty was 35.1 per cent. Thus was the wage earner "protected." He got one-sixth of the duty supposedly given for his especial benefit. The manufacturer got the rest. Wages plus superintendence were only 6.9 per cent. Wages in 1919, 5.9 per cent. Exports were 5.5 per cent of domestic production and prices kept so high that 2.2 per cent came over the tariff wall, though we are exporting freely at the foreign price.

In 1920 we exported $40,545,000, or 41.6 per cent, of our entire domestic production, while importing $127,168, or one-tenth of 1 per cent of domestic production. In 1921 we exported $17,425,000, domestic production, while importing $127,168, or one-tenth of 1 per cent of domestic production. In 1921 we exported $17,425,000, or 17.9 per cent of 1919 production, and imported $126,000, or one-tenth of 1 per cent. This under the Underwood tariff of 15 per cent, which the Congress now reduces to 8 per cent, or 1 cent per pound. The Fordney rate is 135 per cent of the wage cost.

COST OF FORDNEY DUTY

It gives $7,000,000 to the manufacturers at a cost of much more than twice this to consumers, because the products must go through so many hands, including the tinplate men, the stamping works, wholesaler, and retailer. Cost to consumers, more than $15,000,000.

HARDWARE

Underwood, 20 per cent; Fordney duty, 40 per cent; wages on locks, 21.1 per cent; builders, 32.1 per cent; other, 27.2 per cent.

Locks, builders' hardware, and all other, except saddlery. Production 1914, $73,000,000, with exports $6,000,000. Production in 1919, $154,525,000, and exports $11,691,000, or 4.9 per cent of production. Exports in 1920, $17,000,000, or 11.3 per cent of production. Exports in 1921, $7,969,000, or 5.2 per cent of production; 1921 exports would be approximately 40 per cent more in price than here indicated, except for price reductions in 1921. Imports not of enough importance to be separately listed by the Government agencies.

Wages in 1914 were 30.8 per cent of the factory selling price. Wages, plus superintendence, averaged 40.8 per cent, yet the Payne duty was 45 per cent. In 1919 wages on locks were 31.1 per cent; builders, 32.1 per cent; all other, 27.2 per cent. The Fordney duty is 40 per cent, although the industry prospered and exported freely under the former duty of 20 per cent. The duty gives $44,000,000 to manufacturers, to be doubled against consumers, $88,000,000.

ELECTRICAL MACHINERY, APPARATUS, AND SUPPLIES

Underwood duty, 26.8 per cent; Fordney, 41 per cent; wages, 23.9 per cent.

Production, pre-war 1914, $355,170,194, with exports $23,060,844. The wages were only 22 per cent of the selling price of the product. With this 22 per cent of labor in 1914, being the principal difference in cost here and abroad, the Payne tariff averaged 37.3 per cent, and virtually embargoed imports which so far as classified were fourtenths of 1 per cent. Our workers and our methods are so much speedier than abroad that any difference in wage cost per unit is questionable.

The industry is in few hands and completely dominated by the world-powerful General Electric and Westinghouse companies. It must be manifest that any tariff on these products will be added substantially in full by the manufacturers. It would be difficult to conceive any business reason that would prevent these great corporations from using any permit from the Congress of the United States to maintain or to raise prices. In the manufacture of electric bulbs the domination of two companies is so great that the Census Bureau can not divulge cost

figures without violating the law against publishing private information. Indictments for price fixing are now demanded against electric-bulb manufacturers by the Lockwood committee of New York.

PRODUCTION, EXPORTS, AND IMPORTS

In 1919 the total domestic production was $97,968,119—a round billion dollars. Exports were $89,089,711, or 9 per cent, while imports, under the former tariff which averaged 26.8 per cent, were, so far as classified, four one-hundredths of 1 per cent. We had then a virtual embargo fostering price maintenance by act of Congress under the former duty of 26.8 per cent. This situation holds to-day, for exports in 1920 were $102,009,000, or 20 per cent of 1919 production, while classified imports were eight one-hundredths of 1 per cent. In 1921 exports were $95,817,885, and imports $732,357, or seven one-hundredths of 1 per cent of production. Can there be clearer proof that the duty should have been decreased or eliminated, as on agricultural machinery, shoes (and sewing machines until now), which are on the free list because made as cheaply in the United States as anywhere.

COST OF FORDNEY DUTY

The Congress, however, now nearly doubles the duty by making it 41 per cent average, against a wage cost of 23.9 per cent. This invites the industry to charge domestic customers $323,000,000 above the prices of their foreign competitors, which prices these producers meet throughout the world on their exports of $100,000,000 per annum. This $323,000,000 will reach consumers as $646,000,000.

WIRE, WIREWORK, INCLUDING WIRE ROPE, ETC.

Underwood: Wire, 15 per cent; wirework, 19 per cent; average, 16.8 per cent. Fordney: Wire, 28 per cent; wirework, 39 per cent; average, 32 per cent. Wages: 18.6 per cent on wire; 17.1 per cent on wire products.

Production in 1914, $190,747,732, of which we exported $15,233,000, or 8 per cent. Production in 1919, $444,697,689, of which we exported $51,210,000 of wire and $10,403,000 of wirework; total, $61,600,000, or 13.9 per cent under the former duty of 15 per cent on wire and 19 per cent on wirework. These duties virtually embargoed imports, which were one-tenth of 1 per cent. With what nicety did our manufacturers hold their prices at the top of the tariff wall, as indicated by this driblet of imports. With what masterly strength did they meet world prices in all quarters with $61,613,000 of exports. In 1920 exports were virtually the same as in 1919, totaling $61,834,000, with imports four one-hundredths of 1 per cent of production, or $1,509,000.

In 1921, with foreign markets depressed, exports totaled $19,000,000, with imports $1,433,000, or three-tenths of 1 per cent.

Wages in wire mills in 1914 were 13.5 per cent of the mill price of the product and 16.1 per cent on wire products. In 1919 they were 18.6 per cent on wire and 17.1 per cent on wire products.

Instead of lowering the present duties of 15 per cent on wire and 19 per cent on wirework and thereby assuring to the American public approximately the international price of these products, the Fordney law almost doubles the duty on wire, making it 28 per cent, and more than doubles it on wirework, making it 39 per cent, the Fordney duties being twice the wage percentages and absolutely unjustifiable on grounds of protection.

COST OF FORDNEY DUTY

The Fordney rates are a congressional permit to the manufacturers to add $122,000,000 to their prices at the mills, which sum would be greatly increased to consumers, making the total cost $244,000,000.

STAMPED AND ENAMELED WARE, NOT ELSEWHERE SPECIFIED

ENAMELED WARE

Underwood duty, 25 per cent; Fordney, 31 per cent; wages, 25.7 per cent.

The enameled ware industry was relatively small in 1914, pre-war, with small exports and imports. It has become great under the present duty of 25 per cent, exporting freely, with imports virtually embargoed.

Production in 1919, $37,636,584, with exports $4,073,455, or 10.8 per cent, and imports only $65,828, or two-tenths of 1 per cent. Exports in 1920 $5,054,000, or 13 per cent, against imports of $366,328, or 1 per cent of 1919 production. In 1921 exports fell, in dollars, to $1,835,233. Careful estimates of price decline indicate that if the prices of former years had held, the 1921 exports would have brought $2,735,000. Imports in 1921, $368,467, or 1 per cent of production. These imports would have brought $460,000 at the prices current in 1919.

The foregoing international trade was under the former tariff of 25 per cent, which Congress proposes to double, making it 51 per cent. A great manufacturer is reported as saying recently that he had nothing to fear from competition under any tariff. The total wages in manufacture in 1914 were 26.2 per cent of the factory selling price. Wages plus superintendence were 30 per cent. In 1919 wages were 25.7 per cent, or almost precisely the Underwood tariff rate.

The Fordney rate, namely, 51 per cent, will permit the industry to charge distributers $9,000,000, which would be easily doubled against consumers, $18,000,000.

STAMPED WARE

Underwood duty, 20 per cent; Fordney, 40 per cent; wages, 23.4 per cent.

The statistics on stamped ware are meager. It is virtually the same product as enameled ware, minus the enamel. Production in 1914, $49,000,000. In 1919 the product brought at the factory $161,694,000. The total wage cost of production in 1914 was 22.1 per cent of the factory selling price. Wages plus salaries were 31 per cent. In 1919 wages were 23.4 per cent of factory selling price. Underwood tariff, 20 per cent.

COST OF PROTECTION

The Fordney law increases the tariff 100 per cent, making it 40 per cent and about twice the wage cost of production, permitting the industry to charge $34,000,000 above foreign prices, to become easily twice that, or $68,000,000, against consumers.

SANITARY WARE, BATH TUBS, LAVATORIES, AND SINKS

Underwood duty, 20 per cent; Fordney, 40 per cent; wages, 30.5 per cent.

We lead the world in these products. Production in 1919, $4,923,000, with exports 19.9 per cent of production, 39.6 per cent in 1920, and 31.6 per cent in 1921. Volume of imports not given. The Underwood duty was 20 per cent; the Fordney law, 40 per cent.

Why not reduce the Underwood duty to an industry that sells one-third of its product at international prices. Its entire wage cost is 30.5 per cent of its selling price. In pre-war, 1914, it was 31.9 per cent.

It is generally believed that price understandings rule in this industry. Buyers have been refused merchandise for cash in the usual way and required to buy through accredited dealers at the latters' "standard" prices. (Later; October 19, 1922, manufacturers indicted by Federal grand jury for criminal practices, price fixing, etc.)

NAILS, WIRE

Underwood, free; Fordney, 16 per cent; wages, 14.8 per cent.

We have led the world in this product since its invention. Thirty years ago we were supplying a great part of the demands of free-trade England at prices so much below domestic prices that the American product was bought in England and reimported into this country at a great saving as against domestic prices. Production in 1914, $24,708,633. The pre-war Payne duty was 10 per cent, yet we exported 6.9 per cent with imports only six one-hundredths of 1 per cent.

In 1919 production was $44,426,860, of which we exported 19.4 per cent. Although nails were then, as now, on the free list, we imported only six-tenths of 1 per cent. In 1920 exports increased to $11,880,398, or 21.4 per cent of 1919 production, with imports 3 per cent of production. In 1921 exports fell to $3,172,054, partly accounted for by a decline of 32 per cent in prices, with imports $44,035, or eight one-hundredths of 1 per cent. Thus was our market controlled, with nails, like agricultural machinery and shoes, on the free list. The Congress, however, gives a duty of 16 per cent, being 60 per cent more than the Payne rate, and, allowing for the difference in prices, more than double in dollars, the Payne rate.

COST OF FORDNEY DUTY

The Fordney duty offers $9,000,000 to an industry that dominates all markets, to be doubled to consumers at retail, making $16,000,000.

The wage cost in the mills in 1914 was 9.1 per cent of the mill selling price, and in 1919, 14.8 per cent. The Fordney duty exceeds the total wage per cent of production.

SCREWS, WOOD

Underwood duty, 25 per cent; Fordney duty, 25 per cent; wages, 31.5 per cent.

Production in 1914, $6,216,940, rising in 1919 to $15,459,582, with exports $2,738,000, or 17.7 per cent, and imports $507, or three one-hundredths of 1 per cent. In 1920 imports were two one-hundredths of 1 per cent, and in 1921 one one-hundredth of 1 per cent. Wages in 1914 and 1919 were 31.5 per cent of mill selling prices. Wages plus superintendence were 40.1 per cent.

Imports fiscal year 1914 were $590, or nine one-hundredth of 1 per cent of domestic production. Some returning traveler must have brought in a pocketful. The duty then averaged 66.1 per cent. Exports then and for long years before were made at one-half the domestic price. By act of Congress the American dollar in the purchase of screws was made to go no further than the Englishman's 2-shilling piece, worth 50 cents at the same New England factory. Said a screw manufacturer, "I don't like this, but so long as Congress invites it, how could we help it?" Prices were "rigged to a nicety." In 1920 exports were $1,968,496, or 12.7 per cent of 1919 production, with imports $2,595, or two one-hundredths of 1 per cent. Wages were 31.5 per cent. Last year, 1921, exports 26.9 per cent, or $1,068,995, and imports $2,595, or one one-hundredth of 1 per cent.

It is interesting to note that these post-war imports were under the Underwood tariff of 25 per cent and that to-day we may reasonably believe that export are lower than domestic prices, not by the old 50 per cent, but by the recent duty of 25 per cent, which the Fordney

law continues to the advantage of the screw manufacturers in the amount of $3,000,000, which will be doubled at retail to consumers, $6,000,000.

FILES

Underwood duty, 25 per cent; Fordney duty, 44 per cent; wages, 38 per cent.

Ordinary sizes and kinds are made in the United States so cheaply that substantially none are imported. The former duty was 25 per cent, which is just the increase to-day in the prices of our file makers to domestic users above their lower prices to foreign users.

Wages, 1914, 38 per cent of factory price of product. Wages plus superintendence, 46.4 per cent. Wages in 1919, 35.2 per cent.

Congress is in the file business to the extent of this 44 per cent as definitely and precisely as the man at the lunch counter is chargeable with his meal ticket. The transaction is definite to a penny. Congress is subsidizing the file business to-day to the extent of $3,000,000 annually at a retail cost to consumers of $6,000,000. The Fordney law now nearly doubles the subsidy by making the rate 44 per cent instead of 25 per cent.

(Later, October 10, domestic prices advanced 15 per cent.)

Production in 1919, $17,616,563, of which 29.4 per cent was exported, against imports of three-tenths of 1 per cent, these imports being different in kind from domestic production, mostly extra fine, for use of jewelers, manicuring, and the like. Exports in 1920, $5,550,619, or 31.5 per cent, and in 1921, $2,542,153, or 14.4 per cent, which in volume would be much greater than these figures of money value indicate, because of price reductions in 1921. Imports for each of these years, six-tenths of 1 per cent. A recent investigation indicated a single ownership of most of the file companies of the United States and a tendency to identical prices in all quarters.

A representative of the File Trust, taking an order for Spain August 1, 1922, was asked, "How can you sell abroad?" "We can undersell the world." "Then why do you want protection?" "To maintain domestic prices."

CASH REGISTERS

Underwood, free list; Fordney duty, 25 per cent; wages, 29.1 per cent.

Duty 30 per cent under the Payne law. On the free list since 1914, with less percentage of imports under the free list than previously; with no imports of any account under either law. Wages 29.17 per cent. Proposed duty 25 per cent. Production in 1919, $31,000,000, of which 14.1 per cent was exported and two one-thousandths of 1 per cent imported. Somebody brought in a cash register. Exports in 1920, $5,942,000, or 19.2 per cent, with imports $324, or one one-thousandth of 1 per cent of production. Imports were $4,045 or one one-hundredth of 1 per cent in 1921, with exports $2,849,303, or 9.2 per cent. All this under the free list. The Fordney law gives 25 per cent against a wage cost of 29.1 per cent. If added to prices, this duty will give this industry which is under a single control, $6,000,000.

It may be said that this duty is put on for revenue purposes. If so, the Government takes a chance on increasing the consumers' price $6,000,000 that the Government may, itself, collect 25 per cent on imports which totaled $597 in 1919, $324 in 1920, and $4,045 in 1921.

Such a "revenue" argument was made in support of the proposed duties of 5 per cent on ordinary pig iron rising to 40 per cent on silicon pig. In 1921, these duties on pig iron would have netted the Government about $500,000, with the risk, which would be a certainty in good times, of profiting domestic manufacturers to the extent of $41,000,000, with twice that expense to the general public, or $82,000,000.

ADDING AND CALCULATING MACHINES

Underwood, 15 per cent; Fordney, 30 per cent; wages, 25.7 per cent.

Production in 1914, including cash registers, was $30,519,537. In the fiscal year, 1914, partly under the Payne rate of 30 per cent, which was 150 per cent of the total wages, we exported, including cash registers, 21.3 per cent at international prices. Production in 1919, $52,606,142, and exports $3,863,217, or 6.7 per cent of production. In 1920 exports were about doubled, being 12.9 per cent of 1919 productions. Imports not segregated. These postwar years were under the Underwood duty of 15 per cent, which has now been doubled, 30 per cent, thereby inviting the industry, which is a necessity now in our business life, to add $12,000,000 to its factory prices, which would be doubled against consumers. It is submitted that a well-established industry that exports freely at international prices a product made mostly by semiautomatic machinery should be required to submit absolute proof, including factory and other costs, before getting an increase in duty.

COST OF FORDNEY DUTY

Several domestic producers have recently consolidated. What they can do is evident. The Fordney duty invites them to add $13,000,000 to their foreign prices, costing consumers approximately $26,000,000.

The per cent of wages to factory selling price was 20 per cent in 1914, and 25.7 per cent in 1919, or 4 per cent less than the present rate of duty. In 1914 wages plus superintendence were 38 per cent of the factory selling price.

SEWING MACHINES AND PARTS OF

Underwood: Free list. Fordney duty: Under $75 value, 15 per cent; over $75 value, 30 per cent; wages, 44.2 per cent.

It should be a source of national pride that with the highest wages in the world, we make sewing machines as cheaply as anywhere on earth. In this fact is the justification and fruition of protection—high wages and low costs. It is said that one American company makes 80 per cent of all the sewing machines made in the world. It fills its orders from the Orient, which are great in volume, from its factory in New Jersey because it is a little cheaper to do so than from its great and equally well equipped factory in free-trade England. It is for these reasons that sewing machines were on the free list with agricultural implements, shoes, steel rails, and some other highly finished products. It is for this reason, and this only, that certain other highly finished products, like the majority of cotton goods, table cutlery, and cheap hosiery should be on the free list.

Protection was never meant to be a perpetual burden upon the American people. It is an economic falsehood to say that in many cases our rate of wages requires this, because the per cent of the product going to wages is often as little here as anywhere in the world, and duties therefore, benefit the employer only. This is the judgment of many leaders who are posted in the premises.

The per cent of labor in the production of sewing machines was 41.4 per cent in 1914, pre-war. Labor plus superintendence was 50.1 per cent. In 1919 labor got 44.2 per cent of the factory selling price.

In 1914 exports of sewing machines were $11,494,081, or 53.7 per cent of the entire American production. This proved our ability to meet world prices. It was a public scandal that in pre-war years under the Payne duty of 30 per cent domestic prices were much higher than export prices, the entire duty being apparently used against the American consumer. The Congress now makes the rate 15 per cent on sewing machines, valued at $75 or less, and 30 per cent on more expensive machines, which rates, on the basis of recent imports, will average 20 per cent.

Although exporting 53.7 per cent of production in 1914, imports were only 2.7 per cent, consisting mostly, if not entirely, of special designs not produced here.

In 1919 production was $43,649,919, of which amount there was exported $12,774,124, or 25.5 per cent of production. Although on the free list in 1919, imports were only $225,541, or one-half of 1 per cent. This low per cent of imports has continued to date showing our unrivaled supremacy and the increased cost and relative inferiority of European production consequent upon Europe's permanent hurt from the war.

Still under free trade, in 1920 exports were $15,581,843, or 35.7 per cent of 1919 production, against imports of $346,519, or seven-tenths of 1 per cent. In 1921 exports were $7,306,074, or 16.7 per cent, this shrinkage being presumably largely in prices only. Imports in 1921 were nine-tenths of 1 per cent.

COST OF PRODUCTION

The proposed duties invite our sewing machine companies to add $11,000,000 to domestic factory prices above the prices at which they sell a large proportion of their product abroad. It taxes especially the poor. To say that the proposed tax is for revenue purposes is to admit that Congress seeks a revenue of $120,000 at the risk of increasing factory prices $11,000,000, which would be trebled to consumers, under current methods of retailing sewing machines.

PROFITS

Whether the American manufacturer needs the financial assistance of the Senate of the United States, and what will be done with the money, is indicated in part by the following statement of the earnings of the company which makes substantially all of our sewing machines, having a few competitors, also prosperous.

The capital stock of this company in 1912 was $60,000,000. It had no bonded debt. The following dividends are recorded:

| | |
|---|---|
| 1912, 13 per cent on $60,000,000 | $7,800,000 |
| 1913, 16 per cent on $60,000,000 | 9,600,000 |
| 1914, 12 per cent on $60,000,000 | 7,200,000 |
| 1915, 8 per cent on $60,000,000 | 4,800,000 |
| 1916, 9 per cent on $60,000,000 | 5,400,000 |
| 1917, 11 per cent on $60,000,000 | 6,600,000 |
| 1918, 10 per cent on $60,000,000 | 6,000,000 |
| 1919, 7 per cent on $60,000,000 | 4,200,000 |
| 1920, stock dividend 50 per cent | 30,000,000 |

In fact, for the first time in history the principle of protection has been publicly and definitely dishonored by its sponsors in the Senate. Honest protection keeps prices low by making duties equal only "the difference" in the cost of production here and abroad. Sewing machines cost no more, therefore they should be on the free list, as they were.

Chairman McCumber, however, declared (CONGRESSIONAL RECORD, June 10, 1922): "The duty should measure the difference between the

landing cost of the foreign article in the American market and the selling price of the manufactured article by the manufacturer in the American market." For clarity he repeated the statement: "The difference between the importing price and the selling price of the comparable American article by the American manufacturer."

Every line in the Fordney law shows this purpose of the maintenance of prices and whatever prices manufacturers dare demand hereafter.

It should be a matter of pride that American wages in the production of sewing machines, as in many other industries, are the highest in the world, because of American efficiency. This coupling of high wages with low wage cost was the purpose and hope of Washington and Hamilton in establishing the protective policy 150 years ago. Think of debauching the principle of protection now upon the fruition of its accomplishment.

BOLTS, NUTS, WASHERS, AND RIVETS

UNDERWOOD DUTY, 10.5 PER CENT; FORDNEY DUTY, 11 PER CENT; WAGES, 23.4 PER CENT

Made by automatic machines. A single operator, as in the case of screws, simply feeds long rods into as many machines as he can tend. The bolts drop out at the other end, cut to length, threaded, and headed, and so fast as to blur the vision. Total wages in the industry in 1914, 25.5 per cent; wages plus superintendence, 32.9 per cent; wages in 1919, 23.4 per cent. The Payne rate of duty was 21.4 per cent. Under this rate we exported in the fiscal year 1914, 4.9 per cent of 1914 production, which was $33,085,790, against imports of $45,724, or one-tenth of 1 per cent, presumably Swedish steel or special-purpose bolts.

Production in 1919 under the present tariff of 10.5 per cent, $109,333,177, of which we exported $7,769,893, or 7.1 per cent, against imports of $42,305, or four one-hundredths of 1 per cent. Exports were seventy-one times greater than imports. In 1920 exports were 6.7 per cent of 1919 production and in 1921, 4.5 per cent, against imports of seven one-hundredths of 1 per cent in 1920 and five one-hundredths of 1 per cent in 1921. In other words, exports in 1920 were 95 times greater than imports, and in 1921 ninety times. Our bolt makers are good friends, as they should be. Why invite them by nods and winks to "fix" materially higher prices on domestic business than export?

COST OF PROPOSED DUTY

The Fordney duty, averaging 11 per cent, offers the industry $11,000,000, which would be at least doubled against consumers and sometimes trebled, because bolts frequently go through more hands from production to consumption than the average article.

SADDLERY HARDWARE

Underwood duty, 20 per cent; Fordney duty, 42.5 per cent; wages, 28.6 per cent.

Production in 1919, $14,136,556. Exports and imports not enumerated separately in Government statistics. Wages in 1914 were 30.9 per cent and in 1919 28.6 per cent. Wages plus superintendence in 1914, 39.7 per cent. The Fordney duty, 42.5 per cent, offers the industry $5,000,000 to be doubled against consumers.

STEAM LOCOMOTIVES

Underwood duty, 15 per cent; Fordney, 15 per cent; wages, 24.8 per cent.

We lead the world. A recent German report tells of our getting foreign business at both lower prices and better deliveries than Germany can make. Under the Payne law, 30 per cent duty, we exported 8.5 per cent of our domestic production, with substantially no imports. Under the present duty of 15 per cent, production in 1919 was $156,269,730, of which we exported $30,275,728, or 19.4 per cent. Imports were entirely negligible, being two one-hundredths of 1 per cent, or about $40,000. Somebody brought in a few parts.

In 1920 exports rose to $63,629,847, or 34.3 per cent, with imports four one-hundredths of 1 per cent. Exports were eight hundred and fifty-seven times greater than imports. In 1921, presumably at lower prices, we exported $33,696,331, or 21.6 per cent of 1919 production, with imports still further decreasing to $20,050, being less than half the price of one ordinary railway locomotive and one one-hundredth of 1 per cent of our 1919 census production.

Does not honest protection, which safeguards consumers as carefully as producers, call for free trade in locomotives instead of continuing the Underwood duty or 15 per cent as given by the Fordney law? He who would put a duty on everything without regard to relative cost of production reads himself out of the ranks of protectionists by its every definition.

No nation compares with us in skill and mechanical ingenuity in the production of locomotives. In 1914 the wage costs in the factories was 25.6 per cent of the selling price of the product, or less than the Payne duty of 30 per cent. Wages plus superintendence were only 32 per cent. In 1919 wages were 24.8 per cent as against the Fordney duty of 15 per cent.

COST OF FORDNEY DUTY

The Fordney duty invites our locomotive builders to add about $20,000,000 to domestic prices above their export prices, at which a fourth to a third of their product is sold. There are few makers and nothing so easy as a price understanding.

STEAM ENGINES OTHER THAN LOCOMOTIVES

Underwood duty, 15 per cent; Fordney duty, 15 per cent; wages 22.7 per cent.

In the pre-war year 1914 (fiscal) we exported 5 per cent of our domestic production against one-tenth of 1 per cent of imports. We are shipping to all parts of the world. An imperial German commission reported long ago, in the heyday of German production, that the city of Berlin could buy the huge engines for her city waterworks in Milwaukee, Wis., with all charges of transportation and installation, to better advantage than from any German producer.

Production in 1919, $101,952,710, of which we exported 3.5 per cent against imports of three-tenths of 1 per cent. In 1920 we exported $4,009,225, or 3.9 per cent of 1919 production, with imports $148,878, or one-tenth of 1 per cent of our production. In the poor year 1921 we exported $1,944,155, or 1.9 per cent, with imports $5,733, or five one-thousandths of 1 per cent. In this bad year exports were forty times greater than imports. The factory wage cost of production in 1919 was 22.7 per cent of the factory selling price. The Fordney law continues the duty of 15 per cent.

WATER WHEELS, TURBINES, TRACTOR ENGINES, ETC.

These are made under the same conditions as steam engines. Many of the census enumerations cover all these things in a single group.

Production in 1919, $188,444,153. Factory wage costs, 22.7 per cent of the selling price of product. Former duty, 15 per cent; Fordney duty, 30 per cent.

INTERNAL-COMBUSTION GAS ENGINES

Underwood duty, 15 per cent; Fordney, 30 per cent; wages, 22.7 per cent.

Production in 1919, $174,377,872. We exported 12.4 per cent of the product of 1914, which was $72,121,112. Postwar exports and imports are not separately shown. Conditions are substantially the same as in steam engines, described above. The Fordney law doubles the Underwood duty of 15 per cent, making it 30 per cent, against a wage cost of 22.7 per cent. Whatever part of this is unnecessary it militates against every farmer, automobile user, many small manufacturers, and all other citizens indirectly.

PUMPS, STEAM AND OTHER

Production, 1919, of power pumps, $55,745,502, and all other pumps, $31,656,438. Exports in 1919, $9,067,458, or 10.6 per cent of production. This increased in 1920 to $13,684,468, or 16 per cent. In 1921, exports, $11,966,469, or 14 per cent of 1919 production. Allowing for price reductions, 1921 exports were not less than 1920. Imports not available.

Labor got 23.3 per cent of the factory selling price of the product in 1914 on power pumps and 21.9 per cent on other pumps, yet the Payne rate was 30 per cent. In 1919 the wage per cent was 25.6 per cent on power pumps and 18.9 per cent on other pumps. The former duty was 15 per cent on both kinds, which the Fordney law doubles—30 per cent—against a wage cost in 1919 of 15.9 per cent.

WASHING MACHINES AND WRINGERS

Former duty, 15 per cent; Fordney duty, 30 per cent; wages, 15.9 per cent.

Production in 1914, $7,599,802, rising in 1919 to $40,771,285. Under the Payne duty of 30 per cent in the fiscal year 1914 we exported 14.8 per cent of production. In the postwar years, under the present duty of 15 per cent, exports were: In 1919, 2.9 per cent; in 1920, 5 per cent; in 1921, 3.2 per cent.

The Fordney law gives 30 per cent, or twice the former duty of 15 per cent, and twice the wage cost, which was 15.9 per cent in 1919. Exports are not enumerated in the official figures.

WINDMILLS

Former duty, 15 per cent; Fordney duty, 30 per cent; wages, 21.6 per cent.

The modern windmill is an American invention. Our supremacy is unrivaled. Production in 1919, $9,952,585. Exports in 1919, 11 per cent of production; in 1920, 22.7 per cent; in 1921, 17.7 per cent. Imports not known. Has anyone ever seen in the United States an imported windmill of modern design in operation? Our exports dot all the earth's semiarid regions. Factory wage costs in 1914, 22.8 per cent of its selling price; wages plus superintendence, 32 per cent; wages in 1919, 21.6 per cent; Underwood duty, 15 per cent; Fordney duty, 30 per cent. The Fordney duty, if used, will make domestic prices at the factory about 30 per cent more than export prices, being an additional $3,000,000, doubled to consumers at retail, $6,000,000.

THE FORDNEY DUTIES AND HIGH PRICES

Some of the duties in the Fordney law are so high that only insanity could prompt the manufacturers to whom they are granted to add them to their prices. This does not excuse Congress, the trustee of the public interest, which violates its trust if it either invites or makes possible any increase in prices whatsoever not required by an accurate and just disclosure of facts, and particularly of the cost of production in this country and, when possible, of foreign costs. No considerable attempt has been made by Congress to get any costs of production whatsoever.

EVEN CHAIRMAN M'CUMBER:

> "The only good reason for allowing products to come into this country to compete with our own is to hold down and prevent any extortionate charges being made by the producers in our own country. We want foreign competition to prevent combinations." (CONGRESSIONAL RECORD, July 26, 1922.)

A manufacturer's cost book is his business Bible. He lives by it. If the committees of Congress wanted domestic costs they would get them with absolute ease by simply signifying the fact and requiring authentic costs as a part of every hearing or claim for protection from a would-be beneficiary. Those who don't use facts as a basis of action don't want the facts.

Says Chairman Fordney of the Ways and Means Committee, "Whatever duty you put on is for the purpose of bringing the foreign value (price) up to our value." The United States Tariff Commission, after years of experience and investigation, says:

> "Whenever any article that is manufactured here is continuously imported in any considerable quantity the tendency of the tariff is to make the price of the domestic product, as well as the imported article, equal to the foreign price plus the duty."

No one will import unless assured of a price in the United States equal to his foreign price, plus freights and handling charges, plus also, a profit above his costs of doing business. An analysis of over 100 articles in the (Reynolds) report of the 71 tariff experts employed by the Senate Finance Committee to report on foreign and domestic prices, shows that importers invariably sell for all they can reasonably get in the American market, and that in every case the price of the domestic article determines the price of the foreign. The importer often gets higher than domestic prices because his goods are preferred.

To make our prices higher than necessary by such a law as the Fordney is to tax our consumers $100, and in some cases $1,000,000 for each $1 that it will be possible to collect at the customhouse.

In fact, ordinary articles of general consumption sold in our stores and "made both here and abroad," cost American consumers about double the price they cost foreign consumers, and ordinary fancy articles like handbags, beads, and even eyeglasses that carry 50 per cent and higher duties retail here at about five times the foreign manufacturers' prices, so rapidly do percentages pyramid through many successive sellers to the consumer.

It is not unusual for a customs appraiser handling innumerable petty imports, and knowing, for instance, that an article of this sort retails for $5 to clear it offhand at $1 as a fair foreign manufacturers' price. This is on the basis of a foreign factory price of, say $1, to which would be added 10 per cent landing charges plus duty of, say 60 per cent, making the cost to the importer, landed, $1.70. To this he would be entitled to 50 per cent additional for costs of doing business in such articles, making $2.35 to the retailer and $5 to the consumer. This is for modest luxuries, so called. Margins would be greater on some things and much less on articles of general service. In any case the importer rightly figures his margins on his landed costs, duty paid. The duty is as much a part of the cost as the foreign price. What part of his final cost goes to a foreign manufacturer and what part to ocean freight and to duties is immaterial to him. It is, however, for Congress to heed the fact that duties are pyramided and each duty is doubled and often trebled in the ordinary course of normal business against the consumer. Duties like prices should be as low as circumstances warrant in every case.

This five-fold increase in prices of fancy articles is regarded as legitimate by impartial public servants who have figured percentages carefully. The increase, however, is a burden upon American life. It is not chargeable to retailers or others, for at this rate no one gets an excessive profit. These things can be bought, however, at retail in Europe usually for one-half the American price. A 50 per cent tariff alone often adds from 100 per cent to 200 per cent to the foreign factory price by the time the article reaches the consumer. When these facts are known protectionists will make certain that carelessness and partiality in tariff making does not aggravate this burden of high prices.

A CONGRESSIONAL GIFT—$351,000,000 TO MAKERS OF HEAVY STEEL PRODUCTS

The duties given in the Fordney law embargoes importations. They carelessly offer to the makers of heavy steel products—pig iron, cast and wrought iron pipe, structural iron, tinplate and terneplate, bar steel, steel rails, wire and wire work—$351,000,000, which sum will be doubled to consumers, making about $702,000,000 to be paid partly in the direct cost of highly finished products like automobiles and machinery, and the balance in amortization charges.

IMPORTS EMBARGOED—REVENUES NEGLIGIBLE

Imports would be negligible on these basic steel products with no revenue accruing worth collecting. If, however, the quantities imported in 1921 can be imagined as coming in under these high duties, and consequently as selling here, as would be necessary, at foreign prices plus duty and landing charges, this would be conclusive proof that the entire $702,000,000 tariff benefit had been added to domestic prices. On this basis the revenue from imports of heavy steel products here considered would total $1,287,043. The Government would get this, the people would lose $996,000,000 per year so long as these conditions prevailed. The Government would collect $1 for each $540 it made the public liable for.

TO USERS OF LIGHT STEEL PRODUCTS, $1,580,000,000

To the above $702,000,000 of protection on heavy steel products would be added a possible $1,580,000,000 on only 21 of the many highly finished steel products upon which the Government would collect only $5,603,907, or $1 against each $282 it made the public liable for.

*Cost of protection and revenue derived under proposed rates—Basis of 1919 production*

| 1<br>Article | 2<br>Tariff allowance to manufacturers | 3<br>Cost to consumer | 4<br>Revenue to Government |
|---|---|---|---|
| Bolts, nuts, washers, and rivets | $11,000,000 | $22,000,000 | $5,975 |
| Electrical machinery | 323,000,000 | 646,000,000 | 329,561 |
| Stamped and enameled ware | 45,000,000 | 90,000,000 | 187,918 |
| Sewing machines | 11,000,000 | 22,000,000 | 119,549 |
| Adding and calculating machines | 13,000,000 | 26,000,000 | (1) |
| Cash registers | 6,000,000 | 12,000,000 | 1,011 |
| Screws | 3,000,000 | 6,000,000 | 576 |
| Nails, wire | 9,000,000 | 18,000,000 | 7,066 |
| Hardware, saddlery | 5,000,000 | 10,000,000 | (1) |
| Hardware, locks, builders, other | 52,000,000 | 104,000,000 | (1) |
| Files | 6,000,000 | 12,000,000 | 47,016 |
| Cutlery and edge tools | 75,000,000 | 150,000,000 | 870,559 |
| Steam locomotives | 20,000,000 | 40,000,000 | 3,008 |
| Other steam engines | 121,000,000 | 242,000,000 | 869 |
| Gas engines | | | (1) |
| Water wheels, motors, etc. | | | (1) |
| Machine tools | 55,000,000 | 110,000,000 | 30,828 |
| Pumps, power | 14,000,000 | 28,000,000 | (1) |
| Pumps, other than power | 8,000,000 | 16,000,000 | (1) |
| Washing machines | 10,000,000 | 20,000,000 | (1) |
| Windmills | 3,000,000 | 6,000,000 | (1) |
| Total (21 highly finished steel products) | 790,000,000 | 1,580,000,000 | 5,603,907 |
| Heavy steel products: | | | |
| Pig iron | 41,000,000 | 82,000,000 | 503,732 |
| Cast or wrought iron pipe | 84,000,000 | 168,000,000 | 18,470 |
| Structural iron | 17,000,000 | 34,000,000 | 5,964 |
| Tinplate and terneplate | 7,000,000 | 14,000,000 | 10,068 |
| Bar steel | 75,000,000 | 150,000,000 | 206,239 |
| Steel rails | 5,000,000 | 10,000,000 | 84,121 |
| Wire and wirework | 122,000,000 | 244,000,000 | 458,449 |
| Total 7 heavy steel products | 351,000,000 | 702,000,000 | 1,287,043 |
| Grand total 7 heavy and 21 light products | 1,141,000,000 | 2,282,000,000 | 6,890,950 |

[1] Not shown.

The Government will get $1 of revenue (col. 4) for each $330 it makes the public liable for.

A round billion one hundred million of dollars ($1,114,000,000—col. 1), mostly unwarranted, to steel men, and a burden of two and a quarter billions of dollars upon consumers (col. 2, p. 21), or as much of this amount as manufacturers can exact.

Here is a potential, and mostly unnecessary, addition to the American cost of living on heavy steel products plus only 20 of the greater number of highly finished steel products, of two and a half billion dollars ($2,282,000,000—col. 3, p. 21).

We invite the criticism that these figures are preposterous. The Fordney law is preposterous. Consequently its effect upon American life can only be preposterous. Its evil proposals can never be fully availed of by its beneficiaries. It gives these beneficiaries, however, the supporting arm of the Government for price rigging and price maintenance, with the consumers' recourse only to the Department of Justice against unlawful practices to which the bill incites its beneficiaries.

It prohibits importation in prosperous times, when manufacturers can charge what they want because of the excessive consumption demand. It starts protection, like the swine of old, "Down a steep place into the sea"—a sea of disrespect and corruption.

*Steel and iron and other metal trades—Relations of customs tariff rates to production, wages, trade extension, and cost of living*

[This and all following tables prepared by experienced statisticians from reports of Bureaus of the Census and of Foreign and Domestic Commerce, Washington, D. C. Since approved by an expert of the latter bureau assigned to similar work in the Senate's consideration of the tariff [1]]

| 1 | 2 | | 3 | | | | 4 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Metal products | Domestic production, manufacturers' sales prices | | Domestic exports, value | | | | Imports for consumption, value | | | |
| | 1914 | 1919 | 1914 | 1919 | 1920 | 1921 | 1914 | 1919 | 1920 | 1921 |
| Iron and steel: [2] | | | | | | | | | | |
| Blast furnaces— | | | | | | | | | | |
| Pig iron | $312,761,617 | $785,960,412 | $2,859,830 | $12,313,183 | $10,074,377 | $933,093 | [3] $3,195,941 | $5,935,744 | $12,082,388 | $1,626,506 |
| Other products (slag, gas, etc.) | 4,892,366 | 8,506,146 | | | | | [2] 1,695,378 | 629,362 | 719,446 | 388,420 |
| Total | 317,653,983 | 794,466,558 | 2,859,830 | 12,313,183 | 10,074,377 | 933,093 | 4,891,319 | 6,565,106 | 12,801,834 | 2,014,926 |
| Bar steel | 71,352,396 | 313,907,923 | 7,392,163 | 56,672,314 | 62,726,372 | 15,156,074 | 2,580,444 | 1,666,900 | 2,823,930 | 763,848 |
| Steel rails | 54,009,918 | 92,849,481 | 10,259,109 | 38,986,855 | 36,193,689 | 18,395,580 | 205,765 | 651,830 | 1,894,226 | 841,214 |
| Tin plate and terneplate | 68,342,962 | 97,404,720 | 3,643,806 | 36,997,634 | 40,545,291 | 17,415,152 | 1,510,636 | 66,944 | 127,168 | 125,856 |
| Structural ironwork | 216,853,223 | 473,464,107 | 12,533,063 | 28,956,816 | 38,384,690 | 26,824,258 | 419,349 | 131,669 | 284,167 | 149,097 |
| Pipe— | | | | | | | | | | |
| Cast iron | 26,659,365 | 50,539,563 | 14,337,973 | 5,177,752 | 9,753,446 | 7,265,747 | 3,393 | 6,226 | 41,074 | 2,146 |
| Wrought iron | 98,772,555 | 327,344,911 | | 35,229,750 | 43,774,296 | 48,953,189 | 403,496 | 87,595 | 53,862 | 66,816 |
| Total | 125,431,920 | 377,884,474 | 14,337,973 | 40,407,502 | 53,527,742 | 56,218,936 | 406,889 | 93,821 | 94,936 | 68,962 |
| Wire and wirework | 190,747,732 | 444,697,698 | 15,233,299 | 61,613,546 | 61,834,718 | 19,609,463 | 1,441,984 | 601,897 | 1,609,884 | 1,433,721 |
| Bolts, nuts, washers, and rivets | 33,085,790 | 109,333,177 | 1,635,707 | 7,769,893 | 7,274,411 | 4,884,596 | 45,724 | 42,305 | 74,522 | 54,317 |
| Cutlery and edge tools— | | | | | | | | | | |
| Table cutlery | 5,606,000 | 4,862,906 | 168,623 | 2,379,848 | 3,458,756 | 1,168,575 | 267,377 | 43,435 | 241,832 | 249,183 |
| Razors, plain and safety | 4,912,000 | 24,554,337 | 472,252 | 4,150,803 | 5,715,089 | 2,300,870 | 473,045 | 70,462 | 428,964 | 488,634 |
| Knives (except table) | 4,085,000 | 9,691,928 | 507,120 | 3,606,376 | 3,999,082 | 1,249,538 | [4] 1,302,255 | 139,442 | 585,376 | 919,366 |
| All other cutlery | 4,838,000 | 14,771,658 | | | | | 856,679 | 215,406 | 630,409 | 989,366 |
| Edge tools | 6,100,000 | 12,748,741 | 1,115,303 | 6,015,901 | 5,904,442 | 3,864,673 | [5] | [5] | [5] | [5] |
| Total | 25,541,000 | 66,629,570 | 2,263,298 | 16,352,928 | 19,077,369 | 8,583,656 | 2,899,356 | 468,745 | 1,886,581 | 2,647,143 |
| Files | 5,608,157 | 17,616,563 | | 5,181,792 | 5,550,619 | 2,542,153 | 101,949 | 49,855 | 100,471 | 106,854 |
| Hardware— | | | | | | | | | | |
| Locks | 9,271,000 | 14,374,476 | 1,450,557 | 4,145,325 | 6,387,214 | 2,174,986 | | | | |
| Builders' hardware | 24,280,000 | 53,942,790 | 4,581,322 | 3,268,435 | 4,870,974 | 2,204,268 | | | | |
| All other (except saddlery) | 39,768,697 | 86,207,622 | | 4,267,125 | 6,216,636 | 3,590,173 | [5] | [5] | [5] | [5] |
| Saddlery hardware | 4,039,971 | 14,136,556 | [5] | [5] | [5] | [5] | | | | |
| Total | 77,359,668 | 168,661,444 | 6,031,879 | 11,680,885 | 17,474,824 | 7,969,427 | | | | |
| Machinery— | | | | | | | | | | |
| Cash registers and calculating machines— | | | | | | | | | | |
| Adding and calculating | 30,519,587 | 52,606,142 | 1,670,585 | 3,863,217 | 6,790,407 | 2,652,991 | [5] | [5] | [5] | [5] |
| Cash registers and parts of | | 30,932,883 | 4,834,626 | 4,375,526 | 5,942,070 | 2,849,303 | 914 | 597 | 324 | 4,045 |
| Total | 30,519,587 | 83,539,025 | 6,505,211 | 8,238,743 | 12,732,477 | 5,502,294 | | | | |
| Engines, steam, gas, and water (except locomotives) | 72,121,112 | 464,774,735 | 12,926,447 | 89,520,789 | 92,024,352 | 37,139,309 | [6] 45,871 | [6] 344,092 | [6] 148,878 | [6] 5,733 |
| Locomotives (not made by railroad companies) | 43,374,141 | 156,269,730 | 3,692,225 | 30,275,728 | 53,629,847 | 33,696,331 | 28,322 | 37,785 | 63,739 | 20,050 |
| Machine tools | 31,446,660 | 212,400,158 | 14,011,359 | 22,627,477 | 21,536,366 | 7,751,983 | 306,096 | 139,619 | 432,581 | 205,519 |
| Pumps— | | | | | | | | | | |
| Steam and other power | 17,864,311 | 53,745,502 | 3,723,337 | 9,067,458 | 13,684,468 | 11,966,469 | [5] | [5] | [5] | [5] |
| All other pumps | 6,350,411 | 31,656,438 | | | | | | | | |
| Total | 24,214,722 | 85,401,940 | 3,723,337 | 9,067,458 | 13,684,468 | 11,966,469 | | | | |
| Sewing machines and parts of | 21,391,917 | 43,694,919 | 11,494,801 | 7,774,124 | 15,581,843 | 7,306,074 | 586,945 | 225,541 | 346,519 | 398 |
| Washing machines and clothes wringers | 7,599,802 | 40,771,285 | 1,125,354 | 1,195,789 | 2,040,748 | 1,304,064 | [5] | [5] | [5] | [5] |
| Windmills | 5,496,591 | 9,932,585 | 1,618,349 | 1,091,543 | 2,256,750 | 1,753,827 | [5] | [5] | [5] | [5] |
| Nails, wire | 24,703,633 | 55,426,860 | 1,693,632 | 10,744,696 | 11,880,398 | 3,172,064 | 15,009 | 346,636 | 1,698,774 | 4,38 |
| Screws, wood | 8,216,940 | 15,459,582 | | 2,737,716 | 1,968,496 | 1,068,995 | 590 | 507 | 2,595 | 703 |
| Aluminum manufactures | 19,597,465 | 75,277,948 | 1,101,920 | 3,890,326 | 6,630,781 | 3,108,857 | 1,412,578 | 277,846 | 2,288,271 | 2,05,114 |
| Brass, bronze, and copper products: [2] | | | | | | | | | | |
| Copper smelting and refining | 444,021,958 | 651,101,591 | 146,222,556 | 106,602,776 | 122,776,334 | 87,023,984 | [3] 39,823,690 | 8,060,408 | 20,913,095 | 9,218,835 |
| Copper manufactures | 30,723,000 | 78,338,948 | | | | | [2] 169,105 | 66,686 | 236,436 | 61,818 |
| Brass and bronze manufactures | 123,580,000 | 389,550,094 | 4,758,274 | 14,841,037 | 15,866,275 | 8,658,508 | 1,126,556 | 491,598 | 946,005 | 963,938 |
| All other | 7,896,019 | 14,423,748 | | | | | | | | |
| Total | 606,220,977 | 1,133,414,381 | 150,980,830 | 121,442,813 | 138,642,609 | 95,682,492 | 41,119,351 | 8,618,692 | 22,095,536 | 10,244,591 |

[1] These tables were much used in the discussion of the Fordney bill. They disclosed, for the first time, many fundamental facts and relationships. Column 2 shows the increased production from the last pre-war normal year, 1914, to 1919, as per the census of these years. While this increase in money value is largely an increase in costs and prices only, it nevertheless indicates a very considerable increase in volume. Column 3 shows most fortunate post-war increases in exports as compared with pre-war 1914, even in 1921, when foreign trade was badly demoralized. As prices were about one-third lower in 1921, than in 1919 and 1920, the decrease in volume of exports in 1921 was less than here appears. Total exports of these commodities (column 4) were 4.8 times greater than imports in 1914; 13 times greater in 1920; and 15 times greater in 1921. It would seem that Congress might have been willing that we continue to buy $1 of imports while foreigners take $15 worth of the same goods from us. Instead, the Fordney law seeks to reduce the $1 of imports. The percentages (columns 5 and 6) of exports and imports to domestic production are most favorable. The percentages (column 8) going to wages from each $1 of product at factory prices indicate how little protection is needed for the wage earner. Column 9 compared with column 8 shows the relation of the Payne, Underwood, and Fordney tariffs to the wages in the various industries. Our wages are as low in many industries per yard or pound of product as foreign wages. Column 11 indicates the extent to which Congress has invited our manufacturers to raise their prices above foreign competition and above their own export prices, which have to be at foreign price levels, and are satisfactory as indicated by their huge volume, $845,922,774 in 1920 and $493,196,764 in 1921.

[2] Dutiable.
[3] Free.
[4] Not separately enumerated.
[5] Steam engines only.
[6] Carbon manufactures and electric lights only.
[7] Of iron and steel.

*Steel and iron and other metal trades—Relations of customs tariff rates to production, wages, trade extension, and cost of living*—Continued

This and all following tables prepared by experienced statisticians from reports of Bureaus of the Census and of Foreign and Domestic Commerce, Washington, D. C. Since approved by an expert of the latter bureau assigned to similar work in the Senate's consideration of the tariff[1]

| 1 | 2 | | 3 | | | | 4 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Metal products | Domestic production, manufacturers' sales prices | | Domestic exports, value | | | | Imports for consumption, value | | | |
| | 1914 | 1919 | 1914 | 1919 | 1920 | 1921 | 1914 | 1919 | 1920 | 1921 |
| Clocks and watches:[2] | | | | | | | | | | |
| Clocks | $11,031,720 | $23,380,190 | $1,552,725 | $3,920,514 | $4,897,972 | $2,492,533 | $931,040 | $157,137 | $531,035 | $1,022,791 |
| Watches (including parts of clocks and watches) | 23,120,815 | 53,004,769 | 1,460,424 | 2,273,045 | 2,145,463 | 819,043 | 3,344,168 | 12,222,466 | 14,260,047 | 9,718,077 |
| Total | 34,152,535 | 76,384,959 | 3,013,149 | 6,193,559 | 7,043,435 | 3,311,576 | 4,275,208 | 12,379,603 | 14,791,142 | 10,740,868 |
| Electrical machinery and supplies | 335,170,194 | 997,968,119 | 23,060,844 | 89,089,711 | 101,990,004 | 95,817,885 | [6] 1,224,806 | [6] 428,248 | [6] 840,222 | [6] 732,357 |
| Stamped and enameled ware:[3] | | | | | | | | | | |
| Stamped ware | 48,837,000 | 101,094,308 | (4) | (4) | (4) | (4) | (4) | (4) | (4) | (4) |
| Enameled ware | 18,706,000 | 37,636,584 | 321,590 | 4,073,455 | 5,054,296 | 1,835,233 | [7] 833,251 | [7] 65,828 | [7] 366,238 | [7] 398,467 |
| Bath tubs, lavatories, and sinks | 578,301 | 4,922,985 | 779,369 | 981,419 | 1,949,435 | 1,554,562 | (4) | (4) | (4) | (4) |
| Total | 65,121,301 | 143,653,877 | 1,100,959 | 5,054,874 | 7,003,731 | 3,389,795 | | | | |
| Tinware, n. e. s. | 81,930,880 | 233,964,009 | 1,553,010 | 4,507,715 | 5,612,317 | 2,692,371 | 184,718 | 28,873 | 86,792 | [7] 91,223 |
| Grand total | 2,595,265,206 | 6,785,249,818 | 313,791,554 | 730,386,409 | 845,922,774 | 493,196,764 | 64,537,044 | 33,230,939 | 64,849,330 | 33,119,741 |

| 1 | 5 | | | | 6 | | | | 7 | | 8 | | | 9 | | | 10 | | 11 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Metal products | Per cent of exports to production | | | | Per cent of imports to production | | | | Domestic wages | | Per cent of wages to domestic manufacturers' selling price | | | Tariff rates equivalent ad-valorem (per cent) | | | Per cent tariff rates to wages | | Tariff protection to manufacturers, in millions of dollars | | |
| | | | | | | | | | | | 1914 | | | | | | | | | | |
| | 1914 | 1919 | 1920 | 1921 | 1914 | 1919 | 1920 | 1921 | 1914 | 1919 | Wages | Wages and salaries | 1919 wages | Payne law, imports, fiscal year 1913 | Underwood law, calendar year 1919 | Fordney law 1922 | 1914, Payne rates | 1919, Underwood rates | 1919 | 1914 | Fordney law |
| Iron and steel:[5] | | | | | | | | | | | | | | | | | | | | | |
| Blast furnaces— | | | | | | | | | | | | | | | | | | | | | |
| Pig iron | 0.9 | 1.6 | 1.3 | 0.1 | 1.5 | 0.8 | 1.6 | 0.3 | $22,780,626 | $73,769,395 | 7.2 | 9.1 | 9.3 | 7.5 | Free. | 2.2-49.3 | 104 | 0 | 22 | 0 | 41 |
| Other products, (slag, gas, etc.) | | | | | | | | | | | | | | | 15.0 | | | | | | |
| Total | | | | | | | | | 22,780,626 | 73,769,395 | 7.2 | 9.1 | 9.3 | 7.5 | Free. | 25.0 | 104 | 0 | 22 | 0 | 41 |
| Bar steel | 10.4 | 18.1 | 20.0 | 4.8 | 3.6 | .5 | .9 | .2 | 14,413,184 | 69,687,559 | 20.2 | 24.2 | 22.2 | 21.4 | 13.0 | 27.0 | 106 | 59 | 13 | 36 | 75 |
| Steel rails | 19.0 | 42.0 | 39.0 | 19.8 | .4 | .7 | 2.0 | .9 | 10,531,934 | 19,869,789 | 19.5 | 23.4 | 21.4 | 15.8 | Free. | 5.8 | 81 | 0 | 7 | 0 | 5 |
| Tinplate and terneplate | 5.3 | 38.0 | 41.6 | 17.9 | 2.2 | .07 | .1 | .1 | 3,924,447 | 5,756,417 | 5.8 | 6.9 | 5.9 | 35.1 | 15.0 | 8.0 | 605 | 254 | 18 | 13 | 7 |
| Structural-iron work | 5.7 | 6.1 | 8.1 | 5.7 | .2 | .03 | .06 | .03 | 45,539,177 | 96,113,214 | 21.0 | 28.6 | 20.3 | 24.7 | 10.0 | 4-25 | 118 | 49 | 43 | 43 | 17 |
| Pipe— | | | | | | | | | | | | | | | | | | | | | |
| Cast-iron | 11.4 | 10.2 | 19.3 | 14.3 | .01 | .01 | .08 | .004 | 7,064,732 | 14,808,092 | 26.5 | 30.4 | 29.3 | 14.8 | 10.0 | 20.0 | 56 | 34 | 3 | 5 | 10 |
| Wrought-iron | | 10.8 | 13.4 | 15.0 | .4 | .03 | .02 | .02 | 15,113,201 | 59,576,774 | 15.3 | 18.6 | 18.2 | 30.1 | 20.0 | 27.0 | 197 | 110 | 23 | 55 | 74 |
| Total | 11.4 | 10.7 | 14.2 | 14.9 | .3 | .02 | .03 | .02 | 22,177,933 | 74,384,866 | 17.7 | 21.1 | 19.7 | | | | | | 26 | 60 | 84 |
| Wire and wirework | 8.0 | 13.9 | 13.9 | 4.4 | .8 | .1 | .4 | .3 | 27,276,926 | 78,711,493 | 14.3 | 19.1 | 17.7 | 41.1 | 16.8 | 32.0 | 287 | 95 | 56 | 64 | 122 |
| Bolts, nuts, washers, and rivets | 4.9 | 7.1 | 6.7 | 4.5 | .1 | .04 | .07 | .05 | 8,436,870 | 25,583,963 | 25.5 | 32.9 | 23.4 | 21.4 | 10.5 | 11.0 | 84 | 45 | 6 | 10 | 11 |
| Cutlery and edge tools: | | | | | | | | | | | | | | | | | | | | | |
| Table cutlery | 3.0 | 48.9 | 71.1 | 24.0 | 4.6 | .9 | 5.0 | 5.1 | 2,088,000 | 2,114,878 | 37.2 | 44.0 | 43.5 | 42.2 | 30.0 | 235.2 | 113 | 69 | 2 | 1 | 9 |
| Razors, plain and safety | 9.6 | 16.8 | 23.2 | 9.3 | 9.6 | .3 | 1.7 | 1.9 | 811,000 | 3,942,711 | 16.5 | | 16.1 | 68.6 | 54.3 | 213.9 | 416 | 337 | 2 | 9 | 34 |
| Knives (except table) | 5.7 | 14.7 | 16.3 | 5.1 | 31.9 | 2.1 | 8.8 | 13.9 | 2,045,000 | 4,456,697 | 50.1 | | 46.0 | 75.5 | 49.2 | 172.4 | 151 | 107 | 2 | 3 | 11 |
| All other cutlery | | | | | 7.8 | .8 | 2.4 | 3.8 | 1,971,000 | 5,418,997 | 40.7 | | 36.7 | 52.1 | 30.0 | 150.8 | 128 | 82 | 2 | 3 | 17 |
| Edge tools | 18.2 | 47.2 | 46.3 | 36.3 | | | | | 2,166,000 | 4,115,182 | 35.5 | | 32.3 | 45.0 | 20.0 | 40.0 | 127 | 62 | 2 | 2 | 4 |
| Total | 9.0 | 24.5 | 28.6 | 13.8 | 11.4 | .7 | 2.8 | 4.0 | 9,076,000 | 20,048,465 | 35.5 | 44.0 | 30.1 | 63.0 | 39.3 | 177.7 | 177 | 131 | 10 | 18 | 75 |
| Files | | 29.4 | 31.5 | 14.4 | 1.8 | .3 | .6 | .6 | 2,135,436 | 6,192,444 | 38.0 | 46.4 | 35.2 | 56.1 | 25.0 | 44.0 | 148 | 71 | 2 | 3 | 6 |
| Hardware: | | | | | | | | | | | | | | | | | | | | | |
| Locks | 15.6 | 28.8 | 44.4 | 15.1 | | | | | 3,229,000 | 4,475,487 | 34.8 | 40.8 | 31.1 | 45.0 | 20.0 | 40.0 | 129 | 64 | 23 | 26 | 52 |
| Builders' hardware | 18.9 | 6.1 | 9.0 | 4.1 | | | | | 7,805,000 | 17,314,477 | 32.4 | | 32.1 | | | | 139 | 82 | | | |
| All other (except saddlery) | | 4.9 | 7.2 | 4.2 | | | | | 11,489,132 | 23,439,986 | 28.9 | | 27.2 | | | | 156 | 74 | | | |
| Saddlery hardware | | | | | | | | | 1,248,441 | 4,043,799 | 30.9 | 39.7 | 28.6 | 45.0 | 20.0 | 42.5 | 146 | 70 | 1 | 2 | 5 |
| Total | 7.8 | 6.9 | 10.4 | 4.7 | | | | | 23,831,573 | 49,273,749 | 30.8 | 40.7 | 29.2 | | | | | | 24 | 28 | 57 |

[1] These tables were much used in the discussion of the Fordney bill. They disclosed, for the first time, many fundamental facts and relationships. Column 2 shows the increased production from the last pre-war normal year, 1914 to 1919, as per the census of these years. While this increase in money value is largely an increase in costs and prices only, it nevertheless indicates a very considerable increase in volume. Column 3 shows most fortunate post-war increases in exports as compared with pre-war 1914, even in 1921, when foreign trade was badly demoralized. As prices were about one-third lower in 1921, than in 1919 and 1920, the decrease in volume of exports in 1921 was less than here appears. Total exports of these commodities (column 4) were 4.8 times greater than imports in 1914; 13 times gerater in 1920; and 15 times greater in 1921. It would seem that Congress might have been willing that we continue to buy $1 of imports while foreigners take $15 worth of the same goods from us. Instead, the Fordney law seeks to reduce the $1 of imports. The percentages (columns 5 and 6) of exports and imports to domestic production are most favorable. The percentages (column 8) going to wages from each $1 of product at factory prices indicate how little protection is needed for the wage earner. Column 9 compared with column 8 shows the relation of the Payne, Underwood, and Fordney tariffs to the wages in the various industries. Our wages are as low in many industries per yard or pound of product as foreign wages. Column 11 indicates the extent to which Congress has invited our manufacturers to raise their prices above foreign competition and above their own export prices, which have to be at foreign price levels, and are satisfactory as indicated by their huge volume, $845,922,774 in 1920 and $493,196,764 in 1921.

[2] Dutiable.

[3] Not separately enumerated.

[6] Carbon manufactures and electric lights only.

[7] Of iron and steel.

*Steel and iron and other metal trades—Relations of customs tariff rates to production, wages, trade extension, and cost of living*—Continued

[This and all following tables prepared by experienced statisticians from reports of Bureau of the Census and of Foreign and Domestic Commerce, Washington, D. C. Sinced approved by an expert of the latter bureau assigned to similar work in the Senate's consideration of the tariff.]

| 1 | 5 | | | | 6 | | | | 7 | | 8 | | | 9 | | | 10 | | 11 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Metal products | Per cent of exports to production | | | | Per cent of imports to production | | | | Domestic wages | | Per cent of wages to domestic manufacturers' selling price | | | Tariff rates equivalent ad-valorem (per cent) | | | Per cent tariff rates to wages | | Tariff protection to manufacturers, in millions of dollars | | |
| | 1914 | 1919 | 1920 | 1921 | 1914 | 1919 | 1920 | 1921 | 1914 | 1919 | 1914 | | | Payne law, imports, fiscal year 1913 | Underwood law, calendar year 1919 | Fordney law 1922 | 1914, Payne rates | 1919, Underwood rates | 1914 | 1919 | Fordney law |
| | | | | | | | | | | | Wages | Wages and salaries | 1919 wages | | | | | | | | |
| Machinery: | | | | | | | | | | | | | | | | | | | | | |
| Cash registers and calculating machines— | | | | | | | | | | | | | | | | | | | | | |
| Adding and calculating | 23.1 | 6.7 | 12.9 | 5.0 | | | | | 86,110,271 | $13,524,908 | 20.0 | 38.0 | 25.7 | 45.0 | 20.0 | 30.0 | 225 | 78 | 8 | 9 | 13 |
| Cash registers and parts of | | 14.1 | 19.2 | 9.2 | .006 | .002 | .001 | .01 | | 9,012,357 | | | 29.1 | 30.0 | Free. | 25.0 | 150 | 0 | | 0 | 6 |
| Total | 23.1 | 9.9 | 15.2 | 6.6 | | | | | 6,110,271 | 22,537,265 | 20.0 | 38.0 | 27.0 | | | | | | 8 | 9 | 19 |
| Engines, steam, gas, and water (except locomotives) | 17.9 | 19.3 | 19.8 | 8.0 | .06 | .07 | .03 | .001 | 21,420,737 | 105,435,455 | 29.7 | 39.6 | 22.7 | 45.0 | 15.0 | 30.0 | 152 | 66 | 22 | 61 | 121 |
| Locomotives (not made by railroad companies) | 8.5 | 19.4 | 34.3 | 21.6 | .07 | .02 | .04 | .01 | 11,085,375 | 38,798,641 | 25.6 | 32.0 | 24.8 | 30.0 | 15.0 | 15.0 | 117 | 60 | 10 | 20 | 20 |
| Machine tools | 44.6 | 10.7 | 10.1 | 3.6 | 1.0 | .07 | .2 | .1 | [5]8,867,966 | 66,178,969 | 28.2 | 37.9 | 31.2 | 30.0 | 15.0 | 30.0 | 106 | 48 | 7 | 28 | 55 |
| Pumps— | | | | | | | | | | | | | | | | | | | | | |
| Steam and other power | 15.4 | 10.6 | 16.0 | 14.0 | | | | | 4,163,743 | 13,763,526 | 23.3 | 33.9 | 25.6 | 30.0 | 15.0 | 30.0 | 129 | 59 | 4 | 7 | 14 |
| All other pumps | | | | | | | | | 1,391,460 | 5,968,121 | 21.9 | 31.1 | 18.9 | 30.0 | 15.0 | 30.0 | 137 | 79 | 1 | 4 | 8 |
| Total | 15.4 | 10.6 | 16.0 | 14.0 | | | | | 5,555,203 | 19,731,647 | 22.9 | 33.2 | 23.1 | 30.0 | 15.0 | 30.0 | | | 5 | 11 | 22 |
| Sewing machines and parts of | 53.7 | 25.5 | 35.7 | 16.7 | 2.7 | .5 | .7 | .9 | 8,860,843 | 19,333,378 | 41.4 | 50.1 | 44.2 | 30.0 | Free. | 25.0 | 72 | 0 | 5 | 0 | 10 |
| Washing machines and clothes wringers | 14.8 | 2.9 | 5.1 | 3.2 | | | | | 1,220,882 | 6,431,378 | 16.1 | 25.3 | 15.8 | 45.0 | 20.0 | 30.0 | 280 | 127 | 2 | 7 | 10 |
| Windmills | 29.4 | 11.0 | 22.7 | 17.7 | | | | | 1,252,330 | 2,145,301 | 22.8 | 22.0 | 21.6 | 45.0 | 20.0 | 30.0 | 197 | 93 | 2 | 2 | 3 |
| Nails, wire | 6.9 | 19.4 | 21.4 | 5.7 | .06 | .6 | 3.0 | .08 | 2,248,031 | 8,203,175 | 9.1 | 13.3 | 14.8 | 10.0 | Free. | 16.0 | 110 | 0 | 2 | 0 | 9 |
| Screws, wood | | 17.7 | 12.7 | 26.9 | .009 | .003 | .02 | .01 | 1,950,498 | 4,864,613 | 31.4 | 40.1 | 31.5 | 66.1 | 25.0 | 25.0 | 211 | 79 | 2 | 3 | 3 |
| Aluminum manufactures | 5.6 | 5.2 | 7.5 | 4.1 | 7.2 | .4 | 3.0 | 2.7 | 2,611,251 | 13,327,306 | 13.3 | 15.8 | 17.7 | 45.0 | 20.4 | 45.2 | 539 | 125 | 6 | 13 | 28 |
| Brass, bronze, and copper products: [4] | | | | | | | | | | | | | | | | | | | | | |
| Copper smelting and refining | 30.8 | 14.6 | 16.8 | 11.9 | 8.4 | 1.1 | 2.9 | 1.3 | 16,149,251 | 25,723,371 | 3.5 | 4.4 | 4.0 | Free. | Free. | Free. | 0 | 0 | 0 | 0 | 0 |
| Copper manufactures | | | | | | | | | | | | | | (Free. | Free. | Free. | 0 | 0 | 8 | 12 | 32 |
| Brass and bronze manufactures | 3.9 | 3.8 | 4.1 | 2.2 | 1.0 | .1 | .2 | .2 | 25,064,281 | 12,084,924 | 15.5 | 19.8 | 15.1 | 35.0 | 18.8 | 48.0 | 225 | 125 | | | |
| All other | | | | | | | | | | 25,567,785 | | | 20.4 | 42.8 | 20.7 | 45.0 | 276 | 101 | 37 | 67 | 145 |
| | | | | | | | | | | 2,479,409 | | | 17.2 | | | | | | 0 | 0 | 0 |
| Total | | | | | | | | | 41,233,532 | 119,855,489 | 6.8 | 8.6 | 10.6 | | | | | | 46 | 79 | 177 |
| Clocks and watches: [4] | | | | | | | | | | | | | | | | | | | | | |
| Clocks | 14.6 | 16.8 | 21.0 | 10.7 | 8.4 | .7 | 2.3 | 4.4 | 3,653,146 | 7,861,611 | 33.1 | 41.7 | 33.6 | 40.3 | 30.0 | 33.1 | 122 | 89 | 3 | 5 | 10 |
| Watches (including parts of clocks and watches) | 6.3 | 4.3 | 4.0 | 1.5 | 14.4 | 23.1 | 26.9 | 18.3 | 9,842,118 | 21,012,443 | 42.6 | 48.4 | 39.6 | 34.4 | 27.8 | 37.7 | 81 | 70 | 6 | 12 | 16 |
| Total | 8.8 | 8.1 | 9.2 | 4.3 | 12.5 | 16.2 | 19.4 | 14.1 | 13,495,264 | 28,874,054 | 39.5 | 46.3 | 37.8 | 35.8 | 27.8 | 39.1 | 91 | 74 | 9 | 17 | 26 |
| Electrical machinery and supplies | 6.8 | 10.0 | 10.2 | 9.6 | .04 | .04 | .08 | .07 | 73,866,329 | 23,188,852 | 22.0 | 32.5 | 23.9 | 37.3 | 26.6 | 41.0 | 170 | 111 | 91 | 210 | 323 |
| Stamped and enameled ware: [4] | | | | | | | | | | | | | | | | | | | | | |
| Stamped ware | | | | | | | | | 10,148,000 | 23,675,506 | 22.1 | | 23.4 | 45.0 | 20.0 | 40.0 | 204 | 85 | 15 | 17 | 34 |
| Enameled ware | 1.7 | 10.8 | 13.0 | 4.1 | 4.8 | .2 | 1.0 | 1.0 | 4,916,000 | 9,670,172 | 26.2 | 30.9 | 25.7 | 45.0 | 25.0 | 31.0 | 172 | 97 | 6 | 8 | 9 |
| Bath tubs, lavatories, and sinks | 134.8 | 19.9 | 39.6 | 31.6 | | | | | 184,586 | 1,505,633 | 31.9 | | 30.5 | 45.0 | 20.0 | 40.0 | 141 | 66 | | 1 | 2 |
| Total | | | | | | | | | 15,242,586 | 34,851,311 | 23.4 | 30.9 | 24.2 | | | | | | 21 | 26 | 45 |
| Tinware, n. e. s. | 1.8 | 1.8 | 2.4 | 1.1 | .2 | .0 | .04 | .04 | 12,217,359 | 34,493,399 | 14.9 | 19.1 | 14.7 | 45.0 | 20.0 | 40.0 | 302 | 135 | 25 | 39 | 78 |
| Grand total | 12.1 | 10.8 | 12.4 | 7.2 | 2.5 | .5 | 1.0 | .5 | 417,302,561 | 1,282,641,587 | 16.0 | | 18.8 | | | | | | 489 | 800 | 1,455 |

[1] These tables were much used in the discussion of the Fordney bill. They disclosed, for the first time, many fundamental facts and relationships. Column 2 shows the increased production from the last pre-war normal year, 1914 to 1919, as per the census of these years. While this increase in money value is largely an increase in costs and prices only, it nevertheless indicates a very considerable increase in volume. Column 3 shows most fortunate post-war increases in exports as compared with pre-war 1914, even in 1921, when foreign trade was badly demoralized. As prices were about one-third lower in 1921, than in 1919 and 1920, the decrease in volume of exports in 1921 was less than here appears. Total exports of these commodities (column 4) were 4.8 times greater than imports in 1914; 13 times greater in 1920; and 15 times greater in 1921. It would seem that Congress might have been willing that we continue to buy $1 of imports while foreigners take $15 worth of the same goods from us. Instead, the Fordney law seeks to reduce the $1 of imports. The percentages (columns 5 and 6) of exports and imports to domestic production are most favorable. The percentages (column 8) going to wages from each $1 of product at factory prices indicate how little protection is needed for the wage earner. Column 9 compared with column 8 shows the relation of the Payne, Underwood, and Fordney tariffs to the wages in the various industries. Our wages are as low in many industries per yard or pound of product as foreign wages. Column 11 indicates the extent to which Congress has invited our manufacturers to raise their prices above foreign competition and above their own export prices, which have to be at foreign price levels, and are satisfactory as indicated by their huge volume, $845,922,774 in 1920 and $493,196,764 in 1921.

[4] Not separately enumerated.

STEEL PRODUCTS—RELATION OF PROPOSED RATES TO WAGES, EXPORTS, AND IMPORTS

Tariff rates often (cols. 2 and 3 below) exceed our total wage cost of production (col. 2) instead of the difference in cost here and abroad. It enormously favors industries that freely sell abroad at international prices, for instance, wrought iron pipe of which we export (col. 3) three thousand five hundred and seventy-five times more than we import.

| 1 | 2<br>Per cent of wages to factory selling price | 3<br>Fordney tariff rate | 4<br>1921 exports exceed imports by indicated number of times |
|---|---|---|---|
| Heavy steel products: | | *Per cent* | |
| Pig iron | 9.3 | 2.2 to 49.3 | |
| Bar steel | 22.2 | 27 | 24 |
| Steel rails | 21.4 | 5.8 | 22 |
| Structural ironwork | 21 | 4 to 25 | 190 |
| Cast-iron pipe | 29.3 | 20 | 3,575 |
| Wrought-iron pipe | 18.2 | 27 | 750 |
| Tinplate and terneplate | 5.9 | 8 | 179 |
| Wire | 18.6 | 28 | 14 |
| Wirework | 17.1 | 39 | |
| Light steel products: | | | |
| Electrical machinery | 22.9 | 41 | 137 |
| Hardware: | | | |
| Locks | 34.8 | 40 | |
| Builders' | 32.4 | | |
| All other | 28.9 | | |
| Stamped and enameled ware: | | | |
| Stamped ware | 23.4 | 40 | |
| Enamel ware | 25.7 | 31 | 4 |
| Bathtubs, lavatories, etc. | 30.5 | 1 40 | 30 |
| Wire nails | 14.8 | 16 | 70 |
| Screws, wood | 31.5 | 25 | 2,600 |
| Files | 53.2 | 44 | 24 |
| Cash registers | 29.1 | 25 | 920 |
| Adding and calculating machines | 25.7 | 30 | |
| Sewing machines | 44.2 | 25 | 18 |
| Bolts, nuts, washers, etc | 23.4 | 11 | 90 |
| Saddlery hardware | 28.6 | 42.5 | |
| Locomotives, steam | 24.8 | 15 | 2,160 |
| Other steam engines | | 15 | 380 |
| Internal combustion engines | 22.7 | 30 | |
| Water wheels, motors, turbines | | 30 | |
| Pumps: | | | |
| Steam | 25.6 | 30 | |
| All other | 18.9 | 30 | |
| Washing machines and wringers | 15.9 | 30 | |
| Windmills | 21.6 | 45.2 | |
| Aluminum and wares | | | |

1 Estimated.

A DIFFERENCE OF OPINION

[Extracts from the Senate debate on wool (CONGRESSIONAL RECORD, July 26, 1922.)]

Senator LENROOT: "The Payne-Aldrich bill was crooked, yet if it had not hurt the American people * * * there would have been no such political revolution as followed * * *

"There is very little difference between the Payne-Aldrich bill and the duties as reported in this bill."

Senator MCCUMBER: "We died for principle. That is the real thing that was back of the defeat of the Republican Party in 1912. * * *

"The Senators who will vote on this matter have their minds made up—enough of them. They will come in at the ring of the bell."

The adequacy of present tariff rates to protect basic steel products, and, indeed, their ability to do without any protection whatever, is indicated by the following table:

*Basic iron and steel products*

| Product | Calendar year | Domestic exports | Imports for consumption |
|---|---|---|---|
| Iron and steel: | | *Dollars* | *Dollars* |
| Pig iron | 1919 | 12,313,183 | 6,565,106 |
| | 1920 | 10,074,377 | 12,801,834 |
| | 1921 | 933,093 | 2,014,926 |
| Total, 3 years | | 23,320,653 | 21,381,866 |
| Cast and wrought iron pipe | 1919 | 40,407,502 | 93,821 |
| | 1920 | 53,527,742 | 94,936 |
| | 1921 | 56,218,936 | 68,962 |
| Total, 3 years | | 150,154,180 | 257,719 |
| Structural iron | 1919 | 28,956,816 | 131,609 |
| | 1920 | 38,384,690 | 284,167 |
| | 1921 | 26,824,258 | 149,097 |
| Total, 3 years | | 94,165,764 | 564,933 |

*Basic iron and steel products*—Continued

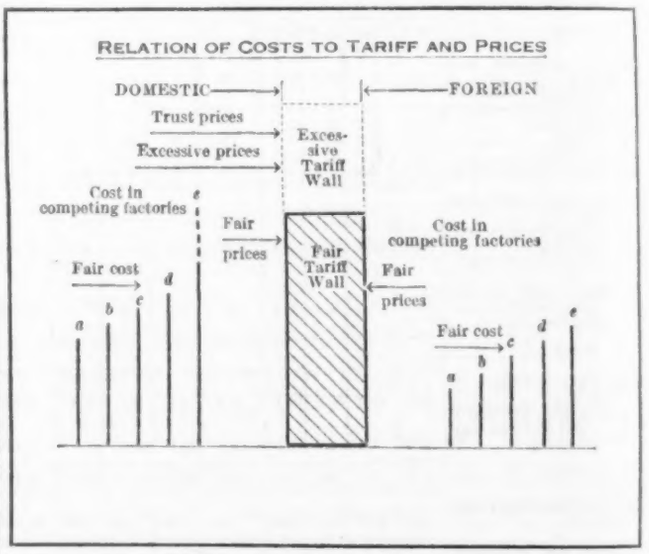
| Product | Calendar year | Domestic exports | Imports for consumption |
|---|---|---|---|
| | | *Dollars* | *Dollars* |
| Tin and terneplate | 1919 | 36,997,634 | 66,944 |
| | 1920 | 40,545,291 | 127,168 |
| | 1921 | 17,415,152 | 125,856 |
| Total, 3 years | | 94,958,077 | 319,968 |
| Bar steel | 1919 | 56,672,314 | 1,666,900 |
| | 1920 | 62,726,372 | 2,823,930 |
| | 1921 | 15,156,074 | 763,848 |
| Total, 3 years | | 134,554,760 | 5,254,678 |
| Steel rails | 1919 | 38,986,855 | 651,830 |
| | 1920 | 36,193,689 | 1,894,226 |
| | 1921 | 18,395,580 | 841,214 |
| Total, 3 years | | 93,576,124 | 3,387,270 |
| Wire and wire work | 1919 | 61,613,546 | 577,930 |
| | 1920 | 61,834,718 | 1,609,884 |
| | 1921 | 19,609,463 | 1,432,652 |
| Total, 3 years | | 143,057,727 | 3,620,466 |
| Total of products, 3 years | | 733,787,285 | 34,786,900 |
| | | 34,786,900 | |
| Excess of exports | | 699,000,385 | |
| Per cent of exports to imports | | 2,109.4 | |

**Exports are twenty times imports.**

**Exclusive of pig iron, exports were $675,680,000, against imports of $13,405,034. Exports were fifty times greater than imports.**

**As Judge Gary is reported to have said, our steel industry is the greatest exporting industry in the world.**

*The theory of protection*




**Costs differ between domestic factories (lines a–e above). They likewise differ between foreign factories.**

**There is, however, an average and "fair cost" abroad, and there is a "fair cost" in the United States that deserves protection.**

**A "Fair Tariff Wall" (see chart) protects fair costs and the fair prices naturally flowing from fair costs. It does not protect stupid or careless manufacturers like domestic "e" above, who can live off the public under excessive protection, but under fair protection, must reform or quit.**

**BY PRICE FIXERS, FOR PRICE FIXERS**

**An "excessive tariff wall" is made by price fixers, for price fixers. It prevents importations in any volume under any circumstances. It enslaves the American people to the highest prices her manufacturers dare charge, and often far higher than these same manufacturers charge foreigners on their own sales abroad.**

**The Senate tariff bill is the worst ever offered in these reports.**

**The Fair Tariff League consists of representatives of 2,500,000 farmers, manufacturers, officers of 500,000 wage earners, merchants, and others, who believe in ample protection for American standards of living and wages.**

**It opposes the misuse of protection at the behest of great and selfish interests. It desires the cooperation of all who so believe.**

THE FORDNEY LAW RAISES THE TARIFF 177 PER CENT UPON THE "SHODDY" FLANNEL CLOTH USED IN MAKING WORKMEN'S CHEAP "WOOL" SHIRTS

The old duty was 35 per cent.
Fordney duty is 97 per cent.
The increase is 177 per cent.

The Fordney law does not provide a straight percentage, but, like the infamous "Schedule K," it provides two duties, one based upon the value and another based upon the weight.

SEE HOW THE FORDNEY LAW DOES IT

| | Per cent |
|---|---|
| The wholesale value of the cloth is 46 cents a yard, and the weight 9 ounces per yard, therefore the cloth is assessed, first | 50 |
| And, second, 45 cents per pound on the "wool content." As it contains 7.65 ounces of "wool shoddy" this equals 21¼ cents per yard, or | 47 |
| Total Fordney duty | 97 |

This increase amounts to 28¼ cents per yard. As 2¼ yards are required to make a shirt, this means an increased cost per shirt of 71 cents, at wholesale, if the "protected" woolen manufacturers take advantage of it. Because of the number of hands through which the cloth must go before it reaches the consumer, this increase would be fully $1.25 per shirt at retail.

In order to "protect" a few wool growers, and a few woolen manufacturers, the American public must not only pay hundreds of millions of dollars in excess prices every year, but all except the rich must wear inferior "shoddy" clothing.

The Fordney law assesses just the same duty per pound on this cheap shoddy as upon the finest cloths. This results in a higher percentage of tax upon the clothing of the poor than upon the clothing of the rich.

For example, the Fordney tariff upon a very fine pure wool 18-ounce cloth is less than two-thirds the duty upon the cheap shoddy.

NOTE HOW THE FORDNEY LAW FAVORS THE RICH

The same double duty of 45 cents per pound and 50 per cent of value apply to this fine cloth as to the cheap "shoddy" cloth. This fine cloth weights 18 ounces per yard. At 45 cents per pound duty this equals 50 cents per yard. But as the wholesale value in England is $3.90 per yard, this equals only 12.8 per cent; to this must be added the "ad valorem" of 50 per cent, making the total Fordney duty 62.8 per cent.

Think of that—97 per cent for the poor, but only 62.8 per cent for the rich.

That is why the American farmer or workingman must wear inferior "shoddy" clothing while his European brother can wear pure wool.

When similar rates, but not so high, were in force under the Payne and Dingley laws, manufacturers said that, "In midwinter, the average farmer and wage earner is clad in a rag-shoddy overcoat; a suit that is 60 per cent shoddy, 20 per cent cotton, and 20 per cent defective wool, and in all-cotton underwear.

Less than 2 per cent, some estimate less than 1 per cent, of our farmers raise sheep in commercial quantities. Why do our farmers cheat themselves out of the use of good wool clothing by unreasonably high duties?

[The above prepared for the Fair Tariff League (nonpartisan), 2 Rector Street, New York City, by F. B. Shipley, 44 East Twenty-fifth Street, New York.]

THE NEW TARIFF AND WOMEN'S WINTER WOOL TWEED SUITS AND CLOAKS

[This statement prepared in September, 1922]

Thirty million bought annually. Additional cost to American women, $120,000,000. The Fordney law raises price from $4 to $5 each above Underwood bill. Let us consider the item of wool cloth for the fashionable and comfortable tweed suits and cloaks, on which it is proposed to tax American women an additional $120,000,000. Men's suits and other woolen wear increases this $120,000,000 tax to $250,000,000, conservatively figured.

All this is to get about $40,000,000 into the pockets of a few wool-growers and $62,000,000 of duties into the Public Treasury.

Only 7 per cent of our farmers raise any wool at all, and less than 2 per cent (some say 1 per cent) raise wool in considerable quantities. The big flocks are mostly in a few hands on great western grazing lands—too poor for anything but sheep.

This is a big tax—$250,000,000—for the purpose of putting less than one-fifth of it, or $40,000,000, in the pockets of these few wool-growers.

This is how the duty figures on the cloth: Sample D, drawn English suitings, 12 ounces—

| UNDERWOOD TARIFF | | NEW FORDNEY LAW | |
|---|---|---|---|
| Foreign cost, 2s. 11d., at $4.40 exchange | $0.64 | Foreign cost | $0.64 |
| Duty, 35 per cent | .22 | Duty, 50 per cent | .32 |
| Insurance, freight, etc | .06 | Duty, 45 cents per pound | .33 |
| | | Insurance, freight, etc | .06 |
| Cost, duty paid | .92 | New cost, duty paid | 1.35 |

Duty is increased more than double over Underwood, or 213¼ per cent.

This is how it figures in women's suits: (Figured in July, 1922, before recent price advances.)

Cost of ladies' suits in D range (English cloth):

| UNDER UNDERWOOD DUTY | | SAME SUIT UNDER FORDNEY LAW | |
|---|---|---|---|
| Three yards, at 92 cents | $2.76 | Three yards, at $1.35 | $4.05 |
| Two yards silk lining, at $1.25 | 2.50 | Two yards silk lining | 2.50 |
| Buttons, canvas, thread, etc | .50 | Buttons, thread, etc | .50 |
| Labor | 4.00 | Labor | 4.00 |
| Manufacturers' cost | 9.76 | Manufacturers' cost | 11.05 |
| Manufacturers' profit, 28 per cent | 2.43 | Manufacturers' profit, 28 per cent | 3.09 |
| Selling price, net | 12.00 | Selling price, net | 14.25 |
| Retail profit, 65 per cent | 7.50 | Retail profit, 65 per cent | 9.25 |
| | 19.50 | Retail price | 23.50 |

Advance under Fordney law, 27¼ per cent, or $4.

In the above no consideration is given the short-lived, hastily enacted emergency tariff of 1921, which came between the Underwood and Fordney laws, as vast accumulations of wool previous to the emergency law made it ineffective on prices.

(October 11, 1922. To-day the American Woolen Mills increased their prices on spring suitings 20 cents per yard.)

HOW THE FORDNEY LAW HAS RAISED THE TARIFF 350 PER CENT ON COTTON BLANKETS FOR THE BENEFIT OF THREE COTTON MILLS

Imitation wool blankets, made entirely of cotton, are on sale in every dry goods store in America, generally under the names "Beacon," "Esmond," or "Whittemore." Every housewife is familiar with them, and these facts can be verified by any dry goods merchant.

Although they go to the consumer in the form of blankets, they are simply cotton cloth with a napped surface, automatically woven "by the mile," cut into suitable lengths, and the ends stitched or bound.

UNDER THE OLD LAW, WHEN IMPORTED AS COTTON CLOTH, THE DUTY WAS 10 PER CENT—UNDER THE FORDNEY LAW THE DUTY IS 45 PER CENT, AN INCREASE OF 350 PER CENT.

If the Fordney law assessed them, as it ought, as cotton cloth, the duty would be only 18 per cent. Even this would be an increase of 80 per cent. But the Senate tariff makers were not satisfied with that. They claimed that these goods were "luxuries," and the Fordney law went out of its way and made a special classification for these goods by name (see par. 909 of the Fordney law), and assessed them at 45 per cent, the highest duty in the cotton schedule, or three and one-half times the old duty.

Before the war, when there was some danger of foreign competition, these blankets retailed, as every woman knows, at from $2 to $5 each. Since then, when foreign competition has been entirely cut off, the prices have been raised to from $5 to $16. This means that these blankets, although they are merely cheap cotton cloth, with a napped surface, containing no wool at all, are bringing as high as $3 per pound. The retailer is not responsible for this. He must pay what the mill charges him.

What was the reason for this increase? None of these blankets are imported, and the increase can not therefore go into the Public Treasury. These cotton blankets are made principally by only three mills in New England. They were already astonishingly prosperous. No one claimed that they needed additional "protection." They do not pay high wages to their workpeople. In fact, it is estimated by experts that the total wages paid are less than 25 per cent of the mills' selling prices.

Read about the remarkable profits of just one of these blanket mills. See if any conscientious person can even dream that they need any "protection."

This statement was widely published by Sanford & Kelly, New Bedford, Mass., a responsible stock and bond firm, acting as fiscal agents.

It was read in debate in the United States Senate (CONGRESSIONAL RECORD, p. 11020), and has not been denied. These extracts are quoted literally:

> "The Beacon Manufacturing Co. started its present active progress about 1905. They had a capital of $400,000 preferred and $400,000 common stock. Since that time they have increased their assets so that they have a plant insured for $5,500,000 and a surplus of net quick assets of $1,300,000. The only additional capital during that period was 4,000 shares of preferred, so that they have made the common in comparatively few years worth on actual assets over $1,000 a share. For many years they earned at the rate of many times the dividends on the common and preferred shares. * * * This has been done almost entirely from profits as their capital to-day is only $1,200,000 as compared with $800,000 in 1914. In that year their sales were $1,800,000; in 1920 their sales increased to $7,627,000. This gain in sales was not due entirely to increased output, because the selling price of the blanket was doubled in the last few years. * * * However, the Beacon did not raise its price but one-third as much as its competi-

tors, although at no time could they entirely supply the demand for their goods. The reason prices were not raised further was that the company believed their then profit was sufficient and that it was good business in the long run not to increase the cost of their product to the consumer to such an extent as other manufacturers did, as by not doing so they were likely to have better satisfied customers, and their profits already had so increased that the larger proportion of any further increases they might have charged would have gone to the Federal Government in the shape of excess-profits taxes."

Think of it; they were easy on the consumer, because they did not want to pay excess-profits taxes.

"In the year 1920 the Beacon Manufacturing Co. charged off from their inventories an amount equal to their average outstanding capital for that year. Even then they showed a profit equal to their entire outstanding preferred capital. After charging off a million dollars from their liquid assets they then showed a surplus of net quick assets amounting to $1,800,000, or 50 per cent larger than their combined preferred and common capital, and net tangible assets of $375 a share for the preferred, taking the book values as shown in the balance sheet. Should the real or insurable value of their plant, which is in the neighborhood of $5,500,000, be used instead of the book value of $1,229,000, it would be found that the actual net tangible assets behind each share of Beacon preferred would be $875 a share for each $100 par value."

Remember, this is not a great trust, but just one privately owned cotton mill. But it is a conspicuous example of the kind of mill favored by this outrageous cotton tariff. Although these astounding profits were made under a 10 per cent duty, the Fordney law boosts it to 45 per cent.

[The above prepared for the Fair Tariff League (nonpartisan) by F. B. Shipley, 44 East Twenty-fifth Street, New York.]

HOW THE FORDNEY TARIFF BOOSTS THE DUTY ON THE CLOTHING OF THE POOR

Take the case of Amoskeag apron gingham, the cheapest cloth suitable for women's and children's dresses and workmen's shirts. Made by the Amoskeag Manufacturing Co., of Manchester, N. H., reputed to be the richest and most profitable cotton mill in America.

The old duty was 15 per cent, but the Fordney law classes it as a "luxury" and doubles the duty. This is not done openly and honestly, but by a complicated system of compounding four separate rates of duty upon the same cloth, totaling 31½ per cent, an increase of 110 per cent.

THIS IS HOW THE FORDNEY LAW DOES IT

First, a basic rate of 15 per cent; second, an extra rate of five-sixteenths of 1 per cent per average yarn number (24 numbers), 7½ per cent; third, an extra 4 per cent because dyed with "vat dyes"; fourth, an extra 5 per cent because woven with the "drop box" loom motion; total Fordney duty, 31½ per cent.

Even under the old duty of 15 per cent there were no importations, yet the duty is doubled to "protect" this "infant industry," which has paid good dividends every year since 1834.

In defending the high rates imposed by the "joker" paragraphs of this law, Senator SMOOT represented to the Senate that the cloths so affected "are luxury cloths, very difficult to make, and requiring one skillful weaver to each loom." This cloth is one of these "luxuries" and is woven by girls tending as many as 20 looms, at wages as low as $12 per week. The mill does not tell the public what this cloth costs to make, but experts estimate that it is less than 10 cents per yard. According to President Taft's Tariff Board, the total wages paid in the gingham industry were as low as 18.83 per cent of the mill cost, so the total amount paid to labor is less than 2 cents per yard. As the duty is calculated upon the wholesale price of 13½ cents, it will be seen that the actual "protection" is 4½ cents, or 42½ per cent, more than double the total wages.

Labor does not get the benefit of this, for the Amoskeag Co., together with 40 other large cotton mills, reduced wages 20 per cent in 1921 and again 22½ per cent in 1922. At the same time it increased hours from 48 to 54 hours per week. Its employees struck last January against this, since when there has been no agreement. Published figures show that the Amoskeag Co. has increased its capital out of profits from $4,000,000 to $44,500,000 and that during the last eight years of the present low duty of 15 per cent its profits were $27,298,881. Remember that this is not a great trust but just one privately owned cotton mill.

In defending the Amoskeag Co., Senator MOSES, of New Hampshire, said (CONGRESSIONAL RECORD, p. 11020) that "to break the consumers' strike * * * it had reduced its price from 27½ cents to 12½ cents." Think of a private concern so intrenched by protection that it can reduce its price two-thirds at will. Before the war its price was as low as 6 cents, but when foreign competition was shut off entirely it was able to raise its price to 37½ cents at wholesale. At the average wholesale value for the past five years this 31½ per cent Fordney "protection" authorizes the collection from the public on the product of this one mill of $13,315,773 per year, or at retail about $26,000,000.

According to President Taft's Tariff Board, the wages paid for making these ginghams is less per yard in America than in Europe. With the last 22½ per cent reduction in force the average wages paid in all cotton mills in New England is $13.77 per week.

This cloth is sold in every dry-goods store, and these facts can be verified.

(The above prepared for the Fair Tariff League by F. B. Shipley, 44 East Twenty-fifth Street, New York.)

COTTON CLOTH AND THE TARIFF

Let us consider "Indian Head" cloth, widely advertised and known to every woman in America.

The old duty was 15 per cent, but the Fordney law boosts it to 23 per cent, an increase of over 53 per cent.

Although this duty is one of the lowest in the Fordney cotton schedule, it was utterly uncalled for, because there are no competitive importations. In fact, millions of yards of this and similar cloths are freely exported by American mills. Cloths of this kind are made more cheaply in America than abroad. According to the report of President Taft's Tariff Board the total cost of labor in this cloth is about 12 per cent in America. The wages abroad are less per day, but more per yard, because American mills use automatic machinery, and one girl runs as many as 24 looms for $12 to $15 per week. This cloth is made entirely of American cotton, and if the foreign mills paid nothing at all for labor they could not compete in America, even under free trade.

The only effect of the tariff is to enable American mills to get high prices. Two weeks after the Fordney law was enacted the price of this cloth was raised 12½ per cent. Before the war the price of Indian Head cloth was 8½ cents a yard. During the war, when all danger of foreign competition was shut off, it was raised to 37½ cents.

The price was afterwards reduced to 27½ cents, but as soon as the Fordney bill passed it was increased to 31½ cents. This means that the American woman must pay 50 cents a yard at retail. The Indian Head mills do not make their costs public, but disinterested experts estimate that their total cost is less than 15½ cents a yard. If this is correct, then it means that the Fordney tariff allows this manufacturer to make 100 per cent profit on sales of ordinary cotton cloth.

While cotton mills have been reducing wages they have been raising prices and dividends.

The Indian Head mills are part of the Nashua Manufacturing Co., Nashua, N. H. This "infant industry" was established in 1823. At the time of its last published statement, October 30, 1920, it had a capital of $10,000,000 and a surplus of $9,993,374.29. In addition, it has paid good dividends for 98 years. Its average dividends for the last seven years of the Underwood low tariff were 26½ per cent.

This mill reduced wages 22½ per cent in 1921, and again 20 per cent in 1922. Its employees claimed that they could not live decently on these reduced wages and went on strike last February, and no settlement has since been made.

It is clear that this "infant industry," 99 years old, does not use the tariff to pay high wages, and every housewife knows that it gets a high price for its product. Yet this is the kind of concern that the Fordney law protects.

In this connection it is interesting to note the relation of wages and tariff to the whole cotton-goods industry in the United States. Wages are half the duty or less. Who gets the rest?

The following figures are from the United States Census reports:

Census 1904, wages, 24.2 per cent; duty average, 50 per cent, Dingley tariff; census 1914, wages, 21.6 per cent; duty average, 43.4 per cent, Payne, fiscal year 1912; census 1919, wages, 16.3 per cent; duty average, 22.9 per cent, Underwood; 1922 (estimated), wages, 16.5 per cent; duty average, 41 per cent, Fordney.

Wages in the cotton industry is the lowest of any great industry in America. The Fordney cotton tariff is more than double the total average wages.

(The above prepared for the Fair Tariff League (nonpartisan) by F. B. Shipley, 44 East Twenty-fifth Street, New York, October 15, 1922.)

WAGE EARNERS AND THE TARIFF

AMERICAN LABOR DECRIVED AND DISCREDITED BY TARIFF PROFITEERS—THE PUBLIC MISINFORMED AND CHEATED—OURS THE CHEAPEST LABOR IN THE WORLD IN MANY KINDS OF STANDARDIZED QUANTITY PRODUCTION

[This reprint issued by the Fair Tariff League, 2 Rector Street, New York City. H. E. Miles, chairman]

Informed men know that high wages with their resulting good health, good will, and energy, are cheap wages. To show this by facts and figures is more than a national service. It tends, by America's example, to raise the wages of all countries to the betterment of the race, as Mr. Miles shows. (Wm. H. Johnston, president International Association of Machinists.)

It is in the nature of things that well-paid labor is cheap labor. The well-fed, well-paid, well-conditioned man or beast has little to fear from those of opposite sort. To decry American labor in general as not earning its wage, and on that charge to give great corporations a

virtual monopoly of any of our domestic markets through excessive tariff rates is to challenge Divine Providence that wills that men shall prosper in the measure in which they help others to prosper.

We know too little of the power and value of America's relatively high-wage scale. Mr. Miles's illustrations are refreshing and valuable. As he says, a committee of labor leaders, studying the tariff in co-operation with representatives of other economic groups, would render a valuable public service in finding what protection is needed and eliminating the element of exploitation from the tariff. (Jas. P. Noonan, International Brotherhood of Electric Workers.)

Neither the public nor labor itself is sufficiently informed on America's contribution to civilization in terms of high wages, low costs, and quantity output.

A study of the tariff should be made by representatives of labor to find what protective duties are needed and how far excessive duties are used by tariff profiteers to the common hurt of labor and the public and are responsible for the fact that an income of $20 per week now goes no further than $12 pre-war. (E. H. FitzGerald, grand president Brotherhood of Railway and Steamship Clerks.)

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Europe envies our low wage cost per unit of product in many industries in which America excels.

Where tariff protection is needed to shield our markets from low merchandise prices due to sweated foreign labor all political parties and all true Americans want that protection and will have it; where, however, American labor is falsely made an excuse for high tariffs that give $10 to trusts and price fixers to $1 to labor our wage earners suffer with the rest.

The Fair Tariff League and Mr. Miles should have the support of all who stand for the right use of protection and not its abuse. (William H. Johnston, president International Association of Machinists.)

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American wage earners want their due, not more, not less.

They have a right to be understood.

Tariff rates that are many times the difference in costs of production here and abroad are not helpful to labor * * *. Such rates and resulting high prices for the necessaries of life fatten trusts and oppress labor and the public generally * * *.

Mr. Miles's article in the Engineers' Journal is a valuable contribution to the subject and to the public welfare.

Where tariff protection or other legislation is needed to shield our markets from low merchandise prices due to sweated foreign labor all political parties and all true Americans want that protection and will have it.

Where, however, as Mr. Miles shows, American labor is made a cat's-paw for high tariffs that give $10 to trusts and the like to $1 to labor our wage earners suffer with the rest.

The Fair Tariff League and Mr. Miles should have the assistance and good will of all who stand for the right use of protection and not its abuse. (Edward Keating, editor Labor.)

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Your article should "stab our readers wide-awake," as Stevenson says, "and make them think." (Albert F. Coyle, editor Brotherhood of Locomotive Engineers' Journal.)

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AMERICAN LABOR THE CHEAPEST AND BEST IN THE WORLD IN MANY KINDS OF STANDARDIZED QUANTITY PRODUCTION

As I said to President Harding last March, "Mr. President, why not develop a widespread appreciation of the power and dignity of American labor, the best and cheapest in the world?"

I wish everyone had seen the kindly seriousness with which he seemed to approve.

THE MIRACLE OF AMERICAN PRODUCTION

An American girl in an easy day's work, running 25 or 30 knitting machines, knits 1,800 pairs of good cotton socks in a day for a piece price of 2 cents per dozen pairs, or one-sixth of 1 cent per pair. If this is a high price, how much would you reduce it? She is satisfied, because this nets her $3 per day—the lowest price and the highest wage in the world in the industry. No lower paid, undernourished, poorly housed, foreign competitor could equal her.

A man running a number of machines makes a spark plug for an automobile with two diameters inside and several outside, in six seconds, for one-eighth of a cent. Do you think anyone anywhere does it for less? And yet this output nets him 75 cents per hour. With fair allowance for machine upkeep, this man is 100 times cheaper than a handworker with the facilities of prepower days, working 14 hours for 35 cents per day and making about two such pieces in a day, with a wage cost of 17 cents each.

Running six screw machines, a man makes a three-fourth inch bolt with a hexagonal head and 7 inches long, cut to length and threaded, every 35 seconds, at a wage cost of about one-half cent.

There is a total of about 3 cents of labor in an ordinary fluted-edged bread knife with 10-inch blade that sold at American factories, for shipment in quantities all over the world, for 6½ cents in 1922; now 9 cents to American wholesalers under our high tariff.

An American operative weaves 4,500 yards of ordinary cotton cloth in a week's time for about $14 per week. She runs three or four times more machines than an English operative.

An East Indian cotton mill, well equipped, with cotton growing near the factory door, pays its operatives an average of $1.25 per week, and yet India sends to the United States for drills and denims because ours are made cheaper with our $14 wage than hers with her $1.75 wage.

No informed person measures wages by the amount paid per hour or per day, but by the return in production for the wage paid.

A FARMERS' TARIFF LESSON

We used to import rice from the Orient, where it was grown with 10-cent labor, using a hoe and clad in a breechclout. Now we export freely. Recently we had 180,000 tons more than we knew what to do with. Mr. Hoover asked the foreign representatives of his department to find a market, and where was it sold? In riceland—in China and Japan—at the American price plus transportation, because that 10-cent worker with the breechclout is more expensive than our labor-capitalist at $3 per day.

Our farmers have always competed successfully with the lowest paid labor in the world. That is largely why farmers formerly prospered with 89 per cent of all their products sold on a free-trade or export basis in world-wide competition, their export price determining their domestic price. The farmer began to go bankrupt when the present high tariff made it impossible for his foreign customers to exchange their goods for his products and compelled him to pay profiteering prices for most of his requirements.

Farmers and others should think of this when told that American factory labor can not compete, and our manufacturers, by cajolery and threats alike, secure tariff rates from two to five times the rates they pay their labor. If such statements were true, the manufacturers would not have exported in 1923 $1,500,000,000 of manufactures ready for consumption, and also $550,000,000 of partly manufactured goods, including $300,000,000 of machinery, $230,000,000 of iron and steel, $200,000,000 of automobiles, and other quantities of hardware, hollow ware, nails, cheap cutlery, $140,000,000 of cotton goods, and the like.

LABOR LESS THAN HALF THE COST

There is much ignorance and no little dishonesty in the statements made about American high wages. The census of 1920 discloses that out of each dollar of the factory selling prices in the following industries, labor got: In cotton goods, 17 cents; in silks and woolens, 16 cents; in hosiery, 18 cents; glassware, 30 cents; in sugar and salt and linseed oil, 3 cents; glucose, 6 cents; aluminum goods and gloves, 18 cents; shoes, 27 cents; carpets and rugs, 20 cents; in bar steel, rails, and structural iron, about 22 cents; gas engines, 23 cents; electrical machinery, 23 cents; hardware, 32 cents. These figures have not changed materially in 20 years. Prices change, but not labor's proportion of the income. In many cases labor's share is lower now than ever before.

The labor involved in the prior preparation of the materials used in these industries, plus the labor expended in these industries as named above, and in all other industries, brings the total wage cost from raw material to finished product to an average of one-half of the factory selling price or one-fourth of the retail price, for retail prices are usually about double factory prices. This is the finding of the most experienced investigators. For instance, to the 27 cents of labor cost in the shoe factory out of each dollar of product sold is to be added 10 cents for tanning the leather, a total of 37 cents from the raw hide to the finished shoe and about 13 cents more for the many other petty items, each in itself often too small to think of.

To-day wages average only about one-fourth of the consumer's price, thanks to modern machinery and processes. The days when "everything is all labor," the days of hand production, are gone forever. Thus wage cost, important as it is, is relatively insignificant. The wage earner must be as fit as a race horse entering a race. He must respond as freely, not for the wage but for the love of accomplishing. High wages are the only wages anyone can afford to pay who would produce economically.

WAGES AND TARIFF MISREPRESENTATIONS

Examples: Glucose, silks, cottons, glassware, etc.

If the truth were known, the example of American labor and high wages would be surpassed by no force in the world for human advancement. Standards would everywhere advance and the spiritual and cultural progress of mankind would mark a new epoch in civilization.

Unfortunately, however, certain manufacturers (by no means all) gain annually vast sums by inculcating a general belief that American labor gets more than it earns, that every housewife must add to the price of each purchase a charity, a Peter's pence or a $10 bill, for an American wage earner who needs it but hasn't earned it.

Glucose manufacturers, who give their labor 6 cents for the production of one dollar's worth of their product, made of Illinois corn, the cheapest material in the world for the purpose, have 50 cents of "protection" as against each 6 cents of labor. They got it in 1922, although we had imported in the previous year only $142 worth of glucose under a tariff of 15 per cent, and exported $6,062,000. A recent 50 per cent dividend indicates who gets the housewife's extra pennies. The very wage earner who got the 6 cents was cheated with the rest of us. This tariff of 1922 invited our glucose manufacturers, then in the Federal courts for price fixing, to add $59,000,000 to their domestic prices above their export prices.

Silk manufacturers, paying 17 cents for labor out of each dollar's charge, have an average duty of 57 cents on the dollar. They are, therefore, invited by Congress to add $277,000,000 to their prices above those of their foreign competitors (this sum to be doubled at retail) although not a yard of ordinary competing silks are imported into this country, but only novelties in design or quality not made here or the noncompetitive cheap silks of China and Japan. Woolens and cottons are as bad.

When glass bottles were blown by mouth Alexander Hamilton gave the blowers 10 per cent protection. Now a machine blows 50,000 pint bottles in a 24-hour day, with no labor beyond keeping it oiled, and Congress gives this machine 50 per cent protection on each dollar of glass sold. Who gets the 50 cents? The oiler? The story of window glass is worse.

Americans are protectionists to the point of sentimentality. Some of them would let a manufacturer pick gold fillings from their teeth if told that a dollar's worth of the fillings is needed to pay that girl one-sixth of a cent for knitting a pair of cotton socks, or the cotton weaver 35 cents for weaving 100 yards of cloth.

### TRUSTS ENCOURAGED—A $2,000,000,000 TEMPTATION

Under the spell of these evil and misleading statements regarding wages, Congress was induced, all too knowingly, to permit certain manufacturers to add approximately $2,000,000,000 to their prices if they could by any means contrive to put this vast sum over on the public, to be doubled in retail prices. Only insanity would let statesmen go so far.

Our one protection against these exactions is competition. Where competition is keen it compels manufacturers, with or without a tariff, to sell at fair prices, and sometimes less; but with profiteering tariffs the temptation to form consolidations and price agreements is almost irresistible, and in such cases tariff additons to prices are made in huge amounts. These manufacturers beguile us by talking of the $3 that the hosiery girl gets, and conceal the truth that her contract is 2 cents per dozen pairs and nothing else. Her piece price has not increased, but the retail price of the socks is doubled.

They conceal the one-eighth cent wage cost of the spark plug and decry the 75-cent wage per hour. They don't tell that we are selling hardware freely in England and in all neutral world markets.

Domestic sugar factories pay 3 cents in wages on each dollar of sugar produced. They plead for the farmers who grow sugar. These factories get for themselves about $18,000,000 of tariff benefits, and pass on to the farmers only $24,000,000 out of the $216,000,000 that the sugar tariff costs the consumers. And one factory exhibits profits at the rate of $13,000,000 per year.

If anything can despoil wage earners and farmers of the just protection that the public is determined to give them, it is their misuse as cat's-paws after this fashion. Our tariff permits a few great industries that can control their sales prices to make a billion dollars per year, or twice that, by befooling the American public on the wage question.

> "A protective tariff is essential to the interests of our wage earners. Hence the difference in the cost of production here and abroad is the fundamental consideration.
>
> "But I do not believe in making this policy a cover for exorbitant rates or for obtaining special privileges from the Government which are not based upon consideration of the general welfare." (Charles E. Hughes, 1908, now Secretary of State.)

### TARIFF RATES THREE TIMES THE WAGE DIFFERENCE

The following table indicates the extent to which tariff rates are perverted. The so-called low rates in the tariff of 1913 far exceeded the wages in the industries. The present rates (tariff of 1922) are often from three to five times the wages. To whose advantage are these excessive rates? Have they any honest relation to protection or are they at bottom profiteering?

*Present tariff not made for labor*

| Product | Who sets the excess | | Present tariff on each dollar imported |
|---|---|---|---|
| | Wage per dollar of factory product | Underwood tariff on each dollar imported | |
| | *Cents* | *Cents* | *Cents* |
| Cotton manufactures | 16⅔ | 34 | 51 |
| Silk manufactures | 15¾ | 42½ | 57 |
| Woolen manufactures | 15½ | 32 | 68 |
| Hosiery | 17¾ | 37 | 67 |
| Glassware | 30⅓ | 35 | 38½ |
| Glucose | 6 | 15 | 50 |
| Aluminum | 17½ | 20½ | 45 |
| Cutlery | 38 | 39½ | $1.82 |
| Stamped ware | 23½ | 20 | 40 |
| Gloves, leather | 17½ | 13⅔ | 50 |
| Buttons | 33 | 30 | 99 |
| Chinaware | 41 | 55 | 60 |
| Shoes | 27 | Free. | Free. |
| Agricultural implements | | Free. | Free. |
| Sewing machines | 44 | Free. | 15 |
| Cast-iron pipe | 14.8 | 10 | 20 |
| Wire | 18½ | 15 | 28 |
| Glass bottles | 30 | 30 | 60 |
| Oilcloth and linoleum | 11½ | 32½ | 35 |
| Carpets and rugs | 19½ | 48 | 40 |

Remember, in reading this table, that a protective tariff should not equal the total American wage cost but only the difference, liberally figured, between that and the foreign wage cost.

### GREAT INJURY TO COMPETITIVE INDUSTRIES

The present tariff virtually guaranteed to our great steel makers their profits of about $350,000,000 in 1923. They exported freely at world prices, which were $1.60 per 100 pounds for bars in October, and at the same time charged domestic consumers, including our farm-implement makers, about $2.40, or 50 per cent more than international export prices. This higher price, together with the increased cost of labor and everything else, due to the general tariff inflation, made farm implements cost their makers about $50,000,000 too much, or $100,000,000 at retail—and yet farm implements are on the free list.

As our farmers are virtually on a free-trade basis in their sales and income, although "enjoying" nominal tariff rates (mostly as worthless as counterfeit dollars), they have to absorb this extra $100,000,000 or do without new implements. Consequently they do without, and for two years our implement makers have produced only one-third of normal quantities and 20 of them have lost $50,000,000.

Dozens of competitive industries have been similarly but less seriously hurt.

Many Englishmen like our high tariff. It lessens their trade with us, but it cripples us in international markets, leaving England freer there. She loses $10,000,000 of cotton business here, but holds more securely $500,000,000 in other countries. She is suffering now from the restricted buying of those markets, but she looks to their early recovery.

### WHY IS AMERICAN LABOR SO CHEAP

There are 9,000,000 wage earners in American factories using 29,500,000 horsepower, which is equivalent to the physical power of 236,000,000 men working with hand tools. Furthermore, our machines are of such speed and accuracy that they are at least four times more efficient than the mere power involved indicates.

Consequently each wage earner exerts the power of 26 hand workers of olden times and equals 100 such workers in matter of speed and efficiency. It is because each man's wage thus counts for 100 formerly that the item of wage cost is relatively inconsiderable if only he gives himself wholeheartedly to his task. It is this hundredfold power that makes the worth-while worker rejoice in his task and makes the American employer hate a slacker.

An American factory worker uses from two to three times more horsepower and produces from two to three times more dollars' worth of goods than an English worker. At double or treble the wage the American worker only breaks even. To earn this he must keep up to pitch. It was much the same when we were English colonies. It will be so, regarding all countries, so long as they underpay and underfeed their workers. Let not selfish men blur this record for their pocket's sake.

A great Englishman with factories in England, France, Germany, Belgium, Italy, the United States, and Japan finds substantially no difference in these countries in the wages paid per unit of product. His labor in the United States is the cheapest of all.

If America's "high wages" from the beginning of her history and to-day are not cheap wages in terms of accomplishment, then let it be proved. It may shake our confidence in God's Providence, but we had best know.

HIGH WAGES, WELL EARNED, ARE CHEAPEST, LET THE WORLD KNOW

If high wages are cheap wages, let itching palms be stayed and our workers themselves get whatever protection is needed, with none diverted to tariff profiteering. This consummation would bring American wage earners to a position of unparalleled eminence and make our wage rates the accepted standard everywhere.

It would make living cheaper, government honest, and raise living standards in every land. It would evidence the close relation of labor and religion as indicated in these quotations:

"In all true labor, be it but true hand labor, there is something divine." (Carlisle.)

"He who builds a factory builds a church. He who works there worships there." (President Coolidge.)

"In the Middle Ages the church was the agency of civilization. Now industry is the agency of civilization." (Dr. Charles Eaton.)

A LABOR-TARIFF COMMITTEE NEEDED

I can conceive of few things more helpful to American labor and to mankind in general than a committee of foremost representatives of labor, determining the value and the character of American labor from the standpoint of its wage, it performance, its social service; and, on the other hand, assessing at proper value the claims of tariff profiteers.

Meantime this country can set an example by honestly and intelligently appreciating American labor—what it stands for, what it does, and what should be done for it.

SPECIAL INTERESTS

"We are not and should not be a Nation of special interests or special priviliges, and the recent trend of affairs is a rebuke that was deserved to special interests in this country." (President J. R. Howard, American Farm Bureau Federation, December, 1922.)

BY PRICE RAISERS FOR PRICE RAISERS

An "excessive tariff wall" is made by and for overgreedy interests only. It prevents importations of many competitive articles in any volume under any fair conditions. It enslaves the American people to the highest prices these manufacturers dare charge, and often far higher than these same manufacturers charge foreigners on their own sales abroad. Many American manufacturers know this and disapprove.

The present tariff law is the worst ever in these respects.

The Fair Tariff League consists of representatives of 2,000,000 farmers, manufacturers, officers of 900,000 wage earners, merchants and others, who believe in ample protection for American standards of living and wages.

It opposes the misuse of protection at the behest of great and selfish interests. It desires the cooperation of all who are so minded. Join now.

WOMEN'S GOWNS AND THE TARIFF—$52.50 BECOMES $300

$17.50 BECOMES $65 ON ONE GOWN AND $75 ON A DUPLICATE WITH 30 CENTS OF BRAID ON IT

[Prepared by the Fair Tariff League, 2 Rector Street, New York]

The following invoice of customhouse and incidental charges on two dresses from Paris presents a startling tariff lesson to American women. The first item in this invoice shows that these two "Paris models" cost $105, or $52.50 each. They were ordered from Paris by an American dressmaker of exquisite and modest taste who went into business, as many superior women have done, upon the death of her husband. One gown was taffeta and chiffon, the other of knitted wool. With 100 per cent added to producers' prices to cover the expenses and profits of wholesalers and retailers, these gowns would retail in Paris at $105 each. In exclusive Paris shops they cost $125 to $135.

If forwarded direct from Paris to Chicago, the transportation and insurance charges would be $4 each, and if there were no tariff would retail with the same percentages added at $115 to $145 each.

Why do these $52.50 gowns retail in Chicago at from $275 to $300 each? Because these and other articles of grace and refinement, outward tokens of woman's innate loveliness and therefore dear to most hearts, are declared by our Congress to be luxuries, and therefore are taxed in amounts more than doubling their cost to American consumers. They are put beyond the reach of ninety-nine women out of every hundred.

Bill No. 629
File No. 15671
Dr.

| Steamer Paris. | Shipper | —— Ltd. | |
|---|---|---|---|
| Marks and numbers | Shipment: 1 case wg. appl. | | |
| | Duty, $105 at 90 per cent | 94 | 50 |
| | Foreign charges to ship's side at Havre, ocean freight $3.50 | | |
| | I. T. entry and N. Y. shipping charges 4.50 | | |

Bill No. 629
File No. 15671
Dr.

| Steamer Paris. | Shipper | —— Ltd. | |
|---|---|---|---|
| Marks and numbers | Cartage at N. Y., incl. cording and sealing inland $2.00 | | |
| | Freight: Express to Chicago 1.50 | | |
| | 11.50 | | |
| | Disbursement charge .25 | | |
| | Our handling fee 2.50 | | |
| | | 14 | 25 |
| | Special services effecting prompt customs release | 10 | 00 |
| | Copy of liquidation $0.50 | | |
| | Customs fees and blanks, $0.45; entry 5.00 | | |
| Entry No. 9180 | | 5 | 95 |
| | Cartage | | |
| | Storage | | |
| Bond No. | Marine insurance and war risk $1.81 | | |
| | Duty ins .31 | | |
| | | 2 | 12 |
| Pkgs. ordered into appraiser's store all | Insurance in appraiser's store | | 25 |
| | Warehouse insurance | | |
| | Bond | | |
| | War-tax stamp | | 50 |
| | Telegrams | 2 | 50 |
| | | 130 | 07 |
| Pkgs. examined at depot | Less allowance on above special-service charges | 5 | 00 |
| | | 125 | 07 |

The above are the actual charges on these gowns. The abuses of the tariff are more clearly shown in the following analysis:

| | | |
|---|---|---|
| Two gowns, foreign value, first item in the bill | | $105.00 |
| Duty, 90 per cent (par. 1430) | $94.50 | |
| Incidental tariff clearance charges, 21 per cent | 22.50 | |
| Tariff cost (111 per cent of foreign cost) | | 117.00 |
| Foreign cost plus tariff charges | | $222.00 |
| Transportation and insurance, Paris to Chicago | | 8.00 |
| Cost in Chicago, two gowns, all charges paid | | 230.00 |
| Retailer's cost in Chicago, each gown | | 115.00 |

With the same additions in Chicago as in Paris for retail expenses and profits, the retail price in Chicago would be $230 to $265.

The retailer, however, is justified in an extra charge to cover the special annoyances, risks, and anxieties due to the tariff exactions manifest in the bill, as against the ease of selling domestic articles bought close at hand. Also the tariff has raised the price until only the rich can purchase, and the rich expect costly sales service in rents, furnishings, and attendance, necessarily increasing the retail price. For these reasons these gowns retail in exclusive establishments at from $275 to $300.

Thus Congress keeps countless American women from enjoying at modest cost the things they want and deserve; intensifies "class distinctions" by making good taste too much a matter of the fat pocketbook; tempts women of scant means and girls to pay unnecessarily high prices, to their economic and social hurt. It helps no honest man. Clothiers and retailers denounce it. It makes innumerable little things cost women $7.50 that should cost $3.

Two beautiful, new-style, knit-silk outing suits, each costing $17.50 in Paris, were expected to retail in an exclusive ladies' establishment in New York for $46 each under the "silk-outerwear" duty of 60 per cent; but 30 cents of plain braid on four pockets of one of the coats raised the duty on that suit to 90 per cent and the retail price to $75—$10 addition for 30 cents of braid!

Fringe worth 75 cents on one end of an oriental rug costing $50 abroad raises the duty on the rug from 55 per cent to 90 per cent; adds $17.50 to importers duty and $35 to the retail price of the rug—$35 for 75 cents! Dozens of these tricks incorporated in our high tariff are so sly that even experts are slow in discovering them. They are called "jokers." Does the woman buyer see the joke?

In millinery there are many such "jokers." Also lingerie.

And what do France and our other recent allies want in payment for their products? Our money? No; bread. They are hungry and undernourished, partly because through our profiteering tariff we have virtually refused to accept of their product in payment for our wheat, meats, cotton, and other basic products, and they haven't a dollar of gold to spare. Meantime our foodstuffs sell below their cost of production and some of our wheat is fed to hogs.

Honest protection requires no tariff, and incidental charges of 111 per cent, or $58.50 on a $52.50 silk gown containing only from 3¾ to 5 ounces of raw silk worth about $2.25 and a bit of lace trimming. The labor cost of converting raw silk into a dollar's worth of cloth at the factory selling price averages only 15¾ cents; nor 111 per cent duty on a knit-wool suit costing the same to produce as the silk.

We knit woolens as cheaply as any people, as shown by our exports in 1920 of $61,373,000 of hosiery and knit goods at international competing prices against imports in 1920 of $5,677,000.

The present tariff hits women and farmers hardest of all.

TWO GROUPS CRUCIFIED—WOMEN AND FARMERS

The present tariff crucifies two groups—farmers and women. Farmers, by reducing the purchasing power of their products until "the farmer's dollar is a 75-cent dollar" and by severely restricting their foreign markets. Women, by declaring everything they wear a luxury and taxing it as if its purchase were a sin. It would compel women to dress as severely as men, ignoring the requirement of all the ages that women adorn themselves with things of modest beauty for the joy of the world and as an outward token of their inner loveliness. It is brutal to tax things from 60 to 80 per cent, leaving only the rich to use beautiful things from abroad of slight initial cost, and to make American retail prices sometimes five times the foreign costs.

The present tariff is a betrayal of the principle of honest protection. It adds $216,000,000 to our annual sugar bill and $300,000,000 to our wool clothing.

It doubles the previous adequate duty on many common "ginghams" used for aprons, shirts, and dresses. It adds $4 to $5 each, or $120,000,000 to women's tweed coats and suits, of which 30,000,000 are bought annually. All told it adds annually $2,500,000,000 to the prices of the general merchandise that fills our stores.

This tariff is a principal reason why, as Prof. Irving Fisher says, a $20 a week salary goes no further now than $12 before the war.

It has about as much relation to fair protection as robbery to honest work.

THE TARIFF COMMISSION

Fifteen years ago the public began to see that Congress makes tariff rates on the special pleas of interested parties and without an adequate basis of facts. After a long struggle the Tariff Commission was established as a quasi judicial, impartial fact-finding body.

For years it presented to Congress and the President such clear and compelling information that the tariff profiteers saw that they must "get" the commission or the commission's facts would stop the profiteering. Consequently, the Frelinghuysen bill in 1922 sought to deprive the commission of its powers and make it merely advisory to the Secretary of Commerce, to whom the commission's powers were to be transferred. This would have caused the profiteers to concentrate upon the choice of a Secretary of Commerce of their sort, and might have resulted as unfortunately as the oil leases under Secretary Fall. The bill was defeated.

President Harding, however, was induced to appoint three tariff commissioners, two hotfoot from the long-time service of the overprotected interests, and the third, Mr. Glassie, with a family interest of $150,000 in sugar production.

These three commissioners were so committed to high tariff that the commission has been mostly deadlocked since their appointment by a 3-to-3 vote. The overprotected interests are virtually in control, because these three votes negative the affirmative proposals of the three disinterested members.

Congress recently eliminated Mr. Glassie from the sugar hearing and likewise Mr. Burgess from chinaware and pottery, by a special provision in the commission's appropriation bill. Consequently, by a 3-to-2 vote of the remaining commissioners, the commission's sugar findings will doubtless meet with public approval.

The law now requires that no commissioner shall participate in the investigation of any industry in which he or his relatives have a financial interest, or for which he has acted as agent, special representative, or attorney. Except, however, in sugar and chinaware, the commission is still blocked, 3 to 3, with the overprotected interests having, as many believe, practically a veto as before.

The Tariff Commission must be utterly above suspicion and reproach. It must possess the utmost public confidence. The members who, by their conduct, have greatly impaired the standing of the commission, should surrender their offices in the public interest.

SHOULD THE DUTIES ON COTTON CLOTH BE INCREASED?—RECENT IMPORTS AND EXPORTS

The United States produces normally about 6,000,000,000 yards of cotton cloth annually. About two-thirds of this, or 4,000,000,000 yards, are produced as cheaply, and most of them more cheaply, than elsewhere in the world. Our labor is higher priced, but we use so many more automatic machines, and each American operative runs so many more machines that our costs per yard are lower than elsewhere.

These goods are of the coarser and cheaper variety, that constitute the bulk of production. For a generation we have exported these goods freely to all countries and would hold our domestic markets under free trade. The Tariff Commission, the former Tariff Board, and all authorities agree as to this situation.

Some of our largest cotton mills have their own distributing offices in England, the center of foreign competition, and do a big business there.

The United States also exports a considerable quantity of certain finer goods. There are certain other extra fine goods that Europe produces of better quality than the United States can produce or is willing to produce. For instance, what we call broadcloths, which are very fashionable at this time. These broadcloths have such a luster, fineness, and texture and strength that they are frequently mistaken for heavy silks. An "English broadcloth" shirt, though made of cotton, is often charged in the laundry bill as a silk shirt.

The English excel in these and certain other cloths because they use only long-staple Egyptian cotton in them and take especial care in the weaving. Also because the English operatives are English born; also members of a family have lived and worked in the cotton mills of their home towns for generations, while American labor is mostly immigrant and often of poor quality and inexperienced. One big mill operator says he can use workers who are almost intellectually incompetent on some of his machines.

This is no reflection upon such better-grade American workers as are found sprinkled through our mills, and occasionally in considerable numbers.

This Egyptian cotton takes an extra-fine luster when mercerized and is superior in every way. American mills use comparatively little of it, and when they do use it they seem to get inferior qualities, the best of each grade being likely to go to England, which has the bulk and the pick of the crop in Egypt and more or less a preferential treatment there.

Likewise, Swiss voiles and dotted muslins have a peculiar and superior quality only remotely comparable with like goods made in this country.

In fact, most of the cottons (substantially all) that have been and are now being imported into the United States are not competitive. Under any tariff our well-to-do and rich people will buy these superior qualities, and when silks are high priced they will buy a certain amount of these cottons instead of silk.

All that a high tariff can do is to keep some people of modest means and poor people from purchasing these goods.

That we have never imported any considerable amount of cotton goods, as compared with our domestic production, is shown by the following percentages of imports to domestic production. In 1914, pre-war, we imported 3.4 per cent of domestic production and exported 5.9 per cent of our own cotton goods. In 1919 we imported 1.3 per cent and exported 10.2 per cent. In 1920 we imported 3.5 per cent and exported 16 per cent. In 1921 we imported 2.6 per cent and exported 4.8 per cent. The years 1919 and 1920 were abnormal because of the war, but 1914, 1920, and 1921 are fairly representative.

The Monthly Summary of Foreign Commerce of the Bureau of Foreign and Domestic Commerce, in the February, 1924, number, shows that in the eight months ending February 29 last we exported 281,153,362 yards, of a value of $48,170,373, against exports for the corresponding period of the year previous of 376,122,120 yards, of the value of $57,291,267. This shows a falling off in export, but this decrease indicates, nevertheless, that we are holding our export trade about as well as any country, because, in fact, there is a sort of "buyers' strike" the world over on cotton goods, due to the great increase in the cost of the raw material and of the finished product.

Cotton is the only clothing for hundreds of millions of poor people in the Tropics, most of them unbelievably poor and unable to spend any extra penny that they can possibly save. Europe also is economizing in every conceivable way. Consequently the cotton mills of England are as hard hit as those of the United States. Neither increased tariffs nor other artificial remedies can help materially.

Imports: In the eight-months' period ending February 29 last, the United States imported 142,035,999 yards, of the value of $29,265,095. The Monthly Summary does not state the number of yards of cotton cloth imported in the corresponding period the year before, but does give the value of those imports as $24,009,836. This shows an increase in the money value of imports of about 20 per cent, but as prices were decidedly higher in the 1924 period the increase in the yardage imported was virtually inconsiderable.

People in distress these days apparently look to Congress for immediate and full relief at the expense of the taxpayers. Certain cotton manufacturers, after this fashion, now show a

desire to influence the President to raise the duties on cotton goods, with a view to increasing American prices generally by shutting out the small quantity of those noncompetitive, superior, foreign goods. If they succeed, as is not in the least likely, they will be helped about as much as the wheat farmers, who recently got an increase, by action of the President, of 40 per cent in the wheat tariff, and immediately after were selling at lower prices than before.

Our cotton manufacturers would then get higher prices, but they would not get appreciably more business, while our consumers would pay considerably more.

Another reason why the United States is importing as much or more of these special, high-priced cotton goods is that we are the only prosperous country in the world, and are buying choice things freely. We have most of the gold of the world. As a Nation we owe no other country, while most other nations owe us great amounts. They must buy food from us or go hungry, and they must pay for this food by this sort of imports. If we raise our duties we simply increase the hardship of these nations in getting their necessary food and other requirements from us and in paying their huge debts to us.

It is a matter of simple economics and of national morality to let these nations, our best customers, deal with us on as reasonable a basis as possible with adequate protection but not extortion.

What protection is needed: In ordinary cottons, the raw cotton is sometimes two-thirds or more of the total cost of the cloth. Generally speaking, all authorities agree that the raw cotton is about one-half the total cost. On light-weight goods the high price of the fine cotton used offsets the diminished quantity, and leaves the raw material still about one-half of the total cost. As cotton is the same price in all countries and is never taxed by tariffs, this 50 per cent of the cost of the cloth calls for no protection.

This leaves only the other 50 per cent, being the conversion cost, labor, overhead, and profits, subject to protection.

Consequently, any duty that is spread over the whole product is twice as high on the items that require protection as the duty itself. That is, our present duty of from 40 to 45 per cent on fine imported cottons is equal to 80 per cent to 90 per cent on the total foreign conversion costs and profits. This would seem to be too much. Surely American brains and energy in cotton mills should not require 80 per cent to 90 per cent of protection tax against English brains, energy, profits, and wages.

Wages: In 1904, out of each dollar of factory price for the cotton cloth sold (not including carpets, handkerchiefs, and wearing apparel), labor got 21.4 cents. Labor plus superintendence got 23.6 cents. In 1909 labor got 21.1 cents, and labor plus superintendence got 24.4 cents. In 1919 labor got 16.3 cents. The present tariff and all previous tariffs have been much more on high-grade cottons than the total average wages paid American operatives. Instead of that, the tariff should not be much more than the difference between the wages paid here and abroad. The excess above this has swelled the profits of our manufacturers amazingly for many years, except in periods of special distress, like the present.

In view of these and other considerations, the Tariff Commission has announced that in its judgment it is not advisable for it to make an investigation, and that the industry must await an improvement in world conditions.

CATCHING THE FARMER

I come from an agricultural State. * * * It seems to me that the Senator from North Dakota (Mr. McCumber), in his zeal to put such an immense tariff on these agricultural products—higher than we have ever had before, higher than there was any necessity for—has done so simply to oil the protection machine for the woolen schedule and some other schedules in the bill. (Senator Knute Nelson, Republican, Minnesota, in CONGRESSIONAL RECORD, August 11, 1922.)

MAKE THE TARIFF RIGHT

There is only one reason for continuous tariff agitation. Every tariff made in the old way has been bad in important respects, bad the day it was made and every day thereafter until succeeded by another also bad. We are compelled to agitate as against error and misuse. Make a tariff right, and agitation will be impossible as well as unnecessary and unjustifiable. (National Association of Manufacturers, 1908.)

A NICKLE HERE AND A DOLLAR THERE

(Tariff hearing, November 24, 1909)

CHAMP CLARK, Ways and Means Committee. The truth about the whole business is that the way you will make your money is by getting a little here and a little there from a great many people, so that there is not enough for one of them to come here and testify against you about it, and the general total of the rake-off amounts to a fortune.

WITNESS. Yes. Every little helps.

THE FARMER HAS MUCH TO LOSE

So far as a high or low schedule may be concerned, the farmer probably has much more to lose by high tariffs on the things which he buys than he could ever hope to gain by any tariff on his own commodities. Our economists have all reported convincingly on that point. There may possibly be some exceptions to it. (President J. R. Howard, American Farm Bureau Federation, 1922.)

EVEN CHAIRMAN M'CUMBER, OF THE FINANCE COMMITTEE, UNITED STATES SENATE

(CONGRESSIONAL RECORD, July 26, 1922)

The only good reason for allowing products to come into this country to compete with our own is to hold down and prevent any extortionate charges being made by the producers in our own country. We want foreign competition to prevent combination.

THE TARIFF AND RADICALISM

There is commonly an element of injustice and widespread abuse in or behind the radicalism of sound-minded people. This although their leaders often advance strange proposals apparently against existing institutions generally.

It is the part of wisdom to search out and remove these provocatives to radicalism.

When the present tariff was before Congress, many American farmers, misinformed and misguided, virtually agreed to carrying the losses of agriculture, if any, and to carry whatever other losses might be put upon themselves in order to give a few manufacturers what profits they wanted by means of tariff rates that even many manufacturers opposed. Other great social and economic groups were likewise wronged. Their wrongs must be righted.

It especially devolves upon us to require that protection is not perverted into a means of exploitation.

Well-earned profits are a measure of character and ability, and are only a small part of the value of a successful enterprise to the general public.

Such profits must not be confused with excessive profits acquired by bad legislation like the present tariff. It is equally necessary to remove the sources of ill-gotten profits that afflict the public and to safeguard profits that are fairly earned.

RAILWAY RATES AND THE PRESENT TARIFF

Railway rates are high because of high operating costs.

So much of the income of the railroads is paid out for equipment, fuel, and wages that all other expenditures are comparatively inconsiderable.

The wages of 2,000,000 railway men are unusually high, principally because the cost of living is high beyond all precedent, and railway workers must be paid accordingly. Fuel is high for the same reason—high wages in mine and transportation and high cost of retail distribution.

Railway equipment is extremely expensive because of high general wages, and because manufacturers of many products used in railway equipment are overprotected and their prices are higher than they would be under a fair tariff. This affects 2,580,000 cars, 60,000 locomotives, rails, and other supplies.

The cost of living to the people of the United States would be reduced about $3,000,000,000 by a moderate and reasonably protective tariff in lieu of the present Fordney law. This reduction in living costs would quickly bring a reduction in freight charges, which reduction Senator CAPPER, chairman of the Senate farm bloc, says is the most important matter before Congress in the interest of agriculture.

It is estimated that the cost of operating our steam railways would be reduced $500,000,000 annually by fair tariff rates on their purchases.

As transportation is an enormous charge upon agriculture, American farmers, especially in their present distress, feel keenly the hurt of high freight rates, and should be relieved by the immediate correction of the present tariff, a correction that would help everyone and hurt no one.

MANUFACTURERS AND THE TARIFF

The public sees a few great manufacturers forcing legislation in their own interest, especially those that are so organized that they can largely control their selling prices, and therefore can profit enormously by high duties. It sees little open opposition from other manufacturers to this procedure. Also discredit is thrown upon manufacturers and others who oppose excessive duties. The proponents of high rates color the entire situation. Their tariff profits are indicated in this and other pamphlets of the Fair Tariff League.

In fact, the majority of American manufacturers want only moderate rates. They disapproved of the excessive rates of the McKinley, Wilson, Dingley, Payne, and Fordney (present) tariffs, effective since 1890, except for the nine years of the Underwood (Democratic) law, which was of little effect for most of that time because of war conditions.

Most of these moderate-tariff manufacturers are not greatly injured by excessive tariff rates, because, so far as they pay such rates on their semimanufactured materials, they must and do pass these excess rates on to their customers.

Clothing manufacturers, for instance, with excellent evidence, made every possible objection to the enormous tariff on some of their materials.

Manufacturers of soap objected to duties on certain of their materials and suggested free trade in soap if the duties were fair on their raw materials. Higher duties than they cared for on their own products were virtually thrust upon them.

Automobile manufacturers asked for reasonable rates on aluminum, of which about 200 pounds is used on all cars except the cheapest. The outrageous aluminum duties (see Aluminum, Fair Tariff League) must be paid by automobile manufacturers and passed on to their customers with additional charges at every step from factory to consumer. Likewise, many excessive duties on steel products. The automobile people were given higher duties than they cared for.

Furniture manufacturers oppose excessive duties, desiring moderate duties on their own products and materials.

Carded woolen manufacturers have fought for years for lower rates that would benefit the public as well as remove discriminations hurtful to themselves. Machine-tool builders have wanted moderate and lower rates generally for many years. Shoes and agricultural machinery likewise. They are on the free list. Implement makers suffer from excessive rates on most of their supplies, with consequently higher prices on their products than they like to charge or farmers like to pay.

Among the industries that get no direct advantage from the tariff are the building trades, foundries, agricultural implements, wagons and carriages, bread and other bakery products, canning and preserving, some heavy chemicals, confectionery, cooperage, the makers of repairs and upkeep materials, tobacco manufacturing, lumber and timber products, automobiles and their repairs, job and newspaper printers, slaughtering and meat packing, railway cars and equipment, and furniture. Add to these 2,000,000 railway men and their families, merchants, clerks, salaried and professional people, and the owners of farm lands that raise the 89 per cent of our crops that sell on a free-trade basis at export or world prices, and we see how easily the tariff will be made fair when these interests intelligently oppose the selfish exactions of the few who now make our tariffs. The latter are entrenched and powerful, but in numbers they are insignificant.

THE WOOL TARIFF AND THE FARMER

[Extracts from Senate debate July 26, 1922]

Unfortunately the Senator from Idaho [Mr. GOODING] can not convince the American people of the correctness of the position that he takes, that no tariff is too high to suit him. The Senator wants an embargo upon everything that we produce, and if that policy could be carried into effect he would strike a blow at every wheat grower in America, at every farmer in America, who must have a foreign market for his surplus.

Mr. President, let us see where the logic of the Senator from Idaho leads us. He is willing, he says, that we put up a tariff wall so high that Europe can not establish any credits here; that Europe can not pay us for any of our surplus products. He is willing to drive Europe to Australia and to South America to purchase all of its wheat. He is willing that the 100,000,000 or 200,000,000 bushels of surplus wheat that is produced in this country shall not find any outlet abroad and thus reduce the domestic price of wheat to 50 or 60 or 75 cents a bushel.

That is the kind of a friend of the farmer that the Senator from Idaho is in the policy that he advocates, and what is true of wheat is true of other agricultural products.

Mr. President, let us see from another standpoint the friendship for the farmer in the policy advocated by the Senator from Idaho.

The farmer in the United States is entitled to two kinds of protection. He is entitled, first, to a reasonable protection upon the things that he produces in order that he may fairly compete with those who are producing like commodities abroad. He is also entitled—and this the Senator from Idaho forgets—to purchase at a reasonable price the things that he must have to live and exist. (Mr. LENROOT, Republican, Wisconsin.)

FACTS, FACTS, FACTS, ARE WHAT ARE WANTED—LORD BRYCE

Honest protection represents "the difference in the cost of production here and abroad."

Such protection safeguards American wages and ideals. It protects the consumer from excessive prices.

Dishonest protection fattens trusts. It enslaves Congress and weakens the foundations of Government.

IN CONCLUSION

In the days gone by, when the majority of our citizens were not informed on national affairs, it was a very easy matter to make them believe that the salvation of this country depended on a high protective tariff. But times have changed; the women have been enfranchised; first-hand information is being brought into the home, and no longer will politicians whose campaign expenses are largely borne by the "tariff barons" be able to make the rank and file of the people vote against their own interest. Everyone knows that the present robber tariff is the highest in the history of the country. Only last week Senator WALSH in the United States Senate called attention to the mills that were closed and the thousands who are out of employment in the New England States. In Massachusetts alone over a million dollars a month is being lost because of this situation.

After all, it resolves itself down to one fact, and that is that the law of supply and demand has always been the ruling factor, and unless the producing class can be kept at a healthy normal condition all other occupations will eventually suffer in like proportion. Therefore the time has come to call a halt by repealing the confiscatory tariff laws that have driven the farmers to bankruptcy.

CONGRESSIONAL ISSUES

Mr. CLANCY. Mr. Speaker, Congress to-day is in every man's private life and in every man's pocket by means of laws which give the executive and administrative branches of the Government powers which are subject to abuse and which often are abused.

Human rights and property rights of the people of this country are continuously threatened. That is all there is to life so far as Government is concerned—human and property rights.

That is all there is to the two great American documents, the most important governmentally ever struck off by the hand of man—the Declaration of Independence and the Constitution—just statements and safeguards of what are human and property rights.

In my votes and acts in Congress I have tried to express the sentiments of my district, the east side of Detroit, on human and property rights. O. Henry, America's greatest story writer, said that every large American city had a voice, and that if one listened closely and intelligently enough he could distinguish that voice and find out what the city is trying to express; what is in its soul.

Time will not permit of my discussing my entire record so far in Congress, but I wish to discuss briefly my stand on five questions which were hard fought in the House:

Aviation.
Relief for starving German women and children.
Immigration.
Automobile taxation.
Obtaining $15,000 appropriation to establish in Detroit a branch office of Bureau of Foreign and Domestic Commerce.

AVIATION

Aviation or flying machines and the development thereof came up in the form of a million and half dollar appropriation for the United States air mail.

The Detroit Board of Commerce started a campaign to increase this item to $3,000,000, a sum originally asked by the Post Office Department and cut down by the Director of the Budget. The larger sum was necessary for night flying and to build larger and more capacious flying machines to carry the mail between New York, San Francisco, and way points.

The reason for the item was that commercial aviation and to some extent military air preparedness were at stake.

I led the Democratic fight, and in a savage passage at arms the million and a half was killed temporarily on a point of order by Representative CRAMTON, of Michigan. This appropriation was passed by the Senate at $3,000,000, and passed by the House with only a quarter of a million cut. The final appropriation was $2,750,000.

Thus the United States air mail was preserved and strengthened materially. Aviation will be a tremendous factor in every man's life in the near future. For saving commercial aviation, particularly in competition with Europe, the Detroiter, official publication of the Detroit Board of Commerce, gave me the credit.

RELIEF FOR STARVING WOMEN AND CHILDREN

When the Fish bill, appropriating $10,000,000 for starving women and children in Germany, came before my committee, the House Foreign Affairs Committee, leading members of the committee predicted it would be speedily killed. I was most

active in its behalf on the Democratic side, and after a hard fight in committee the bill was passed favorably to the floor of the House.

A bitter contest took place on the floor, in which I helped to marshal the Democratic forces, and the bill was passed favorably on to the Senate.

IMMIGRATION

The hardest and most involved question this session had to handle was that of immigration. Regulation of immigration had been dodged and shelved for three years by Congress, because it was known it would stir up trouble. But it was faced in the House on April 8, 1924.

I was in favor of immigration restriction and voted to that effect, but I was against the racial discrimination features of the Johnson bill. I favored the bill reported by the Senate committee. That called for the 1910 census as the basis for fixing the quota of immigrants from each country.

The 1910 census is the basis of the present law, but the Johnson bill went back to the 1890, went back 34 years, instead of taking what it should have taken, the latest census, that of 1920, or sticking to the 1910 basis. The reason frankly given in the House and Senate debates for the 1890 census was to discriminate against the peoples of southern and eastern Europe.

They were already discriminated against in the present law, because it calls for 55 per cent Nordics and 45 per cent southern and eastern Europeans. The Senate or Colt bill, which all of the stigmatized races favored and which I voted for when it was proposed in the House as an amendment to the Johnson bill, called for the same proportion—55 per cent Nordic and 45 per cent others. But the advocates of the Johnson bill wanted to make the insult sink in and stuck for the rank discrimination and stigma.

They called the prejudiced races riffraff, scum, garbage, undesirables, and unassimilables. I have too many friends and constituents among the insulted nationalities to help degrade them by voting for the Johnson bill. Tens of thousands of Poles, Italians, Jews, and so forth, live in my district. Therefore I took great pleasure in voting against the Johnson bill.

It carried in the House on Saturday 322 to 71, and will work untold havoc with our foreign relations and with our foreign trade. As a great exporting city, much of Detroit's prosperity depends upon selling our surplus manufactures to foreign nations. One of these is Japan, which buys $200,000,000 worth of American goods every year.

I did help to amend the Johnson bill by changing the clause which threw the burden of proof on an immigrant who faced deportation. The Johnson bill aimed to deny even the basic legal right of a human being to be considered innocent until proved guilty. That vote was close—197 to 193—and the enemies of that provision did good work in lining up enough votes. Even the author of the bill, Congressman ALBERT JOHNSON, voted against this vicious clause in his bill.

THE CANADIAN QUOTA

I also took a leading part in killing the proposed Canadian quota. The Secretary of Labor in advocating the Johnson bill had requested that Canada be placed on a quota basis for the first time in our history. The Canadians were tremendously angered by this stigma and, of course, would have undertaken reprisals.

They have us at their mercy for our wood-pulp and print-paper supply; also the digging of the Great Lakes to Gulf of St. Lawrence waterway; Niagara Falls power; the Chicago Drainage Canal; our nickel supply; and on the Newfoundland, Alaskan, and Pacific fisheries.

To have put Canada on an immigration quota basis would have cost this Nation dear in more ways than one. Canada is one of our best customers, and the United States sells Canada yearly over $650,000,000 worth of goods.

I took this matter of the Canadian quota up in my committee, the Foreign Affairs Committee, which handles matters of dispute with Canada. I pleaded vigorously with the committee. No member disagreed with me.

I talked with Secretary of State Hughes and he agreed with me fully. The chairman of my committee agreed to place the matter before the Immigration Committee.

A few days after the question was discussed in my committee the Immigration Committee killed the Canadian quota proposal.

AUTOMOBILE TAXATION

In November, 1923, two days after I was elected, I was called upon to make a speech near the Statler Hotel, and I predicted that the present Congress would be one of the hardest-fighting Congresses the Nation had ever seen. Indeed, I could only think of those Congresses preceding the Civil War, when the flaming questions of slavery and secession were debated with hot rage and exceeding bitterness, as likely to surpass this Congress in heavy fighting.

And it must be recalled that many Members of the House and Senate of those days left the Halls of Congress to go into the armies of the North or South to determine by bloodshed unparalleled in this country the questions they could not solve by debate, oratory, parliamentary procedure, and constitutional government.

I also said in that speech of 17 months ago, a year before this Congress first met, that the Congress would be like a big football game, played on a slippery field, with teams evenly matched and contesting like demons for the victory. There would be plenty of chance for fumbles and breaks in luck, and that the Congressman who could keep his head and his feet in the critical moments and snap at the fumbles and see the breaks as they came would overcome his opponents and win the victory.

It seems to me that is just the way the Congress has gone; and those in the grand stands—that is, the people of the country—got a series of thrills which were almost too much for normal nerves.

That was not a snap prophecy on my part about the nature of this present Congress. It was apparent then that there was much rottenness in the Government and that crooked big business had intrenched itself in certain parts of the Government. I talked that in my campaign. It was clear two days after the election that the old guard would fight as fiercely as it always fights to hold its ground, and it was apparent that a coalition of Democrats and progressives would be forced to combat the old guard and that it would control in pinches. In fact, in that speech, printed in local papers at the time, I predicted that this coalition would control.

Not only were there fighting questions at stake, but the personnel of the Congress included more than the ordinary number of fighters. For the country was anxious and disturbed and worried in 1922 about the nature of the Government at Washington, and few men won seats in Congress in that election who did not contest vigorously and prove to the people that they were scrappers. The disclosures made by these men in this session of Congress confirmed the fears of the people that the landslide of 1920 had brought some dangerous men into high places in the Government.

I put over 20 years of deep study of politics and of government and 20 years of practical experience in the maelstrom of politics into that prophecy. I decided to risk my own political future on that diagnosis, and so I chose the legislative questions upon which I would make my chief fights. I did not choose too many subjects, for it was Theodore Roosevelt who said that a politician must be practical and center his strength on causes and crusades that are attainable; that one must not waste one's talents and energy in being too idealistic nor in scattering one's fire too much.

So I centered my attention upon the general welfare of Detroit, which fortunately in all my stands in Congress has meant the general welfare of the country and of mankind, in my humble opinion, for Detroit is one of the great beacon lights of civilization, with its genius for manufacturing certain great necessities of life at low cost and with its gospel of high wages, short hours, high speed, quantity production, and the utmost utilization of machinery.

Every Member of Congress I ever met showed intense interest in Detroit and asked questions about our wonderful city, its leaders, its workers, and its industries. Henry Ford got the House's vote for Muscle Shoals solely on his own reputation and Detroit's reputation for doing things. Many voted for Muscle Shoals, in the last analysis, on that faith. I know I did, because I hesitated to give that great Government plant to any man or company for a hundred years in whose honor and ability I did not have perfect faith.

Detroit's unparalleled growth, prosperity, and international fame is due almost entirely to the automotive industry. That industry is now the second most important in the United States. The automotive business has overtaken and passed railroads, textiles, iron and steel production, and every other American industry but agriculture, and is pressing hard on agriculture's heels. Over $20,000,000,000 is directly involved in the automotive industry to-day.

If any setback or disaster would happen to the auto industry, Detroit would collapse like an eggshell. Nearly every Detroit business man would find his fortune cut down or threatened by serious injury to the automotive industry; tens of thousands of workers would be immediately thrown on the

streets, and soon gaunt want would stalk in their homes. Brevity forbids my elaborating on the fearful picture.

That was why I formed what is generally known throughout the country as the "automobile bloc" in Congress. And that was why there was written in a couple of months this past winter what is called by the official magazine of the automotive industry "the most interesting chapter in the political history of the motor vehicle."

Few people knew before I began my fight that on the automobiles and motor trucks running to-day over a billion and a quarter dollars in taxes have been levied. These taxes are paid by the owners of the cars—the 15,000,000 of motorists in the country—and they, least of all, knew that they are paying twelve hundred and fifty millions of dollars on their machines in Federal, State, county, city, and village taxes.

Detroiters, vitally affected in their pocketbooks by this industry, did not realize that the auto is taxed more highly and more often than any other commodity used in the United States. It has been singled out by legislative bodies, tax assessors, and collectors in every political unit in the country.

This crushing burden of taxes is a millstone around the neck of the auto industry, which has had such marvelous vitality and buoyancy that it has kept afloat and progressed in spite of the handicap. But in hard times or in a period of retrenchment the billion and a quarter taxes would be enough to put many workingmen on the streets through curtailment and even enough to ruin some factories. For every reduction of the cost of cars and of the selling price has seen more cars sold. Conversely, such a fearful load of taxes must curtail sales.

That was why the amazing success of the automobile bloc in the recent session of Congress was the most interesting chapter in the political history of the automobile. For the auto is in politics. Congress and politics are in every man's life, his private life, telling him what to drink and taxing what he has to eat; and in his public life as never before in the history of mankind. And so many utilities, as the moving picture, railroads, the radio, the auto, and so forth, are dependent for their very existence upon politics.

But let this official magazine, published in New York City and known as Automotive Industries, tell the story of the automobile bloc. So trustworthy and up to date is this magazine regarded by auto manufacturers that one auto company in Detroit buys 2,700 copies each issue and supplies them to its officials and workers so that they may keep in touch with the latest developments of the auto business.

Let me quote a few excerpts from its issue of March 6, 1924, as follows:

The automobile bloc in the House of Representatives has scored a great victory in its fight for a reduction in automotive excise taxes. Success is the more surprising because there was no such bloc until December 10, 1923, and when it was organized it contained only one member. * * * Representative ROBERT H. CLANCY, Democrat, of Michigan, conceived the notion of organizing his one-man automobile bloc. * * *

Mr. CLANCY is not unfamiliar with the intricacies of politics. He knows all about the voices which Congressmen must hear before they can be convinced. * * * With his convictions, his vision, and his political astuteness, Mr. CLANCY had no great difficulty in adding the Democratic members of the Ways and Means Committee to his bloc. Under his leadership they vigorously espoused the cause of automotive excise tax removal or reduction. He made a ringing speech on the floor denouncing the majority for deserting the Nation's greatest industry and in support of the bills he had introduced for the removal of all the automobile excise levies. * * *

While demands for action poured in from outside, Representative CLANCY argued and cajoled inside the House. He is not a simple, trusting soul. He doesn't believe everything he hears, and thus it was that he was skeptical of success even 24 hours before the automotive sections of the bill came up for debate on the floor. Although he made his plans carefully he was suspicious that some one would try to "put something over" on him.

Those persons who are interested in motor vehicles are not likely to forget, however, that it was Mr. CLANCY who championed their cause when it had few friends in the House, and that but for the fight led by him the automotive sections of the tax bill would have been left exactly as they were when the measure was reported by the Ways and Means Committee.

That is, the auto people would have gotten nothing and would have paid during the current year in Federal war excise taxes alone upward of $160,000,000.

I now read a few more expressions of thanks for the fight I made for Detroit's basic industry.

Harry M. Jewett, president of the Paige-Detroit Motor Car Co., wrote me as follows:

I certainly wish to congratulate you on the splendid efforts you have made in cutting down the Federal excise tax on motor vehicles and parts.

You put up a game fight for a good cause and represented us in splendid shape.

Now, Detroit has many great factories manufacturing parts and accessories for autos, such as the Fisher Body Co., the Briggs Manufacturing Co., American Motor Body Co., J. C. Widman & Co., employing tens of thousands of workmen.

The secretary of the Automobile Body Builders' Association, having been through the entire fight in Washington, wrote all the body companies of the United States as follows:

We have the honor to make an announcement that, to our knowledge, has never been made in the automobile industry before.

He then tells of the reduction voted by the House, and goes on to say:

We have to thank for this result the untiring, fighting, and maneuvering of the young Representative, ROBERT H. CLANCY, of Detroit. * * *

We sincerely urge that you will make it your business to see that proper credit is given to Mr. CLANCY. He has proven a successful champion of the automobile industry, and we do not hesitate to state that we believe such a man would be a good one to keep in Washington.

Similar expressions came from other great auto organizations of the country, also from hundreds of dealers, firms, and individuals from nearly every State in the Union.

The manufacturers' association, the National Automobile Chamber of Commerce, met in New York City, praised my efforts, and sent me a warm letter of thanks.

The American Automobile Association expressed to me its gratitude. So did the Motor & Accessory Manufacturers' Association, the National Automobile Dealers' Association, and other auto and motor-truck organizations.

They placed the leadership of the fight in the House absolutely in my hands, and then when the battle was transferred to the Senate they paid me the further compliment of giving me the leadership there. I had 15 to 20 close friends in certain Senators, and they helped us to victory there. Both in the House and Senate I used Democrats and Republicans to win the victory. I tried to make championship of the automotive industry nonpartisan and bipartisan, and in view of the particularly partisan bitterness of this present Congress, the result was peculiarly successful.

One of the strange features of this campaign was that the "farm bloc" came to my aid and gave powerful assistance. I had attacked the "farm bloc" early in the session and had begun the organization of the "city bloc" to protect human and property rights of cities. But the "farm bloc" came to the aid of my "auto bloc," and in consideration of the friendliness of the "farm bloc" to the "automobile bloc," the activities of the "city bloc" were temporarily dropped. However, the "city bloc" contains elements of strength and cohesiveness that may sometime exert control in Congress.

Even if we had not gained a dollar of tax reduction in the House and Senate for the auto cause, we achieved two strategical victories which are full of hope for the future. First, I aimed to make it a Democratic policy to adopt the auto industry as a favorite child, as a favored cause, and that crusade was successful. It is now the historical policy of the Democrats to protect the auto industry. I lined up all the House Democratic leaders and the 11 Democratic members of the Ways and Means Committee, also the entire rank and file, over 200 Members, of the House.

Then I went to the Senate Democrats, who with the insurgent Republicans control that body, and showed them what the House Democratic policy was. They fell into line.

This Democratic policy is of tremendous importance, because all the portents of the coming fall election are that the Democrats will be given control of the White House, departments, House, and Senate. The Democrats also fathered the Federal good-roads cause and established that bureau of the Government in President Wilson's administration.

The other big achievement fruitful of good to come is the uniting of jealous or noncooperating automotive organizations. This Federal fight for tax reduction brought that alliance and understanding about. In union there is strength. I insisted as forcefully as I could from the beginning that the automotive organizations make every possible sacrifice to protect the industry and the customers who paid the enormous taxes.

With unified organizations and with powerful friends in the House and Senate the auto industry can go on in the near future from victory to victory.

DEPARTMENT OF COMMERCE BRANCH

The obtaining of a $15,000 appropriation to establish a branch office of the Bureau of Foreign and Domestic Commerce in Detroit is a tremendously important achievement for Detroit. It can be easily demonstrated that increased prosperity for the automotive industry and for Detroit and Michigan may be achieved in large measure through getting foreign trade. The dropping of the tariff against autos in England and other European developments made the time for establishing the Detroit office peculiarly auspicious. For 10 years Detroit had spasmodically, and now and then desperately, tried to obtain this branch office.

The $15,000 appropriation was a last-minute affair. Detroit was tied up with Los Angeles and Portland, Oreg., and the whole item was slashed out in the Senate. Just one hour before the completed bill, without the Detroit item, was going on the Senate floor, I got very busy and lined up a considerable bunch of Senators—Democrats and Republicans. I interviewed personally the Republican Senator who is chairman of the Senate Appropriations Committee, Senator WARREN, and I found him very fine. He called his committee for a very hasty meeting at a very busy time, when the immigration bill was creating a furore on the Senate floor, and allowed me to address it for two or three minutes.

I got Senator FERRIS out of the Post Office Committee, and he really helped tremendously. He was very kind, in the first place, to leave his important postal-increase matters, and so forth, to come with me. Senator HARRIS, of Georgia, was also of the greatest assistance. I was such good friends with some of the Democratic Senators of the committee, who had to stay on the Senate floor, that they gave me their proxy to vote, not understanding my proposition fully and not having time to listen to it. That showed an unusual degree of confidence on their part. Senator OVERMAN, the ranking Democratic member of the committee, threw his support heartily to me in the committee.

My speech ran about like this:

Senators, it is a rare and gracious thing you have done to-day for me. I know how busy you are, how harassed. I know how carefully you considered this item for Detroit before you cut it out. I know how unusual it is for you to reopen an appropriation bill after it is fully printed and ready to go on the floor of the Senate. Your able and most distinguished chairman, Senator WARREN, has been more than generous in allowing me, a Member of the other House, to presume to address you. I am very grateful.

You know my city, Detroit, which has done so much to make life easier and happier for all mankind. You know that magic name, Detroit, as a beacon light for struggling and suffering humanity. You know our high scale of wages, our modern high-speed, mass-quantity production methods. You know our never-say-die spirit as typified by Ty Cobb and others of our nationally famous men.

This is an export-trade item. Can you name me a city in the world of more distinct manufacturing genius? Surely you can not name me one in this country which you are serving. We have the greatest factories in the world in certain lines, driven by most enlightened and progressive men. Why, during recent years give such an office to other cities and not to Detroit? How absurd!

We lead the world in automobiles, adding machines, stoves, drugs and medicines, varnishes, and a number of other products which I shall not name. I must hasten on, for time presses.

I know the marvelous foreign service you have built up through the millions you have appropriated during the past 11 years. I helped to give birth to that service in a small way. I was with Secretary of Commerce Redfield and Assistant Secretary Sweet in the department from 1913 to 1917 when the hard pioneer work was done. In 1913, when the United States first went after foreign trade in a conscious and intelligent manner, Germany was spending more money in New York City alone to get our trade than the United States was spending all over the world for foreign trade. But it is different now. High-grade American commercial attachés and agents are found all over the world.

Give Detroit a real chance to utilize that service and we will see that this $15,000 comes back to our mutual country ten thousandfold. We buy our raw materials for our manufactured products all over this country—probably in all the States represented here at this committee meeting. When Detroit gets hundreds of millions of foreign trade it can not but boost prosperity in the United States. This is one country, and what helps one city helps all.

Give us a chance and we will take this world trade from our competitors in Germany, Italy, England, Japan, France, Belgium, Holland, etc. We can meet the world face to face and lick them at their own game with our spirit, our machinery, our driving methods, our high-speed, quantity-production system.

You know I am not boasting nor trying to bunk you. You are well-informed men. You know I speak the truth. You know world-trade competition, and you know that wonder city and its products—Detroit and "made in Detroit"—already known around the planet wherever human beings toil and suffer and aspire.

I am very sorry if I have talked too long. I thank you again for your generosity and forbearance in hearing me. I will now withdraw.

Senator OVERMAN asked me some questions. Senator JONES of Washington, in charge of the commerce appropriation bill, also did. They asked Senator FERRIS if he wanted to speak. He said he did not, that his friend CLANCY had covered the subject fully. All he wanted to do was to vouch for Detroit and his wise young friend CLANCY. He hoped earnestly all would vote for Detroit.

I then withdrew. Senator JONES, the Republican in charge of the bill, moved that the item of $15,000 be included for Detroit, but that no other cities be given such an agency at this time. The motion went through unanimously. An unusual thing was that when the bill went to the Senate floor the Detroit item was written in ink and the rest of the bill was printed. That demonstrates the last-minute action.

I then went to work on the Senate, where I understood some Senators were going to fight the increases made by the Senate committee over the House bill. Later when Senator KING, of Utah, a former University of Michigan man, made protest on the floor against a number of Commerce Department increases, and particularly those dealing with foreign trade, the only exception he made was on the Detroit item. That went by on the preliminary debates unanimously, with always enough Senators on hand to save it if it were contested and a vote taken. All my Senate friends were loyal.

On the final debate Senator MCNARY, of Oregon, tried to get through a similar branch office item for his largest city, Portland. He is one of the most popular Senators, is a Republican on the powerful steering committee of the Senate, and was up for reelection and needed help. But the Senate voted him down. Senator JONES defended the Detroit item, eulogized Detroit as a great manufacturing center and as a contender for world trade. Detroit won in the Senate.

Then came a nasty fight with the House conferees. Two out of the three were dead set against such increases in the Senate, and a powerful conferee was very much opposed to the Detroit item.

I worked on the two hostile conferees, one a Republican and the other a Democrat, for two weeks. I brought all my friends and all my knowledge of politics to bear. The loss of either conferee would probably have been enough to defeat the Detroit item.

I won them both on the Detroit item and did what I could to line them up for the other foreign-trade increases. They cut the latter down but let the Detroit item go through in full.

Then the House confirmed the conferees' report. I had enough friends on hand to sustain the Detroit item if it had been contested.

Finally the President signed the Commerce appropriation bill, and it became a law.

FURTHER DETAIL ON THIS AUTO IMX-REDUCTION CAMPAIGN

The most interesting chapter in the political history of the motor vehicle has just been written, according to an article in the Automotive Industries magazine by James Dalton.

But it should never be forgotten that if it were not for the powerful support, cooperation, and assistance given me by the nine automotive organizations, and particularly by their Washington representatives, the victory probably never would have been won.

In the dark, critical moments of this fight—for fight it was through six long months of intense strain and anxiety—I developed a certainty of the loyalty of these Washington agents.

Among these men were Pyke Johnson, Alfred Reeves, C. C. Hanch, and Norman Damon, of the National Automobile Chamber of Commerce; Ernest Smith and M. O. Eldridge, of the American Automobile Association; Carey E. Quinn, F. D. Mitchell, and F. D. Willoughby, of the Automobile Body Builders' Association; Mr. Heminway, of the Motor and Accessories Association; and a number of others. These men were particularly helpful and efficient.

These men paid me the great compliment after the fight had been going on some weeks of accepting me as the leader in the crusade. They accepted my advice as to what was the best thing to do, and they did what I asked them to do, whether it was to send out thousands of telegrams stirring up the country or putting a short, snappy argument in the form of a card,

cartoon, or display sheet on the desk of each Congressman or Senator for 29 or 30 days consecutively.

It was that kind of earnest cooperation, teamwork, and common counsel which really won the first great political battle the automotive industry ever staged. Each day we met in my office for many weeks and planned the strategy for the drive and took common counsel.

It is no secret to the men who were on the inside of this fight that at first it was rather hard to whip the organizations into line and get them to bring their great resources of membership to bear upon Congressmen and Senators. That task required infinite patience, forbearance, and also pressure carefully applied.

The organizations were discouraged. For three long years they had been rebuffed by the Treasury Department and Congress. Secretary Mellon had brusquely told them that the war excise taxes on autos should be raised rather than lowered. He said that anybody who could afford the luxury of an automobile could afford to pay these taxes.

That was the general attitude of the old guard leaders in the House and Senate and is shown clearly in the hearings and speeches. That was why I took the House floor and went after the old guard hammer and tongs February 18, and told them 15,000,000 motorists were getting ugly, angry, and indignant, and were going to vote their wrath at the great injustice being handed out them in a hard-boiled manner.

I had my charts and maps there and explained how well organized these motorists are in nine big associations, led by men who are keen, alert, intelligent, and full of fight. That speech I really think was the turning point of the session's struggle. I had the Democrats very well in hand, some 210 of them, and I had all their 15 or so leaders 100 per cent. We had the progressives pretty well also. After that speech the liberal Republicans began to come on our band wagon and soon the one-man bloc consisted of 435 Members, for the old guard leaders of the House scudded for shelter before the storm.

The 11 Democratic members of the Ways and Means Committee, and 2 Republican members of that committee—Representatives MCLAUGHLIN of Michigan and CROWTHER of New York—had worked for auto-tax reduction in the committee, but failed to gain their objective. Then we took the fight to the floor of the House, and what did we accomplish?

THE CAMPAIGN GAINED MUCH

We struck off the backs of the motorists of the country and off the industry a tax burden of what we conservatively estimated at $25,000,000 per year, but what is in reality, I believe, closer to $35,000,000 on this year's taxes and a larger amount each year hereafter, as the number of cars in the country increases.

We killed all the sales taxes on the light trucks of the country, and we killed half the sales taxes on tires, tubes, parts, and accessories. The trucks repeal involves an admission that the automobile is not a "luxury," which is the chief argument used by the Treasury Department and Congress for insisting upon these sales taxes; and the other repeal does the same and is a direct gain to every user of automobiles in the country in that it saves on replacement parts between twenty and thirty millions.

But that is but a small part of the victory. For the first time the greatest industry in the land has been taught its political strength. The bloodsuckers and the parasites on its body have been pointed out, and it will soon cleanse itself. Torpid and stupid politically, the industry has been lashed into action. It has been taught that it is mean and ignoble, treacherous and short-sighted not to protect the industry as a whole, and particularly the customers thereof, against gouging and grafting exactions.

When our country was but a puny infant among the nations of the world it shocked European diplomacy by defying the pirates and parasites of Tripoli with the slogan "Millions for defense, but not one cent for tribute."

The automotive industry is now the giant of them all in this country, having passed railroads, textiles, iron and steel, telegraphs and telephone, and so forth. But it not only pays tens of millions tribute in a mean, stupid way to the multimillionaires of aluminum, oil, iron and steel, rubber, copper, brass, glass, lumber, and so forth, through manipulation of the tariff, through other governmental agencies and combinations of trade; it also pays taxes to all the political units of organized society—Federal, State, city, county, and so forth.

The amount was $450,000,000 last year. That is staggering. And it all need not be.

All that will become clear in the months to come if I have my way. Our recent victory has torn the scales from our eyes, as well as showing us our strength. We are beginning to see who our enemies are as well as our friends.

AUTO INDUSTRY MUST WAKE UP

Above all there should be some ethics in this industry, some ideals, some loyalty, some enlightened unselfishness, if not downright generosity and gratitude. All the world hates an ingrate. It is the solemn duty of the orgnizations of the various parts of the industry and of the motorists to protect the motorist, the customer who has made all these factories, all these stupendous fortunes. For we all know these hundreds of millions of dollars of exactions of which I speak fall solely upon the back of the user of the cars. They are on his neck and reach into his pocket. They are at the same time a millstone on the neck of the industry itself.

The auto industry must protect itself or it will be the prey of despoilers and assassins. Let me show the rule of life by two illustrations.

Last August, a few days before President Harding died in San Francisco, I was sailing up the Mexican coast in the Pacific Ocean. It was a wonderful day upon a wonderful ocean. We had not long since left old Panama, where Sir Francis Drake over 300 years ago had razed and raped, looted and murdered, and burned and destroyed in a frenzy of energy and passion. He had sneaked across the fearful trails of the Isthmus, so deadly with fever and a thousand perils, had found the city all unsuspecting, and had massacred men, women, and children. There are many Sir Francis Drakes looting honest business and Government to-day.

The fearless, upstanding young captain of a submarine beside me was telling me of a battle he had witnessed some months ago in these waters between a huge whale on the one side with a shark and a swordfish on the other. It was a titanic struggle between giants and the water was lashed to foam.

With demoniac fury the shark and the swordfish attacked the whale. The shark would shoot half its length out of water and fall with a crash on the whale's back and sides, tearing out with its razor-like teeth great chunks of flesh. With lightning-like speed and terrific power the gigantic swordfish would sink its spear into the vitals of the whale.

Soon the battle was over. The huge body of the whale quivered convulsively; the vibrant tail ceased its threshing. The leviathan of the deep was dead. The green-blue ocean was colored carmine with its blood.

The cold, calculating, murderous hate shining in the little eyes of the shark and of the swordfish turned to the victorious light of ardent desire, of blood lust about to be satisfied. Greedily they fell upon the still warm carcass and gorged themselves to their heart's desire, crowding each other avariciously for the vital parts. The carrion birds of the air came and picked out the eyes of the leviathan. They gorged themselves on the whale's body.

Tens of thousands of predacious, voracious, finny assassins and cannibals of lesser power than the shark and the swordfish swam madly to the feast. These gluttons tore fiercely at the whale for days.

The shark and the swordfish had shown no pity, no mercy, no sorrow, no remorse. Neither had the lesser fry. In all the animal world there was no pang of regret for the splendid leviathan, the biggest of all animals, land or water.

The shark and the swordfish hated each other with a bitter hate. They distrusted each other and would battle to the death to make a square meal out of each other if there were no easier food close by. But the whale was easy money, easy food, and they, these gunmen of the deep, took his life without a twinge of conscience. On the whale they developed perfect teamwork, fine cooperation.

It struck me at the time that the true parallel in business and politics would be to depict the automotive industry as the leviathan of big business to-day, being speared by oil as a profiteer and gashed by the railroad interests which fears auto competition, while a host of predacious, cannibalistic lesser fry, such as rubber, lumber, both soft and hard, aluminum, copper, and so forth, take their toll.

All these special interests are old at the Government game. Their creed is that government is to despoil the weak who can not defend themselves and the strong who are unwary. They use the tariff and taxation measures generally to mulct millions wherever and whenever they can.

Who can say that the Aluminum Trust needed the additional tariff raise it got in 1921? It admitted in the congressional hearings that it is a complete monopoly in this country, but claimed that it is a "benevolent trust." It maneuvered a tariff

raise, boosted the prices immediately to automobile manufacturers, and pocketed millions on the graft. Its notion was just as vicious, just as wrong, as that of oil was in paying $100,000 to a Cabinet member to help make $100,000,000 out of Teapot Dome. But it is done within the law.

I attacked that action of aluminum and if I stay in Congress I will see that tariff rate put back where it belongs. The auto organizations should help in that movement. The only safety when these sharks and swordfish are around is in keeping your eyes peeled and using the weapons God gave you. Now let me recount somewhat in detail some of the high lights of the fight and how we won our contentions.

GETTING ATTENTION

One of the most difficult things to do in Congress is to get attention. No matter how worthy the man, the measure, the movement, or the crusade all is impotent unless attention is gotten.

I have heard old Members say, and it is set down in the CONGRESSIONAL RECORD, particularly in the eulogies of deceased Members, that some men have been there at least 10 years before they could get an effective hearing. The House and Senate treat new Members as college men treat freshmen. They are to be seen but not heard.

The eight or nine powerful automotive associations have declared from time to time in bulletins, letters, telegrams, and magazine articles that I had the leadership in this fight both in the House and Senate; that I brought the question to the fore, and that the victory would not have been won without me. That has also been stated in some newspapers, particularly some eastern ones, as in the great dailies of New York City.

How did I get attention for this most worthy cause? Well, probably the most sensational way was by unconsciously starting a terrific fracas on the floor of the House, featured by a couple of near fist fights and the bandying of epithets, with personal and party feeling worked up to a furious pitch. That was the stormiest day of Congress in many years, that February 28, when the row over automobile reduction took place.

One hundred and twenty Members swirled in the well of the House that day, most of them yelling angrily at the top of their voices. I yelled as loud as, if not louder than, anybody there. One of my Democratic friends, mistaking something I said, threatened to knock my head off, and drew back his fist to do so. But luckily the fist was caught en route by our regular leader, a stanch friend of mine, FINIS GARRETT of Tennessee.

The representatives of the automotive organizations were in the gallery and were much alarmed. They met me a few moments after the fracas, white faced, and afraid that our cause had been ruined.

I told them not to worry; that it was but one stage in the development of the battle; that we were turning on the spigot of publicity; that we were telling the country that somebody was trying to fight for justice for 15,000,000 motorists who are voters; that a fracas or near fist fight is always sure shot for the front pages of newspapers.

I told them a beautiful row like this would carry on the front page of every live newspaper in the country; that the press associations would carry it big and the special writers would feature it; and that there would probably be editorials and magazine articles as an aftermath.

These organization men had complained to me of the cost of stirring up their people back in the districts by telegrams, letters, bulletins, and traveling agents.

"Now, you are stirring them up in the easiest way," I said. "You are getting a million dollars' worth of attention and publicity for your cause, scot free, absolutely gratis. Fear not. We have too much support now in the House to lose our objective. We are merely digging in, consolidating the ground we have taken, and will weaken the enemy with the propaganda that will come from back home as a result of this publicity."

The next day practically every paper in the country carried a story on the House fracas. The New York Times, quite generally recognized as the brainiest and most capable news gatherer of the country, broke out on the front page and devoted three and a half columns to that afternoon in the House. Other papers, according to their space and resources, carried it in less measure. Editorials also followed on the near fist fight of "Mustang Jack" and "Auto Bob." Even stirring poetry was written on that row.

But it would not be quite correct to overemphasize this fracas on the floor of the House as the crisis of the fight for auto-tax reduction. The basis for victory, for getting attention and favorable conviction of the minds of the House Members, was deeper and more varied than that. A more patient and sounder foundation was laid. More time, toil, and thought was expended than on that violent afternoon.

WHAT WON THE FIGHT

If I were to enumerate quickly the elements of the auto tax victory, I would say these were:

Friendship; automotive organizations; propaganda through the radio, newspapers, trade magazines, letters, telegrams, bulletins, circular literature, display literature, cards, small and large maps, huge charts for the House and Senate floors and committees; and party appeals.

Now let me try to make clear briefly what I mean by the above.

In a campaign of this sort there can be no success without friends. I think by far the greater part of the victory goes to my friends in Congress and in the automotive organizations.

I made friends among the Democratic leaders, and by patience, perseverance, persuasion, and above all, by the utmost persistence, I lined them up for the cause. The rank and file of my party fell in behind them. That was true of the House and Senate.

I had a few friends on the Republican side. I made more. I battered and pounded the opposing Republicans, stole away their support, then compromised with them and treated them generously.

That was how the victory was made unanimous, for our victory for $25,000,000, as estimated, was unanimous in the House and Senate. And we have left very few sore spots, very few enemies behind.

The Ways and Means Committee, the most powerful committee of the House and the one which handled the auto tax question, soon included several warm personal friends. These men did everything within reason to help me. So also in the Senate I had many warm, powerful friends. They made the fight a success there.

Many of these men had been in the House and knew me when I was in Washington before, and because of their merits had won promotion to the Senate.

If it had not been for the true friendship these men in the House and Senate bore, their ardent desire to grant me a favor and help me to reelection, I am absolutely confident we would not have won the recent fight.

If it had not been for the friendship of the representatives of the automotive organizations, the fight would have been tremendously handicapped. I had never seen any of them before December, but soon a warm friendship sprung up among us. We developed the camaraderie, the morale which is necessary for any crusade of this sort.

As for the third element, there is no more interesting phase of politics to-day than that of propaganda. The war made it popular, for the propaganda of the Germans, British, and other governments of the war awakened thoughtful men everywhere. The Red Cross, Y. M. C. A., Liberty loan managers, Knights of Columbus all used propaganda to raise their funds and swing public opinion.

There was good and bad propaganda. A few years ago I instituted a great propaganda drive to boost the University of Michigan, and it was very successful. The most carefully planned, most expensive, and widespread propaganda ever run in this country was the propaganda for the Mellon plan.

It was astoundingly successful throughout the country, and the country was sold on the plan. But the very methods of the propaganda defeated the cause it aimed to win. Congress was disgusted with the methods used to put over a plan very hard for the average person to understand, and became very suspicious of the source and motives of the men behind the propaganda. When the final votes were taken only 2 Senators out of 96 in the Senate voted for the Mellon plan.

Six voted against the revenue measure adopted, and which repudiated the Mellon plan, but of these six Senators four voted against the plan finally made law because it did not go far enough away from the Mellon plan. In the House only 9 out of 435 Members voted against the revenue measure adopted and for the Mellon plan.

Well, what the Mellon plan was in crudeness and inefficiency our automobile propaganda thrown on the country and on the House was not. That is sufficient. We had a careful system of propaganda, worked it to a peak, both in the House and Senate, held the interest long enough to put over the knock-out, and then receded. I have been in many propaganda campaigns, but have seen few worked more cleverly or to better advantage than the automotive drive. Many Senators and Congressmen say the same.

DEMOCRATS SEE OPPORTUNITY

As for the party pleas, they were effectual with all three parties. I showed the Democrats that we had an opportunity to take advantage of the blunder made by the Republican old guard in arousing the hostility of 15,000,000 voters. The Democratic leaders gave me the courtesy of addressing the rank and file in secret caucus. With my maps and charts I took full advantage of that opportunity and made scores of votes there; in fact sewed up the party pretty well, and that party had 210 votes in the House.

I showed them that under their recent great leader, Claude Kitchin, and their recent campaign chairman, Frank Doremus, whom they all loved, the Democratic Party had taken a stand against these auto-sales taxes from 1911 to 1917. I showed them that the Democrats had been the patron of good roads in the country and had founded the good-roads division in the Federal Government under President Wilson. The Democratic Party did that, and it is written into the CONGRESSIONAL RECORD by a number of our leaders. That party may soon win all branches of the Government in the fall elections. Then its friendship will be vital. It is quite so now.

There is common work ahead in taxation matters, in using the Government in various ways. For instance, I supported a $25,000 item in the Bureau of Standards, one of the finest laboratories in the world, to help develop the automotive engine by a series of profound studies and experiments.

THE RIGHT THING TO DO

Henry Ford told me at a football game at the University of Michigan last fall, in one of his serious moments:

The main thing in life is to find out the right thing to do in any case.

That was a very profound thought—not what is the easiest thing to do, the most selfish, or the most sensational—just the right thing; then go ahead and do it though the heavens fall.

The right thing for the automotive industry and its various organizations to do is to protect the industry, and above all its customers, from hostile governmental action, from greedy, unscrupulous interests which have been using government to despoil; then on the converse side use government to develop the industry by good roads, fair shipping rates, scientific bureaus, and the passage of laws for the general good of the industry.

The automobile is inevitably, and through no choice of its own, in politics. In fact, it has been for some time. But now it is conscious of how much it has been losing through politics, and how much it may gain. Why not make the most of it?

THE MELLON PLAN

A strange mania, a wild obsession, seized the business world last December when Congress went into session. Big and little business men went fairly frantic over their fears and hopes. The Mellon plan was the cause. If the Mellon plan was not adopted without the crossing of a "t" or the dotting of an "i," all was lost. Factories would close, banks would break, bread lines would form. Disaster and gaunt famine would stalk a theretofore fair and prosperous land.

For 10 days Congress was swept off its feet, for the country was absolutely solid on the Mellon plan. It was a bold politician who dared to raise his voice against the Mellon plan. Since then the Mellon plan has been absolutely repudiated by the Congress; and the President, a sled-length backer of the plan, accepted its repudiation by approving it with his signature.

In the Senate, well stocked with conservative and old guard Senators, only two Senators out of a total membership of 96 stuck to the end for the Mellon plan and voted against the Simmons plan which repudiated it. Six Senators in all voted against the Simmons plan, but four of these six were Farmer-Laborities or Progressive Republicans who thought the Simmons plan did not go far enough against the Mellon plan.

In the House, only 9 out of 435 Congressmen voted against the plan which repudiated the Mellon plan, and some of these 9 said they voted against the victorious plan because they did not like certain incidentals such as publicity of the amount of tax paid by income-tax payers which was a check against fraud and the dodging of taxes. The publicity did not provide for revealing the details of a man's business or private fortune. The proposed publicity had been found helpful in some States in getting tax dodgers to stop falsifying their tax returns.

Now, why this most astounding debacle of the Mellon plan in the morning marching proudly and confidently to anticipated victory, with banners flying and all hands gaily chanting; and in the afternoon a thing of rags and tatters, overwhelmingly defeated and in utter rout, with but a scant few of the rear guard making a dodging, running resistance? What of the old guard, whose only claim to respect was that it knew how to die?

The old guard dies, but never surrenders.

Well, some of the old guard say their attack was "scientific," and the battle must be fought over again this fall, with the people deciding instead of Congress, which does not fight on "scientific" lines. But science never fails, the old guard says.

In just what respect was the Mellon plan "scientific"? I received about 400 telegrams and letters from a big business city of a million and a half people asking me to stick for the Mellon plan because it was "scientific" and would save the business world of the country. Just then the country was having its greatest prosperity.

These 400 were the result of an intensive propaganda, carefully thought out and planned many months ahead, in which practically all of the million and a half of Detroit were solicited to write or wire me. The moving-picture houses asked their patrons to write me; great business organizations of tens of thousands of members were asked to write or wire me; employers asked their employees to do the same.

But only 400 fell for the propaganda. They sent me circular letters or telegrams already prepared for them, or they varied the forms slightly, or they advanced their further thought on the subject.

I received most of these letters or telegrams before the Mellon plan was known. It could not possibly be known, for the bill was not printed; and despite the most desperate efforts of Senators and Congressmen to get a copy of it at the time their mail was being swelled by the propaganda they failed.

Finally it came out, and contained 344 pages of highly technical language. I had been a tax expert of some experience, for I had been through the revisions of the Wilson administration. I had also been United States customs appraiser of Michigan for five and a half years, interpreting taxes to the people. But I did not get the full meaning of the Mellon plan at first.

For two months the House Ways and Means Committee went at it with detailed hearings, and then the Senate Finance Committee went at it. After four or five months the truth was quite clear. It was difficult for opponents of the Mellon plan to get figures and statistics from the Treasury Department. But tax experts were consulted. Also many Congressmen and Senators are tax experts of from 10 to 25 years' experience in framing tax laws and in digesting nearly everything of note written on tax theory and science and practice.

Well, briefly, the Mellon plan meant that the very rich should get a 50 per cent reduction of their taxes and that the middle and lower classes of people should get a 25 per cent reduction. It meant that six very rich men, of whom Mr. Mellon was one, should get twice as much tax relief as 1,000,000 other income-tax payers of the country.

Is there any wonder that the Republicans themselves refused to stand for it? The theory of the income tax which is adopted in all the largely civilized countries of the world is that those who have the ability to pay taxes shall pay the larger portion of them. That is the theory adopted in this country after many years of intensive debate. The Supreme Court passed on the question a couple of times. It is provided for in an amendment to the Constitution. It is recognized universally as just and fair. Only a very few rich men, getting their enormous fortunes from organized society and protected in holding them by organized society, try to fight the principle of the income tax.

It is recognized that a laborer with six children must see some of those children go without some of the necessities of life, as food or shoes or clothing or fuel, if he is taxed severely by the income tax. Every single dollar counts. It is inconceivable that a multimillionaire or his children should go without the necessities of life if he pays the taxes called for in this country.

But the Mellon plan provided that those who could afford to pay should have their taxes cut in half and the poorer people should get only a quarter reduction. That was why the leader of the Republicans in the House, Representative NICHOLAS LONGWORTH, refused to support the Mellon plan. That was why the chairman of the Ways and Means Committee fought the Mellon plan. That was why one Republican leader after another in the House and Senate split their party and faced political ruin. Nobody ever accused them before of disloyalty to their party. But the Mellon plan was too raw, too hard-boiled, too selfish. It would get through to the people eventually, and then the party would be ruined anyway.

The Fordney-McCumber tariff was raw and hard-boiled and was put over when the Republicans had an enormous majority of the House and Senate in 1921 and had carried the White House by 7,000,000. But the Republican Party lost the House and Senate immediately in 1922 largely because of the Fordney-McCumber tariff and the double-crossing on the bonus. The party had promised the bonus in the elections of 1920, from President Harding down, and had then double-crossed. That had an effect, but the Fordney-McCumber tariff was the big thing.

In that tariff law the Republicans of the House and Senate had seen Mr. Mellon's aluminum trust, the Aluminum Co. of America, which admitted in the hearings that it was a complete monopoly, write a plank which raised the price of aluminum to the consumers of the United States and took an enormous toll in tariff graft.

They did not have so very much confidence in the altruism of Mr. Mellon's motives, and they did not believe the propaganda that Mr. Mellon was sacrificing a whole lot by going into politics. I believe, in fact, that no American, living or dead, and no man in the world's history has made more money indirectly out of participation in politics than Mr. Mellon. And he also has stood for multimillionaires of his class making money out of politics, out of the tariff and of taxation.

Briefly, the plan which repudiated the Mellon plan in the House and Senate and became law meant much to the very persons who write me from Detroit.

It meant a reduction of about twenty-five millions in automotive taxes. These taxes are on the motorists of the country and on the 200,000 and over owners of trucks and autos in Detroit. They are a millstone on the neck of the automotive industry, which has made Detroit's prosperity and benefited every resident of Detroit in larger or lesser measure. The motorists of the country pay $450,000,000 on their machines alone in Federal, State, county, city, and so forth, taxes. There is a burden of over one billion and a quarter dollars on the autos now running in the country in these taxes alone.

Yet Mr. Mellon said the auto taxes should not be decreased but should be increased. He believes in a sales tax to help him and his class escape the income taxes. He and his kind have schemed to break down the income taxes and substitute the sales tax, which would be a great burden to the poor. All the farm organizations and the American Federation of Labor are bitterly opposed to the sales tax. Mr. Mellon wants it badly, and he wants the auto "soaked" because it is a luxury, he says, which is untrue. The railroads want the taxes increased on autos because they compete with the railroads in hauling passengers and freight. Mr. Mellon is the best booster the railroads have in this country.

I had the leadership in the fight for the automotive industry in both the House and Senate, according to the auto magazines and organizations. It was rather peculiar wit and humor for Detroiters who made their fortunes out of the automotive industry, directly or indirectly, to send me letters and telegrams to support Mr. Mellon and his plan, which was "soaking" Detroit. Some of them got real ugly about it, too.

None of them circularized me to save Detroit or the automotive industry or the motorists. None of them wrote me letters or telegrams to that effect. That was my own fight, with my back to the wall, against Mr. Mellon and his gang in the House and Senate.

They were all for tax reduction, but none of them wrote or wired me when I fought against the Anti-Saloon League crowd increasing their raids on the Federal Treasury 600 per cent in a tax-reduction year. The Anti-Saloon League fellows got nine millions plus last year, and this year they asked for $53,000,000. We fought them down to $35,000,000 or thereabouts, but it was not the Mellon boys who helped.

The Mellon plan meant in Michigan that of the 250,147 income-tax payers in Michigan 174 very rich men would get much more benefit than the other 249,973 taxpayers. The plan which was adopted gave a 25 per cent reduction on last year's taxes to both the rich and poor and also the middle classes. It provided also for a general tax reduction on this year's taxes of 50 per cent on all but the very rich. The latter it gives a 20 per cent reduction.

What is the matter with that plan? Oh, it is not "scientific." The word "scientific" intimates a great mystery in taxation. Some say the very rich will make the poor pay their taxes for them by incidence, by increasing the cost of what the poor buy. But the very rich can not do that fully and in all cases. That was why they were for the "scientific" Mellon plan.

The nub of the whole tax problem is this: The State and State units make the people pay much more taxes than the Federal Government does. Also the great bulk of taxation levied by Congress is war taxation. We must pay the $20,000,000,000 debt arising from the Great War. We must also pay the three or four billion dollar adjusted compensation or bonus obligation, which was very clearly a war debt just as our Civil War pension bill of many billions was a war debt.

Now, who is going to pay this twenty-four billions of war debt? The Mellon plan said the very rich must not pay their fair share; Congress almost unanimously said the very rich must. That is the nub.

Eighty cents out of every dollar appropriated by Congress this year goes to pay the debts of past wars or as insurance against future wars in the form of appropriations to the Army and Navy.

Congress is abused for the tax bill, but war should get the chief abuse. So should the State units get their share. Congress does spend some money which probably could be saved, but it is a very small part of the whole.

THE BONUS

Now, Mr. Mellon said we should not pay the soldiers' adjusted-compensation debt. He was a part of the Republican campaign machinery in the campaign of 1920, when the bonus was promised by Candidate Warren G. Harding and written into the Republican platform in a plank. This plank was interpreted all over the country by Republican orators as a promise to pay the bonus if the Republicans were given power. They also pointed out that Woodrow Wilson was opposed to the bonus.

Representative LAGUARDIA, of New York, said on the floor of the House this session that he was one of those paid orators, and that he was instructed by the Republican campaign committee to promise all American Legion men the bonus. He said the committee paid his campaign expenses.

Senator FESS, of Ohio, also said the bonus was plainly promised. The party got a 7,000,000 majority largely on that issue, and then Mr. Mellon repudiated, in some measure, their plank. A number of persons of Detroit who voted for that 1920 platform and candidate have written me that they are against the bonus. They repudiated their votes of 1920, which was easy for them, because they are not in public life.

One of the planks of my platform in 1922 when I ran for Congress declared for the bonus or adjusted compensation as a matter of justice to the men who sacrificed their time and their salaries in the Great War. I could not repudiate that pledge, and I did not. I voted for adjusted compensation and supported it.

Washington, Lincoln, Sheridan, Sherman, and many of our finest patriots, statesmen, and generals were eager to get the bonus their country gave them. I do not think they commercialized their patriotism any more than the men of the Great War do to-day by accepting a bonus.

CHILD LABOR AMENDMENT

Mr. WARD of North Carolina. Mr. Speaker, I was disabled from sickness to attend the general debate on the resolution to submit the child labor constitutional amendment, and because it is still, if only nominally, a pending question until the legislatures of the States act upon it I avail myself of the privilege of extension in the RECORD. If I had been here, I would only have been numbered with those who spoke to no effect and stood with earnest souls before the fatal steam roller. It was originated and kept in agitation by impulses and emotions and self-trained opinions of government that in modern politics do not stop nor halt for opposition, but simply characterize the opposition in disparagement and keeping up the swell of increasing self-exaltation rolls on to its appointed end. It did not originate, in my opinion, in a fair understanding of our theory of government nor in a correct estimate of its application to social or economic conditions in all parts of the country.

But no wit, nor wisdom, nor reason, nor logic, nor invocation of political doctrine, nor governmental policy, nor constitutional principle can lately seem to stop the progress of this and kindred movements that clothe themselves with the assumption of superior morality, humanitarianism, and righteousness, call to their support ecclesiastical and feminine zeal, and start out on their political crusades to capture the devil and put him in chains by force of constitutions and statutes.

By more than a two-thirds vote of both Houses of this Congress an amendment to the Constitution has been submitted to the States for ratification, short and simple in its words. It simply says that "the Congress shall have power to regulate, limit, and prohibit the labor of persons under 18 years of age." If ratified, Congress may by law say to a boy or girl 17 years, 11 months, and 29 days old, "You shall do no work"; and

shall have the power to say to the parent or person in loco parentis, "You shall not let him or her work." In most of the States yet reserving to themselves the right to regulate marriage the girl may marry with the consent of the parent—and the parent may as freely grant that consent—at 16. This is the law of my own good State. In the undisturbed harmony of nature she will be a mother certainly once and not improperly twice before she attains her liberty, under the new Constitution, to work. Poor father! Poor baby! Wife and mother under restraint of a Federal officer against the right to work. Do I suppose an extreme case? "Extreme cases are the quicksands of the law"; and lawmakers should avoid quicksands. The case I put is squarely and reasonably and very probably within the purview of this proposed Constitution. "Congress shall have power to prohibit the labor of persons under 18." Of course, such a law is only made in such a case to be contemned and disregarded. It operates, of necessity, directly upon the child doing the work as well as upon the parent or employer or person in control. Nobody in such a case would regard it. But disregarded constitutions and laws are not promotive of the public good. They have less force of morality in them when contemptuously breached than may be pointed out by the moralist in the conditions referred to in the hearings for support of this resolution.

Will the enabling act go to the extent of the granted power? This question may yet be open to controversy and will be kept open pending the ratification. Only such instances as are above suggested will be persistently met by the contention that the Congress will not go that far, but will introduce exceptions and qualifications in the enabling act. These contentions are of doubtful sincerity. They are not to be taken as based on an intelligent knowledge of congressional psychology. They are not supported by the history of congressional action in such instances in the past. A large and intelligent class have believed and still insist that the last time Congress was privileged to write an enabling statute based on a constitutional amendment it went beyond, rather than stopped within, the limits of granted powers. Legal controversies have not stopped in the test of that question, although six years have passed since the act was written. It is not in keeping with the natural tendency of legislative bodies writing a statute in pursuance of express constitutional mandate to leave well-defined authority unexercised and unasserted. The tendency is the other way. Besides, no student of affairs, no observant person, can doubt for a moment that this enabling act will be written by the same hand that wrote the amendment, guided by the same genius for suggestions of legal restrictions, the application of these restrictions to individual life and conduct, and the certain and unfailing prescription of Draconian penalties by which to lash the failing wretch into obedience.

The facts are, Mr. Speaker, this enabling act is already written. It is now on the files of some secretary or president of some of the various politico-social organizations that continue to keep up agitation for new laws to better social conditions as they see them. Let no one imagine for a moment that these proposed laws recently so numerous and persistent at the doors of Congress, coming from every source of social agitation and from innumerable organizations of a mixed social and political kind, are written in the first instance by Members of Congress. They are brought here in perfect form, no "t" uncrossed nor "i" undotted, and the enabling act to put in force this amendment is in the files of some man or woman to-day who has never been and probably never will be a Member of Congress, awaiting only the jacket of the Congressman to be selected to introduce it.

If this is taken as an assumption, let us examine the facts as to the attitude of the proponents as this amendment went swinging through the House and Senate. Numerous proposals for amendment and modification were made, supported by the most earnest and eloquent effort. In the beginning these efforts were met on the floor of the House by the words sent around, "Do not commerce to change it now; if you let them start that, they will destroy it. The proponents of this measure want it as it is or not at all." That is accurate quotation.

Will the enabling act exempt farm labor? Look at the RECORD and see what the vote was on the amendment proposed to make that exception in the text of the constitutional amendment itself. The vote was not materially different from the final vote on the passage of the measure. Exactly this amendment was proposed in both Houses and the proponents stood like Jackson at Manassas. I listened to Senator REED put a clear, strong instance of its possible application to farm life in support of his proposed amendment. I felt like I could improve upon the illustration and multiply it many times—perhaps because I have an advantage over Senator REED in familiarity with farm life and its unlimited trials, "dangers, toils, and snares"—but it was plain and strong, and it made no impression outside the line-up. I say now, without the slightest doubt, that if and when the legislatures ratify this amendment the Congress, under the same stimulation that evolved it, will write a statute whose words will attempt to suggest that a fine, healthy, romping farm boy of 17 years old may sit in the shade and eat green apples all day, or loiter around the swimming hole, and look on the father in the sun at the end of a 6-foot helve as he digs and prays for his daily bread. In discussions of this possibility I have heard the answer made that the country boy or girl was as much entitled to the protection of the law as a city boy.

The legislatures will be unable to qualify the provisions of the amendment. They must take it or leave it exactly as they find it. They must grant this unlimited power to the Federal Government to enter into the private personal affairs of everyday life or withhold it in toto.

Returning to the question what may be expected of the Congress that passes the enabling act: Efforts were made on the floor of both Houses to reduce the age to 14, then to 16, then to 17. No variance in the vote. "The proponents of this measure demand it as it is. If you let them commence to amend it, it will not be acceptable to them."

Here, Mr. Speaker, is concretely presented a fair illustration of why this law ought not to be put into the Constitution of the Federal Government, and why it should be left to the States as their internal domestic affair; laws can not well be enacted and enforced that apply differently to various classes within its scope. Uniformity of application and of enforcement is nearly essential to the successful administration of any law. The Federal Government embraces 48 States of popular occupations and environments and social and industrial conditions so varied and so distantly opposite that the difficulty is at once appreciated of writing a Constitution with a sufficient variety of application to affect differently and appropriately all these varied interests and conditions; therefore, the proponents finding themselves unable to adopt a general law to such distant and divergent interests reject all suggestions of adaptation, turn away from the task, and sighting the main object of the objective "wade on through slaughter to a throne." This is not necessary. The necessity is removed by the very form of our Federal compact presenting 48 independent States possessing in themselves the power to make laws in neither of which is nearly so much variety of interest as in the whole, and in each of which a condition may be found different to that in any other. In my own good State this question of child labor has been most diligently studied and its problem worked out. It is there well recognized that intelligent guardianship of child life at work and play at home and abroad is of immense importance, and expensive agencies of State government and social development are effectively employed in child culture. Its people are satisfied except such of them who, seeking an opportunity to advance a social reform, want to extend the force of their opinions to the citizenship of distant States with whose life problems and conditions they have had no contact and know nothing except by appeals of mercy and merely asserted humanitarianism vehemently advocated by social reformers. It is best that the matter rest with the States where the wise builders of the Government left it.

Mr. Speaker, it does not conduce to the public good in any way; it does not stimulate patriotism nor regard for laws to command by the power of the Government a prescribed line of personal conduct and habits of life, affirmatively, and the substitution of Government control for parental discretion and authority is likely to prove disruptive of the peace and good order of society. A line of conduct or a custom of life may be well adapted to the State of Georgia and all out of keeping with the State of Maine. Applying the conditions of child labor to factory labor only, which is its most necessary objective, it does not even follow, and is not probably so, that a factory in Maine is a factory in Georgia. In one State it would operate with doors and windows locked airtight and in another the balmy air and health-giving sunshine float every germ away and give life and health to every lung. But the percentage of different occupations vary so materially that a law that aims at the greatest good to the greatest number can not fit both alike. Let Maine therefore have hers and Georgia hers. There is just as much wisdom, morality, and parental care in either of their governments as in the Federal Government. For what were these States left in their separate existence? What reason can either give for its separate sovereignty if they may not prescribe domestic laws for its own people?

I have heard no answer to these questions better than that "some will and some will not and all ought to, and there is one place to go to compel them all to fall in line—that is the head of that government that has the power to command them all." The propaganda behind this proposition, so far as my own scrap basket has experienced, has mostly proceeded from religious and social organizations acting collectively in the name of Christian civilization. In this name most agitations can conquer, and certainly ought to if the cause is wise and efficient in its adaptation and fitted to the psychology of its objective.

Religious and social advancement organizations are well membered and have lofty and righteous purposes, but are not the best judges of governmental policies. Governmental policies and church policies and those of social-advancement societies are not alike in the psychology of adaptation. History is my witness, and its evidence can not be disputed. If this were not so, the union of church and state would have been a success rather than a failure. But the facts are that nothing is so repugnant to prevailing political sentiment in America. Church control of governmental polices was tested in days when the faith was as firmly and intelligently held as now, and perhaps more so. It was tested in the days when the trial of bishops for heresy and the rending asunder of churches by heterodoxy was less frequent and less pronounced than now. So that it is certain that the sure way to enforce humanitarianism is not by governmental command through statutes and constitutions.

Mr. Speaker, this amendment proposed is as inadaptable to the South as was the fifteenth amendment. And here, sir, is proof by illustration, "strong as proof of Holy Writ," that the success and wisdom of a law is a question of adaptation and of psychology and not of charity or morality. The charity and morality behind the antislavery agitation was as irresistible as an avalanche, and so zealous that after the objective was attained it was deemed necessary by the same forces that promoted it to make it perfect and complete in its broad humanitarian hopes and aspirations. To that end a constitutional amendment was proposed. It took on the attributes of divinity and clothed itself in the shining garments of charity and righteousness and, calling on God, started on its rushing, invincible, irresistible march. It wrote its constitution, and there is not to-day, after 58 years of its trial, a respectable school of sentiment in America that does not know and generally admit that its enforcement would have utterly destroyed what was as fine a civilization as the world ever knew. That civilization, Mr. Speaker, has preserved itself against the mandates of this constitutional amendment by its own inherent ingenuity and character, and the fountains of such resources have not yet dried up. Law and the agencies of its enforcement are far from omnipotent. Their strength is not in their conscience but in their judgment; their success is in their adaptation to natural law and to necessity of enforcement as seen and understood by inherent popular conceptions of the public good.

This proposed amendment has no such necessity as justifies so wide departure from the time-honored policy of this Government as that of putting Federal enforcement officers in authority over parental control and advice or over the independent action of persons 17 years old as to whether they shall do any work. It is false and hurtful in its suggestion to children that work is a source of danger and of harm rather than of strength and success. That improper and harmful conditions of child servitude have been discovered I do not doubt. But they are not beyond the reach of social and religious persuasion, teaching, and education; and if persuasion and teaching were as popular in these recent times with religious and social advancement organizations as are criminal statutes and penalties it would not have received 30 per cent of the vote of the Congress; it would never have been proposed. But criminal laws still seem to grow in their popularity, especially with the churches and their auxiliaries, and Draco's altar is the favorite shrine in the temple of Jesus. There was a period of Roman history when an officer known as the lictor was armed by the legal authority with a staff to which was nailed a leather strap about 2 feet long. With this he went about among the disorderly, and when he saw disorder he applied his strap at once and upon the spot. Sure as fate our drift is in that direction. How much further it will go is yet unseen. How well its conceptions of rule and regulation of personal conduct will work out a happier and better condition I am afraid will appear only too certainly before it has advanced much further. Just what the total size and strength of the Federal army of law-enforcement officers will be when this amendment has called for its necessary share has not been fully appraised. It is appalling to contemplate. That army will cost its hundreds of millions, but when that point is made against it, Draco answers, "It costs nothing." The Government got it back in penalties. The answer and every man who makes it are contemptible and unworthy of respectful recognition.

Mr. Speaker, the need of the hour is less Government; fewer laws and better laws; fewer officers and better officers; more natural human rights, safeguarded and cultured by the broad, tolerant spirit that forgives rather than condemns, that persuades rather than commands, that is humble rather than self-righteous, and that knows how to resort to some other source for strength to improve the conduct of others than the arm of a criminal judge.

## TAX REFORM

Mr. HILL of Washington. Mr. Speaker, the big tax is the tariff tax and the consumer pays it. The amount of revenue collected by the Government under the present tariff law is about $550,000,000 a year, but this does not measure the burden of the tariff tax to the American people. The Fair Tariff League, an association composed largely of Republicans who believe in reasonable protection, makes the following statement:

> The tariff is a tax. It differs from most taxes in being indirect. Three-fourths of tariff taxes go, not to the Government but to private tax gatherers in their price advances, severely felt but not seen. The present tariff tax increases the cost of living to the American people some $5,000,000,000, and accounts for the staggering profits recently declared by its principal beneficiaries, who have drained the pockets of the consumers with small incomes.

In the recent "hue and cry" for the Mellon plan of tax reduction which was raised, paid for, and carried to every home in America by "big business" through paid propaganda costing millions of dollars, the heaviest of all tax burdens, namely, that of the tariff, was completely ignored. The reasons for this are obvious. "Big business" profits by the tariff and bears little of the burdens thereof. For every dollar of revenue the Government receives from the tariff tax "big business" receives about $9 under the protection which the tariff tax affords.

Tariff taxes, unlike income taxes, are all passed on to the consumer and are paid by him. And in the "passing" process the tariff taxes with the middlemen's percentages of profits added thereto are doubled by the time they reach the consumer.

Under the revenue law of 1921 there was collected for the fiscal year ending June 30, 1923, $2,280,117,117.73. All of this money went into the Treasury of the United States Government. Of that total amount $1,691,089,534.56 was derived from tax on incomes.

The existing tariff laws for the same period of time cast a burden upon the people of this country of four to five billions of dollars in increased cost of living, and of that enormous amount only about $550,000,000 went into the United States Treasury. The remainder of it went into the pockets of the tariff beneficiaries.

The burden of income taxes is the least capable of that of all taxes of being passed on, and it therefore becomes localized largely upon the person against whose income it is originally levied.

The tariff burden is passed on to the consumer. Only a small part of the income-tax burden can be passed on to the consumer.

The millionaires and multimillionaires have always opposed a tax on incomes, and a tax on incomes based on a progressively increasing scale has been and is especially obnoxious to them. They would have little objection to such tax if it were possible to pass the burden thereof to some one else, as, for instance, a tariff tax is passed on by adding it to the price of merchandise; for, in that event, the burden of an income tax might be converted into an asset through the collection back of the amount of the income tax plus a profit thereon. The recipients of large incomes can not, however, shift the burden of taxes thereon, and that is why they are so strenuously opposed to such taxes but so loud in their praises of the tariff taxes that impose almost intolerable burdens upon the great masses of the people.

Tax reduction means to the millionaire reduction of the tax he can not dodge and has to pay. It means the reduction of taxes on incomes. The tariff tax is not his burden. That is the burden of the common people and brings big profits to big business, which to his way of thinking is the primary purpose for which governments are instituted.

Mr. Andrew Mellon, the Secretary of the Treasury, is reputed to count his annual income by the millions. It is both natural and logical that he should have the millionaire's viewpoint relative to the placing of the burden of taxes, and that he has such viewpoint is conclusively shown by his plan of tax reduction or tax reform—as the administration chooses to

call it—known as the Mellon plan. This plan ignored the tariff taxes which constitute the great burden of the American people and presented under the much-heralded guise of scientific tax revision the proposal to cut surtaxes 50 per cent and normal taxes 25 per cent. In other words, the Mellon plan was presented and intended primarily for the relief of those who have large incomes and who are not only amply able to pay but should be required to pay taxes on their incomes in proportion to their ability so to do. Mr. Mellon's idea of scientific tax revision seems to be to cut surtaxes 50 per cent or more. In the preceding Congress he presented another so-called scientific tax-revision scheme. At that time the maximum surtax rate was 65 per cent and he proposed to reduce that maximum rate to 32 per cent, a cut of a little more than 50 per cent, and to repeal the excess-profits tax. The Congress at that session reduced the maximum rate of surtaxes from 65 per cent to 50 per cent and repealed the excess-profits tax, thereby relieving the big rich and big business of a half billion dollars a year in taxes. During the same session of Congress the Fordney-McCumber Tariff Act was passed, greatly increasing the burden of the consumers of the country. There is no record of a protest by Mr. Mellon against the tariff rates therein. On the other hand, it is freely asserted that he is a beneficiary thereunder through the increase of tariff rates on aluminum ware.

At the recent session of Congress, Mr. Mellon's idea of scientific tax revision still being that of a 50 per cent reduction of surtaxes, he demanded that Congress cut the maximum surtax rate from 50 per cent to 25 per cent. But not one suggestion came from him or the administration in power that there should be a revision downward of the tariff schedules.

Numerous specious arguments were employed by the proponents and advocates of the Mellon plan in the effort to secure or force its acceptance by the country and the Congress as the panacea for all the economic ills of taxation. It was contended that by reducing surtaxes 50 per cent more money would be available for capital investments, industrial securities, and so forth; but the business annals disclose that there has been no retardation of such investments. It was also argued that such a reduction of surtaxes would turn capital from investments in tax-exempt securities into the channels of business activities; but the only way to prevent the buying of tax-exempt securities is to stop their issuance.

The Mellon plan would have reduced income and excise taxes to the extent of about $339,000,000. This reduction would have been decidedly in favor of the large taxpayer, since, under the Mellon plan, there would be a reduction of 50 per cent in surtaxes plus 25 per cent on normal taxes on the large incomes, as against a reduction of 25 per cent of the taxes on incomes subject to normal tax only. The Mellon plan was the scheme of the rich man to reduce his own taxes, and the rich man spent millions of dollars in propaganda to make the people believe it was the only scheme for tax reduction. The Mellon plan at no time had a chance to become law. It was so obviously a tax evasion scheme in the interest of the millionaires that there was at all times a safe majority of Republicans against it and the Democrats were practically solidly against it. Every Member of Congress who represented the interests of the people as a whole voted against the Mellon plan. Only the recipients of large incomes and their paid or deluded propagandists felt aggrieved at its defeat.

But a tax reduction bill was passed, carrying a reduced surtax rate on incomes over $10,000 and graduated up to a maximum surtax rate of 40 per cent on incomes in excess of $500,000 and greatly reduced normal tax rates. This bill was passed by an overwhelming vote, both in the House and Senate, and was reluctantly signed by the President.

It gives a greater reduction of taxes than that proposed in the Mellon plan and gives a greater percentage of reduction to the taxpayer on small incomes and a smaller percentage of reduction to the surtax payer than that proposed in the Mellon plan. Mr. Mellon did not like that and he is the President's adviser as to the Government's fiscal policy; hence the President's reluctance to sign the bill.

Hon. WILLIAM R. GREEN, the chairman of the Ways and Means Committee of the House and a Republican, speaking of the new revenue law, stated on the floor of the House (CONGRESSIONAL RECORD, June 6, 1924, p. 10564) as follows:

> Mr. Speaker, among the achievements of the Sixty-eighth Congress will be the revenue bill recently passed, which will be known as the revenue act of 1924. The act is not perfect, for no tax law ever was or ever will be, but it is vastly superior to the present law and superior to any other plan that was presented.
>
> A continuous and most extraordinary propaganda in the way of misrepresentation of the bill has been kept up in the press. Only yesterday I saw a cartoon in my home paper representing Congress as refusing to consent to any tax reduction and tying hand and foot the taxpayers of the country to heavier taxation. Yet the fact is that the bill reduces taxes for the fiscal year ending June 30, 1925, by $361,000,000 and will reduce taxes for the fiscal year ending June 30, 1926, over $400,000,000. According to statements made by the Actuary of the Treasury, it reduces taxes for the fiscal year 1925 $22,000,000 more than the Mellon plan, and for the fiscal year 1926 more than $100,000,000 more than the Mellon plan. It also reduces individual income taxes of 1923, payable during this calendar year, $232,000,000 more than the Mellon plan, which made no provision whatever for a reduction in the income taxes payable this calendar year.
>
> The proposition to reduce the taxes payable this year by 25 per cent was, as every Member in Congress knows, originated by myself without any suggestion from anyone. In accordance with my plan it was incorporated in the revenue bill when reported to the House, and, although some newspaper correspondents hired to misrepresent the bill have stated to the contrary, the fact is that it has been in the bill from start to finish, and this particular provision was approved by the House by an overwhelming vote. Those who paid one-fourth of their income taxes on March 15 will only be required to pay 50 per cent of the regular quarterly returns on June 15 and will get 25 per cent off on each of the following payments this year. Those who paid their income taxes in full at the time of the first payment will get a refund of 25 per cent.
>
> Included in the reductions for the fiscal year ending June 30, 1925, is a $136,000,000 reduction in excise taxes, commonly known as nuisance taxes. A few of these reductions went into effect immediately, but the most of them will not go into effect until 30 days after the passage of the bill, but all of them will apply to the last half of this calendar year, which constitutes the first half of the fiscal year of 1925. I have attached to these remarks a table of the reductions in excise taxes specifying the particulars. For the **first half** of this calendar year the 25 per cent reduction in the income taxes **will** take off a little more than half of the $232,000,000 for the full calendar year, or from $116,000,000 to $120,000,000. Adding this to the $361,000,000 for the fiscal year ending June 30, 1925, we find that the total reduction for the 18 months beginning with January 1, 1924, is about $480,000,000, and yet some newspapers are still stating that Congress was unwilling to reduce taxes. In these 18 months the taxes are reduced more than $250,000,000 above what was proposed by the Mellon plan.
>
> It is now admitted that this great reduction will be effected and the Treasury will still carry over a handsome surplus at the end of the fiscal year 1924, and also should have a surplus at the end of the fiscal year of 1925. One annual payment on the bonus has already been appropriated out of the revenues of this fiscal year and a sufficient surplus will be carried over into the next fiscal year to make another annual payment.

Hon. NICHOLAS LONGWORTH, the Republican floor leader of the House, speaking of the new revenue bill (CONGRESSIONAL RECORD, May 26, 1924, p. 9546), made the following statements on the floor of the House:

> During the process of consideration of this bill and afterwards I was considerably criticized for what was termed "spineless leadership" because, forsooth, I did not insist that, so far as I was concerned, we were to have the Treasury tax bill or nothing. I thought then, and I think now, that it would have been mighty poor leadership to have taken that position. It seemed to me that no one who had in mind the experience of Congress in the last session in tax reduction, and particularly with the action of the Senate, could think it possible, even if desirable, to reduce the high surtaxes 50 per cent at one fell swoop. It could not be done, gentlemen, particularly if you only reduced the normal taxes 25 per cent. * * *
>
> I am ready to vote on this proposition. I think it is a fair and just tax bill. It may have some defects that I would prefer to have remedied, but the general proposition to reduce the tax by 50 per cent on the little fellow and 25 per cent on the big fellow can be justified anywhere in America.

The new revenue law will give greater relief to 97 per cent of the income-tax payers and less relief to 3 per cent of the income-tax payers than would have come through the adoption of the Mellon plan. This fact makes the bill that was passed better for the country than the Mellon plan would be and wins for it the commendation of the people and the condemnation of Mr. Mellon. In Washington, including Alaska, 115,688 persons made income-tax returns in 1921. Of this number 21 would be benefited more by the Mellon plan than by the new revenue law, and 115,667 would be benefited more by the new law than by the Mellon plan.

No one can gainsay that a tax reduction of $400,000,000 is a substantial reduction, and it was accomplished without fol-

lowing the Mellon plan and in the face of the opposition of Mr. Mellon and the frowns of the President.

But a reduction of $400,000,000 in taxes is small compared with the great burden of four billions of dollars imposed annually upon the American people under the Fordney-McCumber Tariff Act.

An honest tariff revision is the paramount issue in tax reform. (Fair Tariff League.)

Such revision is especially vital to the farming industry. As bearing forcefully upon this question I shall quote from a speech of Hon WILLIAM A. OLDFIELD (CONGRESSIONAL RECORD, June 4, 1924, pp. 10048–10049), made on the floor of the House, as follows:

THE FARMERS AS SELLERS AND AS PURCHASERS

The following statement gives a list of 51 articles of common necessity with their relative prices before the war and in March last. (Taken from the report of the Government known as its "Index of wholesale prices of commodities.") These prices are compared with the pre-war and present prices of farm products so that the present purchasing power of farm products as to these 51 articles may be found.

The third column of figures gives the present prices of such 51 articles in percentages of their prices before the war. That is, 100 cents' worth of salt before the war now costs 244 cents; so in the Government index of prices the pre-war price is set down as 100, and the present price of a like amount at 244, for easy comparison by percentage. In the case of salt, then, the present price exceeds the pre-war price by 144 per cent. And so with each of the other 50 articles. Thus, knives and forks have gone up from the pre-war price of 100 to 260.9, or by 161 per cent.

The same Government report shows that prices moved from 100 before the war to 107.3 for the following 11 farm products, which represent well over two-thirds of farm production: Hides, hogs, barley, corn, rye, oats, wheat, lard, beef cattle, rice, eggs.

*Index prices, March, 1924; 1913=100*

| | |
|---|---|
| Corn | 126.1 |
| Hides | 53.4 |
| Hogs | 87.5 |
| Rye | 107.6 |
| Barley | 120.3 |
| Oats | 127.9 |
| Wheat | 120.9 |
| Beef cattle | 122.7 |
| Lard | 104.9 |
| Eggs | 98.7 |
| Rice | 109.1 |
| Average—simple | 107.3 |

That is, the prices of these farm commodities, taken together, advanced from an average of 100 before the war to an average of 107.3 in March last, while the weighted average price of all commodities advanced from 100 to 150. Meanwhile, the prices of the 51 articles set forth below advanced from 100 to the figures given in the third column of figures—generally much above the general average of 150.

The last column gives the proportion of each of such 51 articles which the farmer's present dollar will purchase as compared with what it would purchase before the war.

The second column of figures gives the ad valorem tariff rates on these 51 high-priced articles, such tariff rates having been enacted to maintain the prices of such articles.

*Comparison of price indexes of certain commodities and 11 farm products, with their tariff rates under tariff act of 1922*

[Commodity index for March, 1924. Average for all commodities, 150. Average for 11 farm commodities, 107.3. Average for highly protected commodities, 226.6]

| Commodity | Tariff rate | | Price index, March, 1924 (1913=100) | Exceeds index price of 11 farm commodities (107.3) | Purchasing power of 11 farm products |
|---|---|---|---|---|---|
| | Legal rate | Equivalent ad valorem | | | |
| | | | | *Per cent* | *Per cent* |
| The kitchen: | | | | | |
| Cutlery— | | | | | |
| Carvers, 8-inch, per pair, factory | 8 cents or 16 cents each plus 45 per cent. | 65 to 69 per cent | 180.0 | 67.8 | 59.6 |
| Knives and forks, per gross, factory | do | do | 260.9 | 143.2 | 41.1 |
| Chair— | | | | | |
| Hardwood, per dozen, Chicago | 33⅓ per cent | 33⅓ per cent | 276.9 | 158.1 | 38.8 |
| Salt— | | | | | |
| American, medium, per barrel (280 pounds), Chicago | 11 cents per 100 pounds | 21.94 per cent | 244.1 | 127.5 | 44.0 |
| Sugar (per pound)— | | | | | |
| New York, granulated, in barrels | 1.912 cents per pound | (1) | 198.8 | 85.3 | 54.0 |
| Vegetable oils— | | | | | |
| Soya bean, crude, in barrels, per pound, New York | 2½ cents per pound | 42.09 per cent | 196.1 | 82.9 | 54.7 |
| Clothing: | | | | | |
| Woolen and worsted goods, factory— | | | | | |
| Flannel, white, 4/4 Ballard Vale No. 3, per yard | 45 cents per pound plus 50 per cent equals | 71.92 per cent | 215.8 | 101.1 | 49.7 |
| Suiting, per yard— | | | | | |
| Clay worsted, diagonal, 16-ounce | do | do | 218.2 | 103.4 | 49.2 |
| Middlesex, wool-dyed, blue, 16-ounce | do | do | 228.8 | 122.6 | 44.9 |
| Serge, 9½-ounce | do | do | 219.0 | 104.1 | 49.0 |
| Underwear— | | | | | |
| Men's union suits, 33 per cent worsted, per dozen | do | 64.61 per cent | 299.5 | 179.1 | 33.8 |
| Women's dress goods, per yard— | | | | | |
| French serge, 36-inch | do | 71.92 per cent | 234.9 | 118.9 | 45.7 |
| Poplar cloth, cotton warp | do | do | 192.1 | 79.0 | 58.9 |
| Sicilian cloth, cotton warp, 50-inch | do | do | 196.3 | 82.9 | 54.7 |
| Yarn, per pound— | | | | | |
| Crossbred stock, two thirty-seconds | 36 cents per pound plus 40 per cent equals. | 65.63 per cent | 212.4 | 97.9 | 50.5 |
| Half-blood, two-fortieths | do | do | 197.1 | 83.7 | 54.4 |
| Fine, domestic, two-fiftieths | do | do | 232.4 | 116.6 | 46.2 |
| Wool, Ohio, per pound Boston— | | | | | |
| Fine clothing, scoured | 31 cents per pound clear content; if imported on skin, 30 cents per pound. | 71 per cent | 214.4 | 19.8 | 50.0 |
| Fine delaine, scoured | do | do | 242.5 | 126.0 | 44.2 |
| Half-blood, scoured | do | do | 244.8 | 128.1 | 43.8 |
| One-fourth and three-eighths grades, scoured | do | do | 208.8 | 94.6 | 51.4 |
| Leather— | | | | | |
| Glazed kid, black, top grade, per square foot, Boston | For shoes, free; for gloves | 20 per cent | 269.6 | 151.3 | 39.6 |
| The bedroom: | | | | | |
| Blankets, factory— | | | | | |
| Cotton, colored, 2 pounds to the pair, per pair | 25 per cent | 25 per cent | 259.5 | 141.8 | 41.3 |
| Woolen, 4 to 5 pounds to the pair, per pair | 30 cents per pound plus 35 per cent equals. | 53.56 per cent | 171.7 | 60.0 | 62.5 |
| Chair, all gum, leather slip seat, per 6, factory | 33⅓ per cent | 33⅓ per cent | 200.0 | 86.4 | 53.7 |
| Sheeting, bleached, 10/4, factory, Pepperell, per yard | 9.45 cents per pound | No imports | 220.1 | 105.1 | 48.8 |
| Wamsutta, P. L., per yard | 9 cents per pound | do | 294.5 | 174.5 | 36.4 |
| Ticking, Amoskeag, A. C. A., 2.65 yards to pound, per yard, factory | 7.7 cents per pound | do | 208.0 | 93.8 | 51.6 |
| Sitting room: | | | | | |
| Furniture— | | | | | |
| Rocker, quartered oak, per chair, Chicago | 33⅓ per cent | 33⅓ per cent | 239.0 | 122.7 | 44.9 |
| Carpets, per yard, factory— | | | | | |
| Axminster, Bigelow | 40 per cent | 40 per cent | 247.2 | 130.4 | 44.9 |
| Brussels, Bigelow | do | do | 234.1 | 118.2 | 45.8 |
| Wilton, Bigelow | do | do | 209.3 | 95.1 | 51.3 |
| Dining room: | | | | | |
| Tableware, per dozen, factory— | | | | | |
| Glass nappies, 4-inch | 50 per cent to 55 per cent | 50 per cent to 55 per cent | 200.0 | 86.4 | 53.7 |
| Glass pitchers, ½-gallon | do | do | 312.5 | 191.2 | 34.3 |
| Glass tumblers, ½-pint | do | do | 165.7 | 55.4 | 64.4 |
| Plates, white granite, 7-inch | 45 per cent | 45 per cent | 226.6 | 111.2 | 47.4 |
| Teacups and saucers, white granite | do | do | 236.8 | 120.7 | 45.3 |

[1] Ad valorem rate on bulk of Cuban imports equals 50 per cent.

*Comparison of price indexes of certain commodities and 11 farm products, with their tariff rates under tariff act of 1922*—Continued

| Commodity | Tariff rate: Legal rate | Tariff rate: Equivalent ad valorem | Price index, March, 1924 (1913=100) | Exceeds index price of 11 farm commodities (107.3) | Purchasing power of 11 farm products |
|---|---|---|---|---|---|
| | | | | *Per cent* | *Per cent* |
| Dining room—Continued | | | | | |
| Furniture, factory— | | | | | |
| Chair, all gum, leather seat (slip), per 6 | 33⅓ per cent | 33⅓ per cent | 220.0 | 105.0 | 48.8 |
| Building: | | | | | |
| Wire, per 100 pounds plain fence, annealed, Pittsburgh | ¼ cent per pound | 22.97 per cent | 191.7 | 78.6 | 56.0 |
| Lead, pig, per pound, New York | 2½ cents per pound | 45.06 per cent | 211.1 | 96.7 | 50.8 |
| Lead pipe, per 100 pounds, New York | 2½ cents per pound | 20.12 per cent | 207.2 | 93.1 | 51.8 |
| Pipe, cast-iron, 6-inch, per net ton, New York | 20 per cent | 20 per cent | 267.9 | 149.7 | 40.1 |
| Slate, roofing, per 100 square feet, f. o. b. quarry | 15 per cent | 15 per cent | 227.0 | 111.6 | 47.3 |
| Glass, plate, New York— | | | | | |
| 3 to 5 square feet, per square foot | 17½ cents per square foot | 32.77 per cent | 232.4 | 116.8 | 46.2 |
| 5 to 10 square feet, per square foot | 20 cents per square foot | 38.15 per cent | 229.3 | 113.7 | 46.8 |
| Window, American, f. o. b. works—Single A, per 50 square feet | 1½-2½ cents per pound | 25 per cent and 60 per cent | 185.0 | 75.2 | 57.1 |
| Linseed oil, per gallon, New York | 3⅗ cents per pound | 38.21 per cent | 200.4 | 86.8 | 53.5 |
| White lead, American, in oil, per pound, New York | 2½ cents per pound | 27.26 per cent | 221.9 | 106.8 | 43.4 |
| The medicine closet: | | | | | |
| Epsom salts, U. S. P., in barrels, per 100 pounds, New York | ½ cent per pound | 64.45 per cent | 227.3 | 111.8 | 47.2 |
| Phenol, U. S. P. (carbolic acid), per pound, New York | 55 per cent plus 7 cents per pound. | 110.04 per cent | 315.0 | 193.6 | 34.1 |
| Alum, lump, per pound, New York | ¾ cent per pound | 38.81 per cent | 200.0 | 86.4 | 53.7 |
| Average | | 50.26 [2] | [1] 226.6 | [3] 111.2 | [1] 48.3 |

[1] Average of 48 commodities.

[2] Average of 51 commodities

The average index prices, as stated, for all commodities rose from 100 pre-war to 150 in March, 1924. While the foregoing farmers' index price of 107.3 is 40 per cent short of this average of 150, the average index price, 226.6, of these 51 articles exceeds this farmers' average index price by 111 per cent and the general average of all commodities by 51 per cent. The average ad valorem tariff on these higher-priced articles is 50.26 per cent. Observe that the prices of these 51 articles exceed the general average of 150 by about the same percentage as the tariff, while this farm dollar can purchase less than one-half, 48.3 per cent, as much of them as before the war.

Let not complacent townsfolk think that these tariff-maintained high prices concern the farmfolk alone. All persons whose salaries or wages have not gone up to match these high prices are similarly pinched. So also are the beneficiaries under pre-war insurance policies or superannuated persons living on pensions and all persons holding bonds or securities issued before the war.

The question is raised whether these high tariffs, designed to maintain these excessive prices, are not fundamentally unjust. Has the lawmaker the right to so greatly prefer or discriminate in favor of one set of producers at the expense of other equally worthy producers? Is not the lawmaker through such tariffs directly confiscating just so much of the farmer's labor and property in favor of the sellers of such high-priced commodities? Why should such "protection" tariffs be maintained in favor of these high-priced articles if such tariffs are not intended to maintain these very prices, although the farmer is compelled to accept European prices for his products even when selling to these high-price beneficiaries? Why should the lawmaker continue such tariff supports for exorbitant prices?

It should be noted, furthermore, that these price comparisons are based upon market prices in the principal cities. Because of the increase in freight rates and expenses of distribution, the spread between market and farm prices is considerably greater than it was during 1909–1913. A dollar at Chicago or New York, therefore, means much less at the farm than it did before the war. Thus, the freight rate upon wheat from Larimore, Minn., to Minneapolis in 1913 was 12 cents per 100 pounds, compared with 17.5 cents in 1923, an increase of 45.8 per cent; from Wichita, Kans., to Galveston it was 25 cents, compared with 44 cents, an increase of 76 per cent. The increase in freight rates upon other agricultural products ranges from 50 to 75 per cent.

To show directly and concretely the economic interest which the tariff holds for the State of Washington I quote the following calculations and tabulations issued by the Fair Tariff League under date of February 28, 1924:

*What the tariff does to Washington*

[Population, 1,356,621; farmers, 283,382; woolgrowers, 4,244 (census 1919).]

| Crops | Agricultural schedule: Gain to a few growers on wild lands | Tariff gain to a few farmers | Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|---|---|
| Wool | $375,132 | $93,783 | $279,300 | $2,952,000 | $3,731,000 | $300,000,000 |
| Sugar beets | | 122,459 | 566,700 | 2,146,500 | 2,713,200 | 216,000,000 |
| Flaxseed | | | 85,000 | 322,000 | 407,000 | 30,000,000 |
| Lemons | | | 28,400 | 107,100 | 135,700 | 10,000,000 |
| Tobacco | | | 48,200 | 182,400 | 230,600 | 53,000,000 |
| Total | 375,132 | 216,242 | 1,507,600 | 5,710,000 | 7,217,500 | 609,000,000 |

| | |
|---|---|
| Farmers as consumers lose on agricultural schedule | $1,507,600 |
| A few farmers gain | 216,242 |
| Loss to farmers on agricultural schedule, net | 1,291,358 |
| The State, as a whole, loses on agricultural schedule, net | 6,626,126 |

Farmers lose on their schedule $7 to $1 of gain.

The State loses on agricultural schedule $12 to $1 of gain.

| | Manufacturers' schedule (on the basis of one-half duties added to prices in certain industries): Cost to farmers as consumers | Cost to nonfarming population | Cost to State | Cost to United States |
|---|---|---|---|---|
| Heavy steel products | $1,417,000 | $3,577,000 | $4,994,000 | $375,000,000 |
| Light steel products | 2,125,000 | 8,049,600 | 10,174,600 | 750,000,000 |
| General store merchandise | 6,801,000 | 25,758,000 | 32,559,000 | 2,475,000,000 |
| Total | 10,343,000 | 37,384,600 | 47,727,600 | 3,600,000,000 |

| | |
|---|---|
| Loss to farmers, manufacturers' schedule | $10,343,000 |
| Loss to State, manufacturers' schedule | 47,727,000 |

Farmers lose, on all schedules, net, $11,634,000, or $54 to $1 of gain.

The State loses, on all schedules, net, $54,353,000, or $94 to $1 of gain.

With a population of 1,356,621, including 283,382 farmers, the State's only substantial tariff gain, $591,000, goes to 4,244 woolgrowers, or 1 resident in 320, including about 1,500 farmers, or 1 farmer in 190, and to 484 sugar growers.

To further illustrate the relative importance and weight of the burden of the tariff tax in the State of Washington, I present for comparison the following tabulation of amounts of Federal and State and county taxes collected or collectible in that State in the year 1922:

*State of Washington, fiscal year 1922*

| | | |
|---|---|---|
| Income and profits taxes collected | $18,733,630.39 | |
| Miscellaneous internal revenue collected | 4,877,151.88 | |
| | | $23,610,782.27 |
| Total taxes collectible by State in 1922 | | 17,319,059.11 |
| Total taxes collectible by counties in 1922 | | 38,475,327.52 |
| Tariff tax estimate | | 54,945,000.00 |

By tariff tax is meant herein the added financial burden which the tariff law entails upon the people.

The data as to the income and profits taxes and miscellaneous revenue is taken from the official report of the Secretary of the Treasury for 1922; the data as to the State and county taxes is taken from the first official biennial report of the director of the department of efficiency of the State of Washington; the data as to the tariff taxes is taken from statements of the Fair Tariff League.

A comparison of the above figures readily shows that the tariff tax is the largest single class of tax that the people of Washington have to pay. The tariff tax is about three times as large as the State tax and much larger than the total taxes of all the counties in the State. Such comparison also shows that the tariff tax is about three times as large as the total income and profits taxes collected in that State for the fiscal year 1922,

and that the tariff burden of the State of Washington is almost two and one-half times as great as the total of the income and profits taxes and the miscellaneous internal revenues collected in that State for the fiscal year 1922.

I repeat that the big tax is the tariff tax and that "an honest tariff revision is the paramount issue in tax reform."

INJURIES FROM ARMY GAS EXPERIMENTS

Mr. ROGERS of Massachusetts. Mr. Speaker, the first week in May last the annual convention of the Women's International League for Peace and Freedom was held in Washington. Under date of May 3, as reported in the Washington Post of May 4, Dr. Gertrude Woker, of Switzerland, declared from the platform—

that 700 soldiers were now in the Edgewood, Md., hospital suffering as the result of experiments made there by the chemical warfare branch of the Army.

Doctor Woker was stated in the article to be "a woman scientist of renown."

I regarded the statement, if true, as a very serious indictment of conditions existing in our Army Chemical Warfare Service. Accordingly I wrote Gen. A. A. Fries the following letter under date of May 6:

MAY 6, 1924.

Brig. Gen. AMOS A. FRIES,
*Chief Chemical Warfare Service,*
*War Department, Washington, D. C.*

DEAR GENERAL FRIES: I wonder if you could give me an official statement as to the facts relative to the charges recently made by the Women's International League for Peace and Freedom at its current Washington convention concerning the number of men hospitalized as a result of gas experiments.

Sincerely yours, JOHN JACOB ROGERS.

Under date of May 12 and June 6 I have received the following replies from him:

WAR DEPARTMENT,
OFFICE CHIEF OF CHEMICAL WARFARE SERVICE,
*Washington, D. C., May 12, 1924.*

Hon. JOHN JACOB ROGERS,
*House of Representatives, House Office Building,*
*Washington, D. C.*

MY DEAR MR. ROGERS: Replying to your letter of May 6, asking an official statement relative to the charges recently made by the Women's International League for Peace and Freedom concerning the number of men hospitalized as the result of gas experiments, I am sending you this as an immediate and incomplete reply.

As I understand, the charge made at the Women's International League for Peace and Freedom was that there were 700 men in the hospital as a result of gas experiments. I have investigated and find that there was not a single man in the hospital at Edgewood Arsenal as a result of gas experiments; neither were there any in the hospital due to accidents with gas.

I might add that we have so few men sufficiently affected by gas to be sent to the hospital during peace that I do not recall offhand more than a half dozen cases in the last two years among the officers, civilians, and enlisted men all combined.

I am asking Edgewood Arsenal to give me as complete records covering the period since the war as it is possible to obtain. When that is received, should you care for more complete information, I shall be glad to furnish it.

Sincerely yours,

AMOS A. FRIES,
*Brigadier General, United States Army,*
*Chief of Chemical Warfare Service.*

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WAR DEPARTMENT,
OFFICE CHIEF CHEMICAL WARFARE SERVICE,
*Washington, D. C., June 6, 1924.*

Hon. JOHN JACOB ROGERS,
*House of Representatives,*
*House Office Building, Washington, D. C.*

MY DEAR MR. ROGERS: An 11-day trip to Fort Sill, Okla., Fort Riley and Fort Leavenworth, Kans., and to Wisconsin is the reason for my delay in giving you the further data concerning gassed patients admitted to the hospital at Edgewood Arsenal.

I have had a report compiled covering all the cases of men suffering from the effects of chemicals at Edgewood Arsenal in the five years four and one-half months from January 1, 1919, to May 15, 1924. In that period of nearly five and one-half years 162 men were admitted to the hospital or treated at home for accidents of sufficient importance to lose one or more days at work. Many of these were injured by chemicals that can not in any way be classed as poison gases such as phosphorus.

Of the 162 so treated 99 lost less than 10 days' time. The accidents mentioned cover not only all research work in nearly five and one-half years but the accidents due to the handling, storing, and caring for several thousand tons of chemicals. A great proportion of all these chemicals was sold and had to be handled in shipping.

So far as the gas experiments were concerned probably one-fourth only of the accidents were due to experiments and those the lighter ones.

Trusting that this will furnish you with the information desired, I am,

Very sincerely, AMOS A. FRIES,
*Brigadier General, United States Army,*
*Chief of Chemical Warfare Service.*

Doctor Woker, we must assume, was misinformed. Instead of 700 soldiers having been at the time in the Army hospital suffering from poison gas experiments "there was not a single man in the hospital at Edgewood Arsenal as a result of gas experiments, neither were there any in the hospital due to accidents with gas." I refer to this matter to indicate the desirability of accepting with caution statements made by foreigners who come to America for purposes of pacifist propaganda.

THE NEW REVENUE LAW

Mr. GARNER of Texas. Mr. Speaker, the American people well remember the great cloud of Mellon tax propaganda that swept over the country for some months beginning in November last. The people did not stop to inquire or realize that most of this propaganda was cooked up and paid for in advance by a few thousand of the largest income surtax payers. Many periodicals hitherto pretending to be nonpartisan, such as the Saturday Evening Post and the Literary Digest, were made constant vehicles for the distribution of great masses of this propaganda, which in large measure was either deliberately false or misleading. It is a tragedy at times that the people in the rush of their private affairs are so gullible and susceptible of such paid propaganda influences. Millions of income-tax payers who all the time were receiving larger and more logical tax reductions under the Democratic proposals than under the Mellon plan, have been yelling themselves hoarse for the Mellon plan and have been in mortal fear that there was no possible method of reducing their taxes except by the Mellon method.

A vast number of these same people have not yet thrown off the prejudice created by the Mellon propaganda and realized just what the Democratic proposal means and has meant to them from the beginning.

Another ludicrous phase of the tax situation has been the self-constituted championship and guardianship of the cause of tax reduction by President Coolidge and Secretary Mellon. The propaganda in support of them has sought to create the impression that all persons and officials in Congress who were not willing to swallow the Mellon plan whole are, and all the time have been, enemies of every sort of honest or logical tax reduction. It is amazing that Secretary Mellon and his propagandists would have the impudence in the circumstances to assume the championship rôle in relation to tax reduction as he proposed. In the face of the notorious fact that the Mellon-Coolidge influences in public affairs have been the unwavering supporters of the infamous Fordney-McCumber tariff measure, which is literally robbing 110,000,000 people in the way of extortionate prices of what they buy to the tune of three to three and a half billion dollars a year, we nevertheless find them playing the rôle of leaders in tax reduction, which, of course, does not include one penny of tariff-tax reduction. During past months if any Member of Congress dared to mention the idea of reducing the outrageous tariff taxes one dollar, he was instantly assailed by the Mellon tax propagandists as an enemy to all tax reduction. The bigotry and intolerance of these propagandists became so insolent that not the slightest publicity has been given by them to any tariff reduction utterance or proposal.

The American people have but to stop and think one-half of a second to realize that all citizens at all times stand for the fullest measure of tax reduction and that the Democratic Party for a hundred years has a consistent and wonderful record for rigid economy in public expenditures and for the lowest consistent level of honest, equitable taxation. This, of course, is the true Democratic attitude to this day, as is so conspicuously illustrated by the Democratic record during the present and preceding Congresses.

A brief recital of the outstanding facts and features of the Mellon tax proposal and of the new tax reduction law, the rates of which were written solely by Democrats in Congress, will clearly reveal the one paramount purpose of the Mellon propagandists to give the chief measure of tax reduction either to the large owners of wealth or the well-to-do.

In the first place, the American people are annually paying taxes in the aggregate amount of $7,400,000,000. The Mellon proposal would effect a net reduction of $323,000,000. This almost infinitesimal reduction, relatively speaking, shows the amazing exaggerations of the Mellon tax proposal. The Mellon proposal to reduce taxes embraced only two miscellaneous taxes, to-wit, the telegraph and telephone tax and the admissions tax, aggregating $100,000,000. The income surtaxes, affecting large incomes in the main, were to be cut nearly $200,000,000, according to best Treasury statistics; the normal tax, chiefly affecting the smaller taxpayers, was cut 25 per cent, aggregating $92,000,000, as compared with the surtax cut of 50 per cent on large incomes. These, together with an earned-income reduction of 25 per cent, are the sum total of the Mellon proposal about which there has been such a vast volume of noise and misinformation during recent months.

Every intelligent person in Washington knew from the beginning that the absurd Mellon proposals had not a remote chance to pass Congress, many of the membership of which were far more familiar with the principles and even the technicalities of internal taxation than Secretary Mellon. The Democrats in Congress, at once seeing that there would be no tax legislation unless a feasible tax program should be offered, immediately presented the Democratic (Garner) tax-reduction plan. It is not unfair to say that the entire principle and policy of this plan was carried out by Congress and is now a law. The Mellon-Coolidge propagandists constantly announced that it should be the Mellon plan or nothing, or that there should be no compromise. Thanks to the Democrats in Congress, aided by many Republicans who realized the legislative situation, the American people to-day have a tax reduction law far sounder and more logical than the Mellon proposal, which gives the people larger reductions in the aggregate than the Mellon plan. Except for the false and misleading Mellon propaganda and the ignorance and prejudice it has created in regard to the tax situation, the American people, including 99 per cent of the business men, would to-day be thanking and lauding the Democrats in Congress for having been responsible for a splendid tax measure carrying tremendous tax reductions to them.

Instead of a reduction of $323,000,000 confined to a few tax items, as Mellon proposed, the Democratic tax measure carries total tax repeals or heavy tax reductions throughout the miscellaneous tax schedule, as shown by the table hereto appended and marked No. 1.

The Democratic bill now a law effects a total tax reduction for the fiscal year ending June 30, 1925, of $361,000,000, and for the fiscal year ending June 30, 1926, of over $400,000,000, while it reduced taxes for the fiscal year 1925 $22,000,000 more than the Mellon plan, and for 1926 $100,000,000 more. In addition to these wonderful reductions, which according to the Treasury will leave a surplus during the next two years, there is reduction of $232,000,000 for 1923, which was not included in the Mellon plan.

The difference in principle between the Mellon and the Democratic plans is best illustrated by the fact that the Mellon plan would reduce normal taxes resting on more than 6,200,000 individuals on the income-tax list only 25 per cent as compared with the Democratic reduction that will average 60 per cent on all incomes of $10,000 and below. At the same time the Mellon plan would cut in half the taxes on incomes of $100,000 and over while the Democratic measure gives them only 22 per cent reduction. In other words, the Mellon rates would allow larger reductions on incomes of $66,000 and over than the Democratic plan, while the latter rates allow much larger reductions on those with incomes below $66,000. The net result is that of the more than 6,600,000 individuals on the income-tax rolls, according to the latest Treasury statistics of 1921, all derive greater tax reductions under the Democratic tax rates except 6,100 of the very largest income owners, whose taxes would be cut 50 per cent at one step by Mr. Mellon. I append to my remarks a table showing the amount of tax imposed by the present law, by the Mellon plan, and by the Democratic (Simmons-Garner) plan, and also showing the amount of total income-tax reduction.

I also append comparative table showing number of beneficiaries of the Democratic law and of the Mellon plan by States, the same being based on Treasury statistics for 1921.

Democrats welcome any further efforts of Messrs. Coolidge and Mellon to make an issue on the dead and defunct Mellon plan. To enact that plan now would have the effect of raising the taxes of this 6,600,000 income-tax payers for the sake of reducing the surtaxes of 6,100 top surtax payers from 40 per cent down to 25 per cent, as demanded by the Mellon proposal. I take it that these millions of beneficiaries under the new Democratic law will not be so foolish as to listen for a moment to any further wails by the Mellon propagandists.

The readjustment of the estate-tax rates, accompanied by a gift tax designed to fit in the income and inheritance tax situation, is but in keeping with the best modern thought on taxation. We have no apologies to make for this policy advocated by Theodore Roosevelt and other Republicans, as well as Democrats.

Taken all in all, Democrats are proud of their tax record during this Congress; they welcome the fullest discussion and comparison of it with the tax attitude of Messrs. Coolidge and Mellon, which was primarily designed, as already stated, to aid the largest owners of wealth in this country.

*What the revenue act of 1924 does in addition to reducing income taxes*

| Article: | Saved to taxpayer |
|---|---|
| Telephone and telegraph messages | $34,000,000 |
| Beverages and constituent parts thereof | 10,000,000 |
| Admissions of 50 cents and under | 33,000,000 |
| Excise taxes: | |
| Auto trucks and bodies, chassis costing $1,000 and body $200 exempt from 3 per cent tax | 5,000,000 |
| Tires, tubes, parts, and accessories, tax reduced from 5 per cent to 2½ per cent | 20,000,000 |
| Smokers' articles, 10 per cent tax on humidors and smoking stands repealed | 1,000 |
| Candy, 3 per cent tax repealed | 13,000,000 |
| Slot device weighing machines, tax reduced from 10 per cent to 5 per cent | |
| Knives, dirks, daggers, etc., tax is repealed | 30,000 |
| Liveries and livery boots, and hats, 10 per cent tax repealed | 140,000 |
| Hunting and shooting garments and riding habits, 10 per cent tax repealed | 180,000 |
| Yachts and motor boats and pleasure boats and canoes if sold for more than $100, 10 per cent tax repealed | 319,000 |
| Carpets and rugs (square yard tax); trunks, sold in excess of $35; valises, traveling bags, suit cases, etc., if sold in excess of $25; purses, pocketbooks, shopping or hand bags, sold in excess of $5; portable lighting fixtures, lamps, and lamp shades, sold in excess of $10; fans sold in excess of $1; 5 per cent tax on all the foregoing repealed | 1,800,000 |
| Jewelry: 5 per cent tax does not apply on articles sold for $30 or less; on watches sold for $60 or less; on church goods, musical instruments, and silver-plated flat tableware, irrespective of price. (Eyeglasses and spectacles and surgical instruments are exempt) | 11,000,000 |
| Stamp taxes: | |
| Sales of produce on exchange, cut from 2 cents to 1 cent per $100 | 4,000,000 |
| Promissory notes, drafts, or checks, payable otherwise than at sight or demand, tax of 2 cents per $100 or fraction thereof, repealed | 2,150,000 |
| Occupational taxes: | |
| Brokers exclusively negotiating sales of produce or merchandise, exempt from $50 tax | $400,000 |
| Theater seat tax, etc., repealed | 1,600,000 |
| Total reduction | 136,620,000 |

MISCELLANEOUS

| Item: | Increase. |
|---|---|
| While the bill reduces the tax on slot weighing machines from 10 per cent to 5 per cent, it now applies the 5 per cent tax to all classes of coin-operated machines which will increase the revenue from this source about | $150,000 |
| Playing cards: Rate increased from 8 cents to 10 cents per pack | 700,000 |
| Mah jongg pung chow, and similar tile sets taxed at 10 per cent | 1,000,000 |
| Total increase | 1,850,000 |
| Total taxes eliminated | 136,620,000 |
| Total taxes added | 1,850,000 |
| Net total reduction | 134,770,000 |

ADDITIONAL EXEMPTIONS

Tax on pool tables and bowling alleys of $10 per table or alley, does not apply if no charge is made for use of same.

Seat tax on automobiles for hire does not apply in respect of automobiles used exclusively for conveying school children to and from school.

*Comparison of the Mellon and Democratic (Simmons) tax plans with the 1921 law (married person without dependents), the first $5,000 of all income to be deemed to be earned; balance unearned*

| Number of persons making returns in each class for 1921 | Income | Amount of total tax under— | | | Amount of reduction of total tax under— | | Amount of greater reduction of total tax under— | | Percentage of reduction of total tax under— | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Act of 1921 | Mellon | Act of (Simmons) 1924 | Mellon | Act of (Simmons) 1924 | Mellon | Act of (Simmons) 1924 | Mellon | Act of (Simmons) 1924 |
| 401,849 under | $1,000.00 | | | | | | | | | |
| | 2,000.00 | | | | | | | | | |
| | 3,000.00 | $20.00 | $11.25 | $7.50 | $8.75 | $12.50 | | $3.75 | 43.75 | 62.50 |
| | 4,000.00 | 60.00 | 33.75 | 22.50 | 26.25 | 37.50 | | 11.25 | 43.75 | 62.50 |
| | 5,000.00 | 100.00 | 56.25 | 37.50 | 43.75 | 62.50 | | 18.75 | 43.75 | 62.50 |
| 6,087,968 | 6,000.00 | 160.00 | 97.50 | 57.50 | 62.50 | 102.50 | | 40.00 | 39.06 | 64.06 |
| | 7,000.00 | 250.00 | 157.50 | 87.50 | 92.50 | 162.50 | | 70.00 | 37.00 | 65.00 |
| | 8,000.00 | 340.00 | 217.50 | 127.50 | 122.50 | 212.50 | | 90.00 | 36.03 | 62.50 |
| | 9,000.00 | 430.00 | 277.50 | 167.50 | 152.50 | 262.50 | | 110.00 | 35.47 | 61.05 |
| | 10,000.00 | 520.00 | 337.50 | 207.50 | 182.50 | 312.50 | | 130.00 | 35.10 | 60.10 |
| | 11,000.00 | 620.00 | 407.50 | 267.50 | 212.50 | 352.50 | | 140.00 | 34.27 | 56.85 |
| | 12,000.00 | 720.00 | 477.50 | 337.50 | 242.50 | 382.50 | | 140.00 | 33.68 | 53.13 |
| | 13,000.00 | 830.00 | 557.50 | 407.50 | 272.50 | 422.50 | | 150.00 | 32.83 | 50.90 |
| | 14,000.00 | 940.00 | 637.50 | 477.50 | 302.50 | 462.50 | | 160.00 | 32.18 | 49.20 |
| 114,244 | 15,000.00 | 1,060.00 | 727.50 | 557.50 | 332.5 | 502.50 | | 170.00 | 31.35 | 47.41 |
| | 16,000.00 | 1,180.00 | 817.50 | 637.50 | 362.50 | 542.50 | | 180.00 | 30.72 | 45.97 |
| | 17,000.00 | 1,310.00 | 917.50 | 727.50 | 392.50 | 582.50 | | 190.00 | 29.96 | 44.47 |
| | 18,000.00 | 1,440.00 | 1,017.50 | 817.50 | 422.50 | 622.50 | | 200.00 | 29.34 | 43.22 |
| | 19,000.00 | 1,580.00 | 1,127.50 | 917.50 | 452.50 | 662.50 | | 210.00 | 28.64 | 41.93 |
| | 20,000.00 | 1,720.00 | 1,237.50 | 1,017.50 | 482.50 | 702.50 | | 220.00 | 28.05 | 40.84 |
| | 21,000.00 | 1,880.00 | 1,357.50 | 1,127.50 | 522.50 | 752.50 | | 230.00 | 27.79 | 40.00 |
| | 22,000.00 | 2,040.00 | 1,477.50 | 1,237.50 | 562.50 | 802.50 | | 240.00 | 27.57 | 39.34 |
| | 23,000.00 | 2,210.00 | 1,607.50 | 1,357.50 | 602.50 | 852.50 | | 250.00 | 27.26 | 38.57 |
| | 24,000.00 | 2,380.00 | 1,737.50 | 1,477.50 | 642.50 | 902.50 | | 260.00 | 27.00 | 37.92 |
| 28,948 | 25,000.00 | 2,560.00 | 1,877.50 | 1,607.50 | 682.50 | 952.50 | | 270.00 | 26.66 | 37.21 |
| | 26,000.00 | 2,740.00 | 2,017.50 | 1,737.50 | 722.50 | 1,002.50 | | 280.00 | 26.37 | 36.59 |
| | 27,000.00 | 2,930.00 | 2,167.50 | 1,877.50 | 762.50 | 1,052.50 | | 290.00 | 26.02 | 35.92 |
| | 28,000.00 | 3,120.00 | 2,317.50 | 2,017.50 | 802.50 | 1,102.50 | | 300.00 | 25.72 | 35.34 |
| | 29,000.00 | 3,320.00 | 2,477.50 | 2,167.50 | 842.50 | 1,152.50 | | 310.00 | 25.38 | 34.71 |
| | 30,000.00 | 3,520.00 | 2,637.50 | 2,317.50 | 882.50 | 1,202.50 | | 320.00 | 25.07 | 34.16 |
| | 31,000.00 | 3,730.00 | 2,807.50 | 2,477.50 | 922.50 | 1,252.50 | | 330.00 | 24.73 | 33.58 |
| | 32,000.00 | 3,940.00 | 2,977.50 | 2,637.50 | 962.50 | 1,302.50 | | 340.00 | 24.43 | 33.06 |
| | 33,000.00 | 4,170.00 | 3,157.50 | 2,797.50 | 1,012.50 | 1,372.50 | | 360.00 | 24.28 | 32.91 |
| | 34,000.00 | 4,400.00 | 3,337.50 | 2,957.50 | 1,062.50 | 1,442.50 | | 380.00 | 24.15 | 32.79 |
| 12,047 | 35,000.00 | 4,630.00 | 3,527.50 | 3,127.50 | 1,102.50 | 1,502.50 | | 400.00 | 23.81 | 32.45 |
| | 36,000.00 | 4,860.00 | 3,717.50 | 3,297.50 | 1,142.50 | 1,562.50 | | 420.00 | 23.51 | 32.15 |
| | 37,000.00 | 5,100.00 | 3,917.50 | 3,477.50 | 1,182.50 | 1,622.50 | | 440.00 | 23.19 | 31.81 |
| | 38,000.00 | 5,340.00 | 4,117.50 | 3,657.50 | 1,222.50 | 1,682.50 | | 460.00 | 22.89 | 31.51 |
| | 39,000.00 | 5,590.00 | 4,317.50 | 3,847.50 | 1,272.50 | 1,742.50 | | 470.00 | 22.76 | 31.17 |
| | 40,000.00 | 5,840.00 | 4,517.50 | 4,037.50 | 1,322.50 | 1,802.50 | | 480.00 | 22.65 | 30.86 |
| | 41,000.00 | 6,100.00 | 4,727.50 | 4,227.50 | 1,372.50 | 1,872.50 | | 500.00 | 22.50 | 30.70 |
| | 42,000.00 | 6,360.00 | 4,937.50 | 4,417.50 | 1,422.50 | 1,942.50 | | 520.00 | 22.37 | 30.54 |
| | 43,000.00 | 6,630.00 | 5,147.50 | 4,617.50 | 1,482.50 | 2,012.50 | | 530.00 | 22.36 | 30.35 |
| | 44,000.00 | 6,900.00 | 5,357.50 | 4,817.50 | 1,542.50 | 2,082.50 | | 540.00 | 22.36 | 30.18 |
| 6,051 | 45,000.00 | 7,180.00 | 5,567.50 | 5,025.50 | 1,612.50 | 2,152.50 | | 540.00 | 22.46 | 29.98 |
| | 46,000.00 | 7,460.00 | 5,777.50 | 5,237.50 | 1,682.50 | 2,222.50 | | 540.00 | 22.55 | 29.79 |
| | 47,000.00 | 7,750.00 | 5,997.50 | 5,457.50 | 1,752.50 | 2,292.50 | | 540.00 | 22.61 | 29.58 |
| | 48,000.00 | 8,040.00 | 6,217.50 | 5,677.50 | 1,822.50 | 2,362.50 | | 540.00 | 22.67 | 29.38 |
| | 49,000.00 | 8,340.00 | 6,437.50 | 5,907.50 | 1,902.50 | 2,432.50 | | 530.00 | 22.81 | 29.13 |
| | 50,000.00 | 8,640.00 | 6,657.50 | 6,137.50 | 1,982.50 | 2,502.50 | | 520.00 | 22.95 | 28.97 |
| | 51,000.00 | 8,950.00 | 6,877.50 | 6,377.50 | 2,072.50 | 2,572.50 | | 500.00 | 23.16 | 28.74 |
| | 52,000.00 | 9,260.00 | 7,097.50 | 6,617.50 | 2,162.50 | 2,642.50 | | 480.00 | 23.34 | 28.54 |
| | 53,000.00 | 9,580.00 | 7,327.50 | 6,867.50 | 2,252.50 | 2,712.50 | | 460.00 | 23.51 | 28.31 |
| | 54,000.00 | 9,900.00 | 7,557.50 | 7,117.50 | 2,342.50 | 2,782.50 | | 440.00 | 23.66 | 28.11 |
| 3,431 | 55,000.00 | 10,230.00 | 7,787.50 | 7,367.50 | 2,442.50 | 2,862.50 | | 420.00 | 23.88 | 27.98 |
| | 56,000.00 | 10,560.00 | 8,017.50 | 7,617.50 | 2,542.50 | 2,942.50 | | 400.00 | 24.08 | 27.86 |
| | 57,000.00 | 10,900.00 | 8,247.50 | 7,877.50 | 2,652.50 | 3,022.50 | | 370.00 | 24.33 | 27.73 |
| | 58,000.00 | 11,240.00 | 8,477.50 | 8,137.50 | 2,762.50 | 3,102.50 | | 340.00 | 24.58 | 27.60 |
| | 59,000.00 | 11,590.00 | 8,717.50 | 8,407.50 | 2,872.50 | 3,182.50 | | 310.00 | 24.78 | 27.46 |
| | 60,000.00 | 11,940.00 | 8,957.50 | 8,677.50 | 2,982.50 | 3,262.50 | | 280.00 | 24.97 | 27.32 |
| | 61,000.00 | 12,300.00 | 9,197.50 | 8,947.50 | 3,102.50 | 3,352.50 | | 250.00 | 25.22 | 27.26 |
| | 62,000.00 | 12,660.00 | 9,437.50 | 9,217.50 | 3,222.50 | 3,442.50 | | 220.00 | 25.45 | 27.19 |
| | 63,000.00 | 13,030.00 | 9,677.50 | 9,497.50 | 3,352.50 | 3,532.50 | | 180.00 | 25.73 | 27.11 |
| 2,246 | 64,000.00 | 13,400.00 | 9,917.50 | 9,777.50 | 3,482.50 | 3,622.50 | | 140.00 | 25.91 | 27.04 |
| | 65,000.00 | 13,780.00 | 10,167.50 | 10,067.50 | 3,612.50 | 3,712.50 | | 100.00 | 26.22 | 26.94 |
| | 66,000.00 | 14,160.00 | 10,417.50 | 10,357.50 | 3,742.50 | 3,802.50 | | 60.00 | 26.43 | 26.85 |
| | 67,000.00 | 14,550.00 | 10,667.50 | 10,657.50 | 3,882.50 | 3,892.50 | | 10.00 | 26.68 | 26.75 |
| | 68,000.00 | 14,940.00 | 10,917.50 | 10,957.50 | 4,022.50 | 3,982.50 | $40.00 | | 26.92 | 26.66 |
| | 69,000.00 | 15,340.00 | 11,167.50 | 11,267.50 | 4,172.50 | 4,072.50 | 100.00 | | 27.20 | 26.55 |
| | 70,000.00 | 15,740.00 | 11,417.50 | 11,577.50 | 4,322.50 | 4,162.50 | 160.00 | | 27.46 | 26.44 |
| | 71,000.00 | 16,150.00 | 11,677.50 | 11,897.50 | 4,472.50 | 4,252.50 | 220.00 | | 27.69 | 26.33 |
| | 72,000.00 | 16,560.00 | 11,937.50 | 12,217.50 | 4,622.50 | 4,342.50 | 280.00 | | 27.91 | 26.22 |
| | 73,000.00 | 16,980.00 | 12,197.50 | 12,537.50 | 4,782.50 | 4,442.50 | 340.00 | | 28.16 | 26.16 |
| | 74,000.00 | 17,400.00 | 12,457.50 | 12,857.50 | 4,942.50 | 4,542.50 | 400.00 | | 28.41 | 26.11 |
| 1,428 | 75,000.00 | 17,830.00 | 12,717.50 | 13,187.50 | 5,112.50 | 4,642.50 | 470.00 | | 28.73 | 26.04 |
| | 76,000.00 | 18,260.00 | 12,977.50 | 13,517.50 | 5,282.50 | 4,742.50 | 540.00 | | 28.93 | 25.97 |
| | 77,000.00 | 18,700.00 | 13,247.50 | 13,857.50 | 5,452.50 | 4,842.50 | 610.00 | | 29.15 | 25.91 |
| | 78,000.00 | 19,140.00 | 13,517.50 | 14,197.50 | 5,622.50 | 4,942.50 | 680.00 | | 29.37 | 25.82 |
| | 79,000.00 | 19,590.00 | 13,787.50 | 14,537.50 | 5,802.50 | 5,052.50 | 750.00 | | 29.62 | 25.79 |
| | 80,000.00 | 20,040.00 | 14,057.50 | 14,877.50 | 5,982.50 | 5,162.50 | 820.00 | | 29.85 | 25.76 |
| | 81,000.00 | 20,500.00 | 14,327.50 | 15,227.50 | 6,172.50 | 5,272.50 | 900.00 | | 30.10 | 25.78 |
| | 82,000.00 | 20,960.00 | 14,597.50 | 15,577.50 | 6,362.50 | 5,382.50 | 980.00 | | 30.36 | 25.62 |
| | 83,000.00 | 21,430.00 | 14,877.50 | 15,937.50 | 6,552.50 | 5,492.50 | 1,060.00 | | 30.58 | 25.63 |
| | 84,000.00 | 21,900.00 | 15,157.50 | 16,297.50 | 6,742.50 | 5,602.50 | 1,140.00 | | 30.79 | 25.58 |
| 957 | 85,000.00 | 22,380.00 | 15,437.50 | 16,667.50 | 6,942.50 | 5,712.50 | 1,230.00 | | 31.02 | 25.53 |
| | 86,000.00 | 22,860.00 | 15,717.50 | 17,037.50 | 7,142.50 | 5,822.50 | 1,323.00 | | 31.24 | 25.47 |
| | 87,000.00 | 23,350.00 | 15,997.50 | 17,407.50 | 7,352.50 | 5,942.50 | 1,410.00 | | 31.48 | 25.45 |
| | 88,000.00 | 23,840.00 | 16,277.50 | 17,777.50 | 7,562.50 | 6,062.50 | 1,500.00 | | 31.72 | 25.43 |
| | 89,000.00 | 24,340.00 | 16,567.50 | 18,157.50 | 7,772.50 | 6,182.50 | 1,590.00 | | 31.93 | 25.40 |
| | 90,000.00 | 24,840.00 | 16,857.50 | 18,537.50 | 7,892.50 | 6,302.50 | 1,680.00 | | 32.14 | 25.37 |
| | 91,000.00 | 25,350.00 | 17,147.50 | 18,927.50 | 8,202.50 | 6,422.50 | 1,780.00 | | 32.36 | 25.34 |
| | 92,000.00 | 25,860.00 | 17,437.50 | 19,317.50 | 8,422.50 | 6,542.50 | 1,880.00 | | 32.57 | 25.30 |
| | 93,000.00 | 26,380.00 | 17,727.50 | 19,717.50 | 8,652.50 | 6,662.50 | 1,980.00 | | 32.79 | 25.26 |
| | 94,000.00 | 26,900.00 | 18,017.50 | 20,117.50 | 8,882.50 | 6,782.50 | 2,100.00 | | 33.02 | 25.21 |
| 666 | 95,000.00 | 27,430.00 | 18,317.50 | 20,527.50 | 9,112.50 | 6,902.50 | 2,210.00 | | 33.22 | 25.16 |
| | 96,000.00 | 27,960.00 | 18,617.50 | 20,937.50 | 9,342.50 | 7,022.50 | 2,320.00 | | 33.41 | 25.12 |
| | 97,000.00 | 28,500.00 | 18,917.50 | 21,357.50 | 9,582.50 | 7,142.50 | 2,440.00 | | 33.62 | 25.06 |
| | 98,000.00 | 29,040.00 | 19,217.50 | 21,777.50 | 9,822.50 | 7,262.50 | 2,560.00 | | 33.83 | 25.01 |
| | 99,000.00 | 29,590.00 | 19,517.50 | 22,197.50 | 10,072.50 | 7,392.50 | 2,680.00 | | 34.04 | 24.98 |
| | 100,000.00 | 30,140.00 | 19,817.50 | 22,617.50 | 10,322.50 | 7,522.50 | 2,800.00 | | 34.25 | 24.96 |

*Comparison of the Mellon and Democratic (Simmons) tax plans with the 1921 law (married person without dependents), the first $5,000 of all income to be deemed to be earned, balance unearned*—Continued

| Number of persons making returns in each class for 1921 | Income | Amount of total tax under— | | | Amount of reduction of total tax under— | | Amount of greater reduction of total tax under— | | Percentage of reduction of total tax under— | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Act of 1921 | Mellon | Act of (Simmons) 1924 | Mellon | Act of (Simmons) 1924 | Mellon | Act of (Simmons) 1924 | Mellon | Act of (Simmons) 1924 |
| 1,817 | $150,000.00 | $58,140.00 | $35,317.50 | $44,117.50 | $22,822.50 | $14,022.50 | $8,800.00 | ---------- | 39.25 | 24.12 |
| | 200,000.00 | 86,640.00 | 50,817.50 | 65,617.50 | 35,822.50 | 21,022.50 | 14,800.00 | ---------- | 41.35 | 24.26 |
| 481 | 250,000.00 | 115,640.00 | 66,317.50 | 87,617.50 | 49,322.50 | 28,022.50 | 21,300.00 | ---------- | 42.65 | 24.23 |
| | 300,000.00 | 144,640.00 | 81,817.50 | 109,617.50 | 62,822.50 | 35,022.50 | 27,800.00 | ---------- | 43.50 | 24.21 |
| 64 | 500,000.00 | 260,640.00 | 143,817.50 | 199,617.50 | 116,822.50 | 61,022.50 | 55,800.00 | ---------- | 44.82 | 23.41 |
| | 1,000,000.00 | 550,640.00 | 298,817.50 | 429,617.50 | 251,822.50 | 121,022.50 | 130,800.00 | ---------- | 45.73 | 21.96 |
| 21 | 2,000,000.00 | 1,150,640.00 | 608,817.50 | 889,617.50 | 521,822.50 | 241,022.50 | 280,800.00 | ---------- | 46.15 | 21.32 |
| | 3,000,000.00 | 1,710,640.00 | 918,817.50 | 1,349,617.50 | 791,822.50 | 361,022.50 | 430,800.00 | ---------- | 46.29 | 21.14 |
| | 4,000,000.00 | 2,290,640.00 | 1,228,817.50 | 1,809,617.50 | 1,061,822.50 | 481,022.50 | 580,800.00 | ---------- | 46.35 | 21.00 |
| | 5,000,000.00 | 2,870,640.00 | 1,538,817.50 | 2,269,617.50 | 1,331,822.50 | 601,022.50 | 730,800.00 | ---------- | 46.39 | 20.94 |

*Comparative table showing beneficiaries of the Democratic (Simmons) tax reduction plan and of the Mellon plan by States*

| State | Total number making income-tax returns, 1921 | Number benefited more by Mellon plan | Number benefited more by Democratic (Simmons) plan |
|---|---|---|---|
| Alabama | 43,009 | 25 | 42,984 |
| Arizona | 18,477 | 1 | 18,476 |
| Arkansas | 33,830 | 8 | 33,822 |
| California | 386,082 | 237 | 385,845 |
| Colorado | 69,676 | 25 | 69,651 |
| Connecticut | 123,269 | 96 | 123,173 |
| Delaware | 15,889 | 12 | 15,877 |
| District of Columbia | 89,966 | 68 | 89,898 |
| Florida | 42,249 | 14 | 42,235 |
| Georgia | 67,719 | 24 | 67,695 |
| Hawaii | 11,481 | 22 | 11,459 |
| Idaho | 22,976 | 1 | 22,975 |
| Illinois | 611,558 | 537 | 611,021 |
| Indiana | 150,300 | 52 | 150,248 |
| Iowa | 111,483 | 24 | 111,459 |
| Kansas | 88,785 | 9 | 88,776 |
| Kentucky | 69,496 | 25 | 69,471 |
| Louisiana | 67,960 | 34 | 67,926 |
| Maine | 44,397 | 25 | 44,372 |
| Maryland | 112,963 | 109 | 112,854 |
| Massachusetts | 388,442 | 505 | 387,937 |
| Michigan | 250,147 | 174 | 249,973 |
| Minnesota | 124,501 | 81 | 124,420 |
| Mississippi | 25,614 | 5 | 25,609 |
| Missouri | 172,519 | 106 | 172,413 |
| Montana | 36,907 | 4 | 36,903 |
| Nebraska | 71,853 | 14 | 71,839 |
| Nevada | 9,719 | 1 | 9,718 |
| New Hampshire | 32,410 | 17 | 32,393 |
| New Jersey | 269,096 | 274 | 268,822 |
| New Mexico | 11,780 | 1 | 11,779 |
| New York | 1,066,637 | 2,050 | 1,064,587 |
| North Carolina | 44,161 | 38 | 44,123 |
| North Dakota | 18,440 | 1 | 18,439 |
| Ohio | 367,096 | 270 | 366,826 |
| Oklahoma | 69,381 | 15 | 69,366 |
| Oregon | 62,804 | 18 | 62,786 |
| Pennsylvania | 621,103 | 833 | 620,270 |
| Rhode Island | 48,057 | 103 | 47,954 |
| South Carolina | 25,160 | 6 | 25,154 |
| South Dakota | 21,681 | 0 | 21,681 |
| Tennessee | 60,949 | 19 | 60,930 |
| Texas | 200,188 | 66 | 200,122 |
| Utah | 26,128 | 1 | 26,127 |
| Vermont | 17,746 | 8 | 17,738 |
| Virginia | 76,257 | 21 | 76,236 |
| Washington, including Alaska | 115,688 | 21 | 115,667 |
| West Virginia | 75,277 | 38 | 75,239 |
| Wisconsin | 148,457 | 67 | 148,390 |
| Wyoming | 22,413 | 4 | 22,409 |
| Total | 6,662,176 | 6,109 | 6,656,067 |

Mr. KENT. Mr. Speaker, I do not propose to discuss local taxation. In the great propaganda which spread over the Nation when Congress went into session last December those responsible for it sought to lead the people into the belief that local taxes were to be reduced. Congress has no power of local taxation. We have dealt with governmental revenues only. The State, county, city, borough, and township have their own powers of taxation, and we in Congress are responsible to the people only with regard to Federal taxes. The measure recently passed had to do only with income taxes and the usual revenue measures.

Section 8, Article I, of the Federal Constitution reads in part as follows:

The Congress shall have power to lay and collect taxes, duties, imposts, and excises, etc.

Section 7 of the Constitution provides:

All bills for raising revenue shall originate in the House of Representatives but the Senate may propose or concur with amendments as on other bills.

The sixteenth amendment to the Constitution reads as follows:

The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration.

These have been my only guiding principles in voting upon reform in taxation.

Since the present session of Congress began it has been a great mystery to me why some Republican leader in the House of Representatives did not propose a tax reduction or revenue measure so that the same might be thoroughly discussed in the House. Before Congress had convened a letter was written by the Secretary of the Treasury to the chairman of the Ways and Means Committee suggesting a plan of tax reduction. Immediately after the writing of this letter a vast fortune was spent by persons unknown to the Congress in an endeavor to browbeat and induce Congress to adopt this particular plan of tax reduction.

It is significant that the chairman of the Ways and Means Committee refused to vote for that plan, and the President finally signed a different one after an overwhelming majority in Congress had adopted another plan.

Every Congressman and Senator has taken an oath which impels him to go conscientiously into matters of this kind, and I rejoice that the dignity of Congress has been upheld and that the legislative department, fresh from the people, has adopted a plan which gives proportionate relief to all of the people.

At the outset of the tax-reduction discussion it was my idea to make taxes on a going business as moderate as possible, because every tax on business is passed on to the public and necessarily increases the cost of living. That is still my idea. But taxes on personal incomes can not be passed on to the public, and such taxes, as well as those on inheritances and gifts in anticipation of death, should be increasingly heavy as the income increases in amount and the individual fortune increases in size.

Nearly every great fortune in America goes back to the foundation of an exploitation of the natural resources of the country, directly or indirectly. Most of the huge fortunes which have been and are being created in this country are made possible by the tremendous natural resources with which God Almighty endowed the land. Many of them do not represent creative genius as much as the ability to translate natural wealth into money. I have no disposition to tax those fortunes out of existence. Wealth is necessary to conduct and maintain our business structure, but I believe that these fortunes which found their inception and their possibilities in the exploitation of the natural resources of the American people ought to pay a generous share for the conduct of the Government which makes them possible and keeps them in existence.

I have been importuned in all sorts of propaganda to vote for the so-called Mellon plan, which, by the way, the President rejected in affirmation of the overwhelming sentiment of Congress and the American people. Very few people gave

me their reasons for such requests. I am convinced that 99 per cent of them are pleased with the tax-reduction measure which has been passed and framed by the lawmaking branches of our Government.

We were compelled to use the tax returns for 1921, filed in 1922, as the basis for estimates for 1923 and 1924.

At my request the Treasury Department furnished me with the following table, showing total amounts of money paid by taxpayers of a certain class:

| Income class: | Total tax |
|---|---|
| $4,000 and under | $69,721,721 |
| $4,000 to $10,000 | 91,940,010 |
| $10,000 to $25,000 | 126,886,410 |
| $25,000 and over | 430,838,965 |
| Total | 719,387,106 |

It will thus appear that the small taxpayer who earns under $4,000 per year is paying only about $70,000,000 per year in taxes. I am convinced that it costs as much to handle and tabulate the returns according to the present way of doing business in the revenue division.

Other figures are interesting. For the same period the total number of persons making income-tax returns was 6,662,176. The so-called Mellon plan would have benefited 9,433 people more than the law as it existed before this Congress met. The plan which has gone into effect and which my colleagues will bear in mind and which was really the Garner-Simmons or Democratic plan has benefited 6,641,262 taxpayers more than the old law benefited. In my own State of Pennsylvania for the period just mentioned 621,103 people filed income-tax returns. Eight hundred and thirty-three more people would have been benefited in my State by the so-called Mellon plan than by the existing law, but according to the Garner-Simmons or Democratic plan which we have adopted we have benefited 620,270 more people. In my own congressional district based upon the so-called Mellon plan and the records on file with the Treasury Department about 29 more people would have been benefited. Under the Garner-Simmons or Democratic plan every taxpayer in my district or 15,062 have been benefited.

I think we have arrived at the point where we can begin our exemptions upon earned incomes under $5,000 for men with families, and every single man who earns under $2,500 should be exempt. I think the exemptions should begin there for all taxpayers. Those who earned from $4,000 to $10,000 per year paid only $91,940,010 in the period mentioned. Those who earned between $10,000 and $25,000 paid $126,886,410, whereas those who earned $25,000 and over paid $430,838,965.

The great home-owning, home-building class of people came within these proposed exemptions. About 6,000,000 of them have been filing income-tax returns, and I am firmly convinced that the cost of operating the revenue division with regard to this multitude of tax returns is more than the amount actually received in taxes. You will find that the average married man, earning under $5,000 per year, is trying to raise a family, educate his children, buy a home, keep up his fraternal and religious standing, trying to appear with his family dressed decently in public, and endeavoring to purchase a few of the small and reasonable luxuries of life which give him spiritual and educational inspiration. From this class of wage earners we can well afford, in the last analysis, to lift the burden of trifling income taxation.

The so-called Mellon plan offered 50 per cent of tax reduction to the large taxpayer, approximately 246 in number, who would have been exempt from the payment of millions of dollars on income tax, whereas it offered to the small taxpayer only 25 per cent reduction. My vote, which was consistent and sustained by the overwhelming majority in the House and Senate and also by the President's signature, gave proportionate tax reduction equitably and ratably to all taxpayers.

If this country had been struggling under a heavy load of taxation in March, 1923, the President and his Secretary of the Treasury knew it. This Congress was elected in November, 1922. Neither President Harding nor President Coolidge called it into session. It met under the Constitution in December of 1923. I voted against its adjournment, because this administration, having permitted it to remain home for a period of nine months, should have permitted it to remain in session until relief had been given to the farmer and until the matter of threatened industrial disputes had been legislated upon. I regret that the President and his Secretary of the Treasury did not call into conference Democratic and Republican leaders in the House of the people's representatives, where all revenue legislation must originate, and go over with them thoroughly the tax-reduction question. Unquestionably, the great men upon both sides of the House would have agreed upon a fair and equitable basis for the reduction of taxation. The general conduct of this matter savors strongly of a desire on the part of the administration to throw this question into politics and make it a campaign issue for 1924. I so stated practically to all persons who wrote me on this subject and requested them to write to Secretary Mellon and ask him to use his great influence with the administration to stop the saturnalia of expenditure which has characterized every act of the present party in power. Increased appropriations were demanded by every department of the Government. These departments are presided over by the Cabinet members who meet together and with the President every week and upon call of the President. The expressed and intense desire of the people, and especially the Democratic Members of Congress, for broad and sweeping tax reduction and governmental economy was met by governmental extravagance and lump-sum appropriations which stagger the imagination.

In 1916 we appropriated for the Army $119,530,829; for the Navy, $150,526,634; a total of $270,057,464. This year Congress has appropriated for the Army $300,000,000 and for the Navy almost $295,000,000; approximately $595,000,000; an increase over 1916 of about $285,000,000, and we were getting ready for the World War in 1916.

And in the face of it all, with millions of dollars of the people's money thrown to the winds in governmental extravagance, by this tax reduction bill forced through this Congress by constitutional Democrats, we have reduced taxes 25 per cent for 1923, payable in 1924, and we have given a reduction for 1924 of three hundred and sixty-one millions, and for 1925 of four hundred millions of dollars, and this reduction has not been affected by payment of adjusted compensation for ex-service men.

If this administration had eliminated its deficiency bills, amounting to $372,195,711.61, if it had eliminated all governmental extravagance, we would have been enabled to grant an exemption of income tax upon all those earning under $7,500 per year, and we could have eliminated every nuisance tax known to modern business, and we could have paid the much-needed increases to postal employees.

Congress is about ready to go home. In a few days most of the people throughout the Nation will know something about the possibilities of tax reduction in this country for the great home-owning, home-building, and family wage earner, and then the work of those who forced the present tax reduction bill through the present Congress and past the President's signature will be appreciated and the possibilities for the future will be realized.

RECORD OF VOTES

Mr. CARTER. Mr. Speaker, under leave to extend my remarks I am printing herewith the record of my votes in the last two sessions of Congress:

SIXTY-SEVENTH CONGRESS, FOURTH SESSION

TREASURY APPROPRIATION—H. R. 13180

December 9, 1922: Amendment for substitution of power for hand presses in Bureau of Printing and Engraving. Yea. Passed.

Appropriation bill passed without roll call.

NAVY APPROPRIATION—H. R. 13374

December 14, 1922: To consider. Yea. Passed.

December 16, 1922: Campbell, Kansas: Amendment asking for negotiation for limitation of aircraft construction. Yea. Passed.

December 18, 1922: Motion to recommit. Nay. Passed.

Bill passed without roll call.

PENSIONS—S. 3275

December 21, 1922: Granting pensions for service in Civil and Mexican Wars. Motion to recommit. Nay. Failed.

No vote on final passage.

POST OFFICE APPROPRIATION—H. R. 13593

January 3, 1923: Slemp: Pneumatic tube amendment for New York City—$513,911.50. Nay. Passed.

INTERIOR DEPARTMENT APPROPRIATION—H. R. 13559

January 3, 1923: For support of Indian pupils at Greenville (Calif.) School. (RAKER.) Nay. Failed.

January 3, 1923: Temple amendment: After the word "forests," strike out "$324,500" and insert "$500,000." Yea. Passed.

AGRICULTURAL APPROPRIATION—H. R. 13481

January 3, 1923: JONES, Texas: For expenses of publication on diseases of the horse. Yea. Passed.

January 3, 1923: To table appeal from decision of the Chair against Carter motion to recommit with seed distribution amendment. Nay. Passed.

FOREIGN SERVICE OF UNITED STATES—H. R. 12880

February 8, 1923: For increase of salaries and retirement on half pay. To recommit. Yea. Failed. No roll call on passage.

REFUNDING FOREIGN DEBT—H. R. 14254

February 9, 1923: Motion to consider. Yea. Passed.
February 9, 1923: Passage of bill for settlement of British World War debt. Yea. Passed.

FEDERAL FARM LOAN ACT—H. R. 14041

February 20, 1923: Anderson amendment to strike out section 5. (Section 5 provides that loans could be made by agents of Federal farm loan banks.) Yea. Passed. No roll call on passage of act.

WAR DEPARTMENT APPROPRIATION—H. R. 13793

February 21, 1923: Motion to recede and concur with amendment against recruiting boys under 21 without consent of parents. Nay. Failed.
February 21, 1923: Anderson motion to recede and concur with amendment prohibiting retired Army officers from holding positions with firms furnishing supplies to Army or War Department. Yea. Passed.

TRADING WITH ENEMY ACT AMENDMENT—H. R. 14222

February 23, 1923: Motion to recommit. Yea. Failed.
February 23, 1923: Passage. Yea. Passed.

DEFICIENCY BILL—H. R. 14403

February 26, 1923: To consider. Nay. Passed.

BONUS FOR CIVIL EMPLOYEES—H. R. 14435

February 28, 1923: Passage of bill to grant $240 extra per annum. Yea. Passed.

FARM CREDITS—S. 4280

March 1, 1923: Passage of bill. Yea. Passed.
March 3, 1923: Agreeing to conference report. Yea. Passed.

COAL FACT-FINDING COMMISSION—S. 4160

March 2, 1923: Passage of bill to create commission with appropriation of $600,000. Nay. Passed.

ADDITIONAL COLLECTION DISTRICT FOR INTERNAL REVENUE—S. 2051

March 2, 1923: Passage of bill. Nay. Passed.

TRADING WITH CHINA ACT—H. J. RES. 455

March 2, 1923: To strike out the words "resident of China." Bill passed. Yea. Passed.

SIXTY-EIGHTH CONGRESS, FIRST SESSION

H. J. RES. 136—TAX-EXEMPT SECURITIES

Amendment to Constitution providing for Federal taxation of State securities and State taxation of Federal securities. Motion to recommit. Yea. Failed.
Passage of joint resolution. Yea. Passed.

H. R. 6715—TAXATION

Earned income derived from combined personal service and capital. Yea. Passed.
Hawley substitute for Garner plan. Nay. Failed.
Longworth substitute for Garner plan. Nay. Passed.
Tax on cigars: Strike out "$3" and insert "$4." Yea. Passed.
Motion to recommit. Yea. Failed.
Passage. Yea. Passed.

H. R. 518—MUSCLE SHOALS

Motion to recommit. Nay. Failed.
Bill to authorize the Secretary of War, for national defense in time of war and production of fertilizer in time of peace, to sell Muscle Shoals to Henry Ford. Yea. Passed.

H. RES. 216—CHARGES AGAINST TWO MEMBERS OF CONGRESS

Graham, Pennsylvania, amend: Requesting Attorney General to proceed at once to investigate charges. Yea. Passed.
Passage of resolution as amended. "That the House take no further action." Yea. Passed.

INCREASE OF COAST GUARD—H. R. 6815

Passage of resolution to authorize a temporary increase for law enforcement. Yea. Passed.

H. R. 5078—INTERIOR DEPARTMENT APPROPRIATION

To concur with conference report. Nay. Passed.

H. R. 7959—WORLD WAR VETERANS' COMPENSATION

Passage of bill. Yea. Passed.

H. J. RES. 180—RELIEF FOR GERMANY

Bill to give $10,000,000 to German children and women. Nay. Passed.

H. R. 6202—CONVERSION OF SHIPS

Amendment to merchant marine act of 1920 for improvement to modernize ships. Yea. Passed.

H. R. 8233—INDEPENDENT OFFICES APPROPRIATION

Amendment to increase appropriation for Federal Trade Commission from $980,200 to $940,000. Yea. Passed.

H. R. 8262—COMPENSATION OF SENATE AND HOUSE EMPLOYEES

Bill to increase salaries. Yea. Failed.

H. R. 5726—OSAGE INDIANS

Division of lands and funds in Oklahoma. Yea. Passed.

H. J. RES. 195—NARCOTIC DRUGS

Appropriation for participation of United States in two international conferences for the control of traffic in habit-forming drugs, $40,000 for five representatives. Nay. Passed.

H. R. 8143—PROTECTION OF FISHERIES IN ALASKA

Sutherland amendment: To prohibit use of traps. Yea. Passed.
Bill passed without roll call.

H. RES. 254—CHANDLER V. BLOOM

Substitute for resolution: That Sol Bloom was duly elected to Sixty-eighth Congress from nineteenth district of New York. Yea. Passed.
Passage of resolution as amended. Yea. Passed.

H. R. 7995—IMMIGRATION

Begg amendment: The burden of proof that he is not subject to exclusion shall be upon any alien who attempts to enter the United States. Nay. Passed.
Passage of bill for limitation of immigration. Yea. Passed.

H. R. 655—DISTRICT OF COLUMBIA GASOLINE TAX

Passage of resolution for tax of 2 cents per gallon. Yea. Passed.

H. RES. 243—AIR SERVICE INVESTIGATION

Underhill amendment: To limit investigation appropriation outside of District of Columbia to $15,000. Yea. Failed.

H. R. 7229—AGRICULTURAL APPROPRIATION

Thirty thousand dollars may be used for manufacture of blackleg vaccine. Yea. Passed.
Motion to recommit. Nay. Failed.
Bill passed without roll call.

H. J. RES. 184—CHILD LABOR

Passage of resolution to consider. Yea. Passed.
Amendment to change from 18 years to 16 years. Yea. Failed.
Passage of resolution for regulation of child labor. Yea. Passed.

H. R. 6357—REORGANIZATION OF THE FOREIGN SERVICE

Motion to recommit. Yea. Failed.
Bill passed without roll call.

H. J. RES. 248—CHINESE INDEMNITY

To provide for the remission of further payments of the annual installments of the Chinese indemnity. Nay. Passed.

H. RES. 278—CAPE COD CANAL

To consider bill for purchase by the Government. Present. Passed.

H. R. 7995—RESTRICTION OF IMMIGRATION

Conference report. Yea. Passed.

H. R. 7959—ADJUSTED COMPENSATION

To postpone consideration of President's veto. Nay. Passed.

H. R. 7959—WORLD WAR VETERANS' COMPENSATION

To pass bill over President's veto. Yea. Passed.

H. R. 6715—REVENUE; TAX REDUCTION

Conference report. Yea. Passed.

H. R. 8233—INDEPENDENT OFFICES APPROPRIATION

Conference report. (Disagreement on navy yard amendment.) Nay. Failed.

H. R. 9033—M'NARY-HAUGEN BILL

Final vote on passage. Yea. Failed.

H. R. 6645—BUREAU OF PROHIBITION

To create a bureau in Treasury Department. Yea. Passed.

S. 1398—POSTAL SALARY INCREASE

Conference report. Yea. Passed.

## EIGHTEENTH AMENDMENT

Mr. RAKER. Mr. Speaker and gentlemen, in compliance with the permission given me by the House to extend my remarks on the eighteenth amendment I shall to some extent reply to the gentleman from Ohio and include an article which shows how real property has advanced instead of declining in value, as predicted by those who were opposed to the eighteenth amendment and the Federal laws enacted by Congress to carry out its provisions.

Every variety of camouflage is used by the wets in order to attempt to defeat the enforcement of the eighteenth amendment. Pleas for beer and wine, in spite of the plain letter of the Constitution; attacks upon enforcement officials who are loyal and active, without assaults upon those nominees of wet Congressmen who are complaisantly nullifying the Constitu-

tion; home-brew statistics telling of crime and drunkenness which never finds any record in police statistics; appeals to religious prejudice, to sectional pride, to racial animosities, to the baser impulses of humanity, diversified by lofty invocations of temperance and moderation—we have heard all these oft repeated.

A gentleman from Ohio—a general, distinguished soldier on the Union side in the Civil War, and statesman of many years—Saturday, January 19, 1924, repeated these arguments to the House. The oldest Member of the body, he portrayed youth as a victim to-day of the drink evil. I assert that to-day the young men and young women who are alcohol addicts are only a small fraction of those who habitually drank two years ago. We are outdoor folk to-day. Athletes, both boys and girls, are never drunkards. They drive high-powered autos with rarely an accident because of drunkenness. They dance through the night. Alcoholized bodies could not stand that strain. They have packed every college to the limit of its capacity and have surpassed the scholarship records of our fathers and our grandfathers. Minds stupefied by alcohol could never do this. The churches record the unprecedented gain in young people's societies, both in membership and in activities. Youth lost in drink does none of these things. They are demanding and are assuming a larger part in the public and business life of the Nation.

What honest observer of society can believe that the revolution in the life of youth could be possible if the drinking habits of only a half decade ago were still in force? Youth to-day is cleaner than in any age in our history. The liquor traffic still ruins boys and girls, but for each one who goes down that road to death to-day a thousand were destroyed by the legalized traffic just a few years back.

To unfavorably compare our record in crime with Europe and then to draw the conclusion that prohibition is responsible for the greatest number of murders in America argues either ignorance of the facts or unwillingness to face them. We have more crime than Europe has. But the alien in our midst commits the greater portion of that crime. The records show that over 80 per cent of the violations of the eighteenth amendment and laws enacted thereunder, both Federal and State, are committed by aliens. Our record for murder and homicide has long been worse than other nations. But where other countries, particularly in Europe, have shown an increase in crime since the war, America alone among the nations of the world has recorded a falling crime rate. When we shut the doors of the saloon we cut off the source of much of our crime.

I know not how to answer one who cites the number of arrests and convictions of those charged with violation of the Volstead Act as evidence of failure to enforce that very law. The violation of the liquor laws has always been one of our most serious problems. Before the arrival of national prohibition we closed our eyes to many of these violations. We knew that moonshine stills were running in many rural districts. We knew that peddlers sold the product of these stills against the law. The words "moonshiner" and "bootlegger" were not invented after the Volstead Act. They are an inheritance from the days when the gentleman from Ohio voluntarily placed himself under personal prohibition. We arrested and punished only a small fraction of those who illegally manufactured liquor in those days.

Who ever heard of a saloon observing the law under the license régime? When the front door closed the rear door opened. In many places no pretense of closing the front door was even made. It was this defiance of all restraints that made prohibition inevitable. We outlawed the saloon because the saloon would keep no law. I question if any city in America to-day has as many illicit dealers in intoxicants as it had under the license system. Comparison of the Federal internal revenue figures with the local license totals in any city will reveal the existence of thousands of "speak-easies" before prohibition. Add to these the probable number of illegal dealers who did not even have a Federal license, and the total will astound you. The actual fact is that we are dealing with the greatest foe to law the world has ever known. Where in former years we compromised with this enemy and closed our eyes to the host of daily violations of law, to-day we are waging a war to the death. Law against outlaw; democracy against organized booze; that is the array of forces in the greatest contest we have ever faced.

The old-time saloonists themselves protest against the Ohio gentleman's defense of their order. I hold in my hand one of the letters sent to the gentleman from Ohio. He has doubtless received others, perhaps scores or hundreds. I do not know just what the church people, the ladies' organizations, and the friends of prohibition in Ohio have said to him about his attack on the Puritan and on prohibition. But from an hotel man, an enemy of the eighteenth amendment and one who fought its adoption, there came to him this letter, by which we may gauge how greatly the gentleman from Ohio misunderstood his own State:

SUNDAY, JANUARY 20, 1924.

MY DEAR CONGRESSMAN: When I reached Cleveland in 1889, it was not very long before the name "——— ———" became well known to me. Tom L. Johnson was then aspiring to a seat in Congress, which he later on attained. From this great man the principles of democracy were learned. If you remember the debates in the lower House on the income tax, with Bryan for and Johnson against, you will perhaps admit that the writer is somewhat familiar with the political history of his adopted country. It was with some astonishment, therefore, that I read in Sunday's paper, January 20, your reference to the "Puritan," where you state that the present spirit of those who would see the law enforced was similar to that of "the old Puritans of the seventeenth century, who hung Quakers in Connecticut and burned witches in Massachusetts." For a Congressman from Ohio, especially one from within a stone's throw from the fire lands of the Western Reserve, where the Puritan farmers of Connecticut were placed by the Puritan government of the State of Connecticut, to cast aspersion upon the very founders of the State he is supposed to represent, then he must be requested to explain just what he means when he states that Mr. UPSHAW is the "reincarnation of the kind of Puritan you say he is."

The records show that 22 people were done to death for witchcraft—22 in all the history of New England. Are you aware that 66,000 human beings were done to death for the same thing in old England and 153,000 in France? "Hanging Quakers and burning witches" forsooth. Why do you point to the Puritan? What was the Spanish inquisition doing at the same period of world history to which you refer, namely, the seventeenth century? Why, 22 human beings would not make up an "auto-de-fe" for an afternoon's burning in any large city in Spain at the time to which you refer. Well, sir, are those who are the successors to the authority for the burnings ordered by the Spanish inquisition to be called "religiously tolerant," "politically charitable," free from bias and prejudice, or do you belong to the tribe of alien thought—alien to the very highest aspirations of this great country of ours? Have you lent yourself to the propaganda of abuse and mendacious slander that those religiously opposed to the Puritan now as well as the seventeenth century indulge in? Have you forgotten the history of the Western Reserve? Has your age made it impossible to make a proper analysis of the present situation, where the Puritan spirit is asserting itself in the interests of constituted law and order? Have you ever visited Painesville, Ohio? Read what is carved in stone as you enter the county courthouse. On one side "That regard for the public welfare is the highest law" and on the other "The right to a free government presupposes the duty of every citizen to obey that government."

Who gave America Harvard and Yale? The Puritan.

Who gave America and the world the first and only Constitution of the people? The Puritan.

Who gave America its first free public schools? The Puritan.

Who established Hudson Academy, that later on blossomed into the Western Reserve University? The Puritan.

Which part of these United States gave more of her sons to help save the Union in the war of which you yourself was a part? The Puritan Western Reserve. * * *

Where were the "underground railways" maintained that gave freedom to thousands upon thousands of colored folks during the Civil War? The Puritan Western Reserve.

* * * With all the traditions of that part of the country the soil of which has given us so much that is sacred to our institutions, you might have left the Puritan and all the glorious heritage he has handed down to us alone. * * *

Your friends now are the alien bootlegger, as well as the Governor of New York State, who has made every citizen of the State of New York a constructive anarchist and rebel against the Government of the United States. And you have done all this for a drink of booze!

In conclusion, the writer fought the eighteenth amendment as it was being gradually brought to us with all the power he possessed. As a hotelkeeper, my bar was part of my stock in trade and my selfish interests made me its defender. I spoke before literary societies, Rotary and Kiwanis Clubs, Protestant churches, and opposed with what strength was mine against the impending eighteenth amendment. My father was a distiller of Scottish whisky. I have been a consistent drinker all my life; but whatever I may have expected from a Democrat in New York State * * * I never thought I'd live to see a Congressman from the great Buckeye State defend booze. * * *

Very sincerely yours,

JOHN McF. HOWIE.

The Hon. ——— ———.

There has been a decrease in the number of divorces sought because of intemperance. Comparatively few suits are brought

on this ground to-day. The breaking up of home life and the decline in birth rate among the native born is attributed by many of our social students to the presence of married women in industry, with the inevitable decadence of the home.

Prohibition has reduced crime amazingly. Drunken men are rarely seen on any of our streets. Judge Gemmill, of Chicago, has published statistics showing a decrease in arrests for drunkenness amounting to 500,000 in 1923, or 2,000,000 in the four dry years. Nearly 2,000 penal institutions were empty when the 1922 census of prisoners was taken. Our crime rate dropped 5.8 per hundred thousand between 1917 and 1922. Our death rate has written new records for the world, and the decrease since prohibition is equivalent to the saving of 873,000 lives. We have decreased public charity, due to intemperance, by $74,000,000 annually. We now have 250,000 fewer industrial accidents per year caused by alcohol-numbed minds or muscles. We have closed the doors of nearly all the brothels which once ruined the minds, morals, and bodies of our people. We have checked—if not halted—the flood of evil forces dragging down the State.

The billions of dollars once spent for strong drink now speeds up the wheels of industry and commerce over all our land.

Each month we have been buying a billion dollars' worth of life insurance policies. In each of the three last dry years some insurance companies have paid more money in dividends to living policy holders than they have paid in death claims. Our savings deposits now amount to over $18,000,000,000, or within one-seventh of the total amount of the national debt. One in every seven persons in the Nation owns an automobile. Over 4,000,000 autos manufactured last year found ready purchasers.

We are constructing over 2,000 more homes per month now than in 1919. Even the high cost of building can not halt this building, which surpasses both industrial and business construction. Department stores, general retail trade, amusement houses, jewelry and luxury trades have reported unprecedented growth in the amount of business done. For one single item of amusement alone, the radio, we spent last year $400,000,000.

We are richer than any nation the world ever knew. Physically, we are healthier and stronger than in the past. The Census Bureau reports an increase in longevity since prohibition. We are morally better, as the statistics of our churches as well as the reports of our criminologists prove. We are happier, as every legitimate amusement enterprise can testify. Without prohibition none of these things would have been possible achievements.

There are defects in enforcement of prohibition, but these defects are neither so numerous nor so serious as the opponents of prohibition wish they were or as they would have us believe. The most casual comparison of conditions to-day, in spite of whatever defects we may find in enforcement with conditions under license, will satisfy any fair-minded student of our national life that we have made unparalleled gains in every field of human progress since prohibition.

The condition of the drink-sodden nations of Europe, the rising tides of crime there, the political power of the liquor traffic in England, France, Spain, and Italy, the general smuggling of high-powered alcohol, the home distilling in France, the evasion of all laws for control, the mounting death rate in nearly every European country, the unemployment, the poverty, all these approve in strongest terms that which President Coolidge has termed the American policy of government in his message to Congress, when he uttered these words:

> There is an inescapable personal responsibility for the development of character, of industry, of thrift, and of self-control. These do not come from the Government but from the people themselves. But the Government can and should always be expressive of steadfast determination, always vigilant, to maintain conditions under which those virtues are most likely to develop and secure recognition and reward. This is the American policy.
>
> It is in accordance with this principle that we have enacted laws for the protection of the public health and have adopted prohibition in narcotic drugs and intoxicating liquors.

An unbiased observer of effects of prohibition, Felix Isman, one of the best-known realty experts in America, writes as follows in the Saturday Evening Post of March 1, 1924:

THE EFFECT OF PROHIBITION UPON REALTY VALUES

When the Volstead Act went into effect in 1919 it was obvious and inevitable that the status of scores of millions of dollars' worth of realty holdings would change. Whether this change would be for better or worse few persons were in position to say. The most natural guess to make was a pessimistic one. To the superficial observer it seemed clear that if thousands of locations which had been producing an income from the sale of intoxicating beverages could no longer be used for that purpose prohibition would fall like a blight upon the real-estate market.

Any such conclusion, however, overlooks a fundamental characteristic of real estate as a basis of value—real estate is more or less indestructible in itself. You can't chop the head off real estate either with an ax or with a Volstead Act.

People are the basis of value; the best way to destroy real-estate value would be to destroy the people; which reminds me of the story of the dog and the pig:

"What a wonderful animal you are, pig," said the dog. "Why, every part of you is worth money; your tail, your legs, everything—even your hair is used for bristles. My body—what is it worth? Absolutely nothing! It is less than worthless." Touched to the quick by this realization of his own worthlessness, even though he had expressed it, the dog continued:

"But you are still nothing but a pig." Now, prohibition killed the saloon, but the corner lot on which it stood was not a dead dog. It was a dead pig. The question confronting the real-estate man was what to do with the corpse.

BURYING THE CORPSE

War-time prohibition had rendered the property in question useless for its former purpose, as the owners thought, but for a temporary period. They were willing to bide their time. But when national prohibition became a certainty and the knowledge that new usage must be created or obtained for the tremendous quantity of realty used in the sale of alcoholic stimulants became an acknowledged fact there was little short of panic among owners and long-term tenants. Not only had the realty conditions to be met but considerable finesse and a thorough understanding of the condition of the owners' minds and temperaments were required to restrain panic-stricken ones from upsetting all the carefully laid plans of those who had been called upon to bury the corpse.

A difficult part of the situation was the feeling by many owners that saloonkeepers had been paying excessive rent for the use of their realty, and the thought of a sure and certain return to normality was a condition fraught to many with anticipation of great distress.

For years a part of the American public scarcely realized that the subject of prohibition was other than an argument. The question as to whether deprivation of alcoholic stimulants was a moral issue or whether it was a deprivation of personal liberty became practically the only discussion. To the real-estate mind, however, there was another aspect of the case: Prohibition would change the status of value for better or worse to the owners of untold millions of realty holdings.

How to bury the corpse was a question of great perplexity, even to the expert who had taken the time to study records of the effects of prohibition upon realty values in the various prohibition States. In spite of the persistent manufacture of statistics by the propaganda agencies of both wets and drys, real-estate experts who had studied this subject thoroughly knew the effects of prohibition upon values in small towns, counties, States, and fairly large cities. But all this information now had to be considered in the light of an unprecedented situation, for there was a tremendous difference between the largest city in any prohibition county or State—at the time it went dry—and New York in 1919. In the smaller towns and cities values had naturally not become stabilized; many things might affect them. In the larger cities values are much more definitely fixed.

The effect of prohibition in its various phases could not have been so far-reaching years ago, because the cities were much smaller and values were naturally much less, whereas in 1919 not only had the cities grown tremendously in size but realty—probably out of proportion to growth in population—was at its peak. The imminent change so soon to descend upon these fairly stabilized conditions with a century or more of tradition behind them presented a problem which may be fairly described as stupendous.

The effect of State prohibition upon realty, however helpful, was a very different condition from that of national prohibition. The effect of State prohibition upon realty formerly used for the sale and manufacture of liquor could be nowhere nearly so great as the conditions which the Volstead Act created, for many reasons.

THE TURN OF THE TIDE

The lessons taught by modified and absolute State prohibition upon realty were manifold. Many of us will remember the great apprehension which realty owners of liquor establishments had when the new law in the so-called prohibition States went into effect; how the magazines were flooded with illustrations of the city deserted, and how, during the first year, realty values of property used for either the manufacture or dispensation of alcoholic liquor were frightfully hurt; but to everyone's surprise, little by little these establishments were taken for other enterprises and they were, in the main, quite successful. Business picked up generally; the savings banks began to find an increase in their deposits; people began buying their own homes, and merchants their business establishments; the jails were being emptied; a general air of prosperity became increasingly apparent, and what

was more important, comfort and good will in the minds of the public began to become plainly apparent. There was less friction in the air; then realty prices commenced to advance, not only recovering lost ground but taking decided strides beyond former peak prices.

Now this is what the realty broker who had studied the history of the effect of State prohibition knew. So it was not so much the fear of depreciation in price which disturbed him as the gigantic problem of disposition.

Not only was the saloon the object of attack but practically every hotel proprietor throughout the country, representing a tremendous investment, was in a quandary how to meet changed conditions, and very much worried whether he could meet, not only his expenses but his rent as well.

In addition, the brewery owners, were confronted with a far greater problem, because they held special buildings, erected for special and particular purposes, and were upon the horns of another dilemma; only theirs was far more perplexing. Distilleries were the breweries' twin brothers; in fact they were Siamese twins.

This is particularly a story of how the corpse was buried, for the job has been done with startling success. Thousands of saloons have gone out of business; other thousands of restaurants have either adjusted their affairs to the new conditions or given way to other branches of trade endeavor. Thousands of breweries, distilleries and wholesale liquor warehouses are now, in the main—not. Additional thousands of hotels that faced the problem of how to give up their bars without the use of red ink on their books solved the difficulty.

And thereby hangs our tale. These problems have met a happy ending

NEW TENANTS AT HIGH RENTALS

Let us begin with the corner saloon; it was the most widespread real-estate problem. It was very different from the hotel, because the saloon was a comparatively small investment in proportion to the latter. Now, a strange thing happened in and around New York City. Many saloons had occupied most prominent corners. Some of them presented opportunities for representation—I mean opportunities for national advertising purposes—far beyond the worth of the space for mere merchandising purposes. The chain stores waited in line for them. They outbid one another, and in almost all cases the prominent locations brought more money than the saloons ever paid for them. The chain grocery stores took up many of the others in less prominent spots. Many saloons had leases made before the neighborhoods had changed for the better, and they subleased the properties at a substantial profit. In this way the situation was dealt with in a complete and profitable manner.

There is a peculiar condition which surrounds a certain kind of building—one where the space is used for a limited length of time per day. The largest saloon, occupying considerable space, at its busiest times would really have use for but a small portion of its space. This is also a condition with a billiard hall. It is necessarily so with a theater. Now, the chain stores sensed the saloon situation. Many of them could do business in a very small space. They required no tables, chairs or lounging space; in fact the founder of the largest chain-tobacco stores told me that the keystone of his business was founded on the inability of the store to permit a customer to remain longer than the consummation of a purchase. So the larger space was cut up by the chain store into small stores, utilized for business purposes requiring small and frequent purchases, and in this manner better utilization became immediate.

THE HOTEL MEN'S PLIGHT

The saloon was practically a one-man business. One could run an endless number of stores from a main center, but not saloons; in fact, in most States it was unlawful to do so. One prominent grocer in New York City wants but a dollar per day profit from each of his stores. A large candy manufacturer advertises the slogan "A penny a pound profit." Now, the saloon man had to live from the profits of his one establishment. The chain store, if its location is successful, can part with a portion of its profit as additional rent so that, all in all, the transition from saloon to the various branches of merchandising has resulted not only in an increase of value but in a much higher grade of investment, and also in at least a better outlook for the future in point of permanent returns. Likewise the restaurateur is better able to pay rent, even though he does but a legitimate business. People eat more and more frequently. They pay better prices. They have the money they formerly spent in saloons to aid them in doing so.

The hotel, however, presented a vastly different and far more stubborn problem, because its furnishings were in many cases very elaborate and expensive. The saloon fixtures could be hauled off in a truck and that's that, but if a hotel with 200 rooms or over found itself unable to pay the rent because its bar had been put out of business, the owner couldn't dump at least $200,000 worth of stuff on trucks and rent the place to a chain grocer. Many different solutions had to be found before the hotel was out of trouble or out of business without damage to its realty value.

At first some of the managers experimented with cider at $2 a bottle, but they didn't get very far with that. Then, with great apprehension, nearly all of them raised the prices of rooms and food. That was sound and almost immediately lifted a great number out of their difficulty. Their principal competition was with restaurants of the better sort, which had also been selling liquor, but those restaurants were either raising the price of food or going out of business also. But the most important revenue-producing change in hotels began with renting the space formerly occupied by the bar to a merchant. This the realty expert knew was the first step. Then he discovered that there was ample space for a lot of other stores. By making a few changes he could offer merchants show windows facing both the street and the lobby. Then, again, first-floor restaurants were removed to the mezzanine or second floor. This helped to solve the problem for a lot of them.

But not every hotel was so situated or constructed as to make this solution possible. The proportion of bar receipts to other income would vary, of course, very widely with different establishments. Scores of hotels could not survive, even after landlords had made adjustments in the tenants' rent. In this article we are not considering the fate of the hotel, but the real estate. Therefore the hotel man who went out of business because of prohibition may read with astonishment a statement that the problem was solved by turning the establishment into an office building, which brought larger returns than the hotel. This statement can be accounted for by easy arithmetic: A room averages 12 by 16 feet, or, roughly, 200 square feet. A high rent for wholesale hotel space would be $2 per night per room, predicated upon 300 nights per year, or $600 per room annually. Now, it was quite easy to obtain $3 per square foot for office space; so the owner recovered first or ground floor space, also considerable second-floor space, and considerable of the basement space, which had been given to Mr. Hotel Man as a by-product incident to his utilization of the rooms. That happened in numerous instances in the larger cities, and for the purposes of this article it is the happy ending.

The majority of hotel keepers who survived were most agreeably surprised to see how the public rose to the situation. Though the period of adjustment was very trying to all of them, the new air of restfulness which pervaded the establishment after the bar had been closed was most agreeable to everyone from manager to bootblack.

CONVERTED BREWERIES

Next let us consider the brewery. A lot of people, including directors of brewing companies, had been worrying for several years before prohibition, and about all they had for their pains was a headache. It was known that some of them might survive in a fashion by manufacturing "near" products, but it was doubtful whether "near" products would have a sufficient sale to permit of their being exclusively manufactured by the larger breweries. There they stood, enormous things—nearly every one covering as much as a city block of space. No revenue-producing business one could think of but would find them entirely too large. If a towering mass of brick could resemble a white elephant, the brewery did. The real-estate man looked at them and heaved a sigh. Their owners looked at them and groaned. Numerous proprietors of little manufacturing businesses wandered through them and decided that their enterprises might as well lease the Grand Canyon.

But other events were hurrying along a solution which the real-estate man was not slow to discover. Demand for old buildings of almost any kind or shape, of four brick walls, with a dependable roof, became so insistent by reason of the tremendous rise in materials and labor that the brewery buildings could no longer be overlooked. In short, these two problems—like the gingham dog and the calico cat—ate each other up. The prices of bricks, steel, cement, and, above all, labor, were mounting skyward. Here were vast structures in excellent repair, soundly built. The reproduction cost of these buildings would be enormous. Covered space was in demand. How about using them for warehouses? And quite a number went that way.

The machinery in them could be adapted to numerous uses besides the making of beer; most of this machinery was modern and economical of operating cost. Within a short time quite a number of breweries had been converted into some other kind of factory. The real-estate man, however, held the key to the situation for many of the oldest breweries, for often these establishments had originally sought cheap land some distance out. In the intervening years the city had grown and finally surrounded them. At the time national prohibition came if there had been no other use for the buildings of breweries so situated the bricks in them and the land could have been sold at a high profit in many instances. Many sales were made on this basis, whether the buildings were actually torn down or not. One of the largest and most prominent churches in New York City has been erected upon the site of an old brewery.

The procedure of successfully disposing of the distillery corpse was in a general way similar to that of the breweries, but do not overlook

the fact that this problem was not nearly so acute. Whisky is still being legally manufactured, which brings us to some of the unsuspected by-products of prohibition.

As before stated, a great deal of whisky is not only being manufactured but legally sold on physicians' prescriptions through drug stores. It is sold in a manner which reminds me of a story told years ago in the old Weber & Fields Music Hall. Little Joe Weber, in one of the plays, speaking of his experience in Europe, said, "One bought fruit over there and paid for jewelry." While the cheerful possessor of one of these little slips waits for the clerk to fill the bottle he is rubbing elbows with a crowd of men who rushed in for a sandwich and a cup of coffee. Back of these men is a small boy examining a radio outfit, and at the other counter stands a woman purchasing rouge. Or is it cigarettes? Maybe it is a fountain pen. Anyway the drug store, in addition to its prescription-whisky business, is now a soft-drink stand, restaurant, and miniature department store. Instead of having to seek low rents, as the old apothecary shop usually did, this new establishment is a bidder for the most expensive spaces in the world.

RUM'S COMPETITORS

Of course, you have thought of the motion-picture show and what happened to its receipts as soon as the saloon went out of business. As a matter of fact, the motion-picture theater had been giving the saloon a merry chase for some years previously. It is a well-known fact that one good motion-picture house could banish at least half, if not more, than that percentage of the saloons in its neighborhood.

That business is a simple merchandising problem. Entertainment is a staple commodity just as certainly as potatoes are food. Both are necessities of life. Booze and motion pictures came under the head of entertainment for most of those who purchased them. For not more than 50 cents one can purchase about two hours of entertainment in a motion-picture theater. Foreign and domestic travel, with music, is offered along with the company of kings, clowns, millionaires, heroes, vampires, cowboys, and Charlie Chaplin. You can laugh, cry, be thrilled, and informed without effort. The bartender couldn't offer so much for the money.

So motion-picture shows were beating the saloon in a bare-fisted fight, and they simply plunged to prosperity when their adversary was outlawed.

Nearly everyone saw that for himself; but perhaps you didn't know that before prohibition billiard parlors had an appalling mortality rate but are now solid investments, in the main. The original billiard and pool parlor usually nestled close to a bar, under the mistaken notion that it would draw trade from the brass rail. Quite the opposite always happened. Tom, Dick, and Harry stopped after the first game to have a drink and neglected to return.

Meanwhile the rent for all that floor space under the billiard table was going merrily on; also the light bill. The absentmindedness of Tom, Dick, and Harry put nearly as many billiard parlors out of business in the course of a year as other optimistic managers started.

When the brass rail went down, the uneasy manager of all those expansive, as well as expensive, tables thought he saw his finish. But he has a larger place now and pays a higher rent. Tom, Dick, and Harry continue at their game all evening. They play better and get more fun out of it since being released from that high-voltage attraction of that neighboring rail.

The increase in the demand for soft drinks since prohibition has been tremendous; so much so that a prominent orange-juice chain-store proposition has become a very important factor in the demand for ultra-central space—a condition which all users of such space must reckon with in a highly competitive sense.

Though nearly everyone guessed correctly that prohibition would have a marked effect upon soft-drink sales, but few thought it would multiply and multiply golf courses. If they thought of golf in connection with prohibition at all, it was probably to worry about the future of their country club after bar revenue was cut off.

But prohibition sent thousands of men scurrying out to the links who had never quite found time before.

The increase in golf courses has been tremendous, with absolutely no sign of diminution. This game requires so great an area for a limited number of persons that it seems impossible to predict limits to the demand for such space near metropolitan districts.

A golf course should have at least about 110 acres. Translate this into city blocks and line them up. One hundred and ten acres so arranged would stretch from Fourteenth Street to Harlem if laid down in New York City. It can not very well be used by more than 300 persons. The hours of play have lengthened since prohibition. Attendance is better. Men are more keenly interested in the game. They concentrate on mastering its technic, and the result shows in club receipts.

The new golf course is not only a considerable real-estate deal in itself but it brings about a condition which makes that neighborhood desirable. Nearly anyone would like to live near 110 acres of well-kept ground. So the real-estate man finds that formerly neglected acres are salable.

SPORTS BENEFITED

Locations for golf courses were naturally and necessarily selected in localities where land was cheapest, considering accessibility; so many sections, although possessing great merit, have increased tremendously in value through the advent of the golf course, hastened in its inception through the medium of the abolition of liquor.

All outdoor sports have been benefited by prohibition. The remarkable growth of interest in tennis is in some measure due to the absence of a strong counter attraction. In fact, tennis promises to run baseball a close race for premier honors.

Baseball, however, is probably a more outstanding example than golf. From California to Florida plans are being made for larger grand stands and larger baseball parks. What has happened to baseball has nothing to do with Babe Ruth or pennants. It is the same thing that is happening to tennis, golf, prize fighting, boating, swimming, and amusement parks. Never before in this country was there such enthusiams for outdoor sports. What effect this will have on future generations of Americans is a subject for some one else. In dwelling upon it I might overlook the fact that if 10,000 persons attend baseball games where previously only 2,000 fans gathered, every little commercial establishment around the park has a proportionately larger value. Watch them grow from sheds to real buildings. You don't have to go back very far to recall when they were represented by the hot-dog man's basket as he stood on the curb. But you have already seen what happened to his basket. It's a small building now. Give its owner time to realize what these changes mean. One may be sure that the modern baseball park will cause changes in the neighborhood proportionate to its own evolution.

Many elements enter into the ever-increasing demand for better and more housing. Let no one say it is absurd that prohibition had a dominant part. John Workingman has more money to-day than he has ever had in the history of the country and probably in the history of the world, and the elimination of John Barleycorn for John Workingman probably means an additional room at least to his living quarters. My opinion of the housing situation is that prohibition has created, through its success as a money saver, a tremendous impetus in the mind of the latent home seeker, the desirability of investing his savings in some place where he knows he can find shelter, without the drag of the payment of rent, as quickly as possible, and he has become luxurious in his demands; not luxurious to the point of wastefulness, but he wants more elbowroom. He now has the money to pay for it and he is getting it.

UNEXPECTED BY-PRODUCTS

The tremendous demand for housing is universally known. There were never so many home seekers as at the present time, nor so many home purchasers. Where this condition exists prosperity always reigns. The branches of the building trade have so many ramifications that when it is prosperous generally so is the whole country. The savings banks through the public's savings must invest their funds so as to pay interest to the depositor, and much of this money seeks real-estate channels and helps the house builder to expand his operations.

Seashore resorts—but one could go on in an almost endless strain, showing the decided benefits which have accrued to real estate directly and indirectly through the medium of the abolition of the saloon primarily.

Now, a strange thing has happened regarding realty investment. Money is coming into it from sources hitherto unknown. Some one—many some ones—is making money from some source unknown to the realty dealer, and this money is going into real estate. It has been a tremendous impetus to the stability of the high prices prevailing at the present time. Just what trade or profession this capital comes from the realty dealer knows not, but you and I may probably make a very successful guess. Is it possible that the new mysterious money coming into realty is money made unlawfully? If so, it is not the only indirect aid to realty values derived in defiance of the law.

In New York race tracks, with betting rampant, exercise a decidedly beneficial effect upon the theater, restaurant, and so on. In New York State, like bootlegging, betting flourishes illegally. Dance halls, under the guise of so-called clubs, pay much higher rents, because a club is not compelled to close at the legal hour.

From the time the Volstead Act went into effect it has been a prime factor in the real-estate business. The corpse of Demon Rum has been handled almost as successfully as that of the porker, but no pig ever had so many unexpected by-products as prohibition. It will be interesting to see how many more are yet to turn up.

Years ago the first Armour said one used everything about the pig but his squeal; the realty expert did more than that with the realty used for liquor purposes—he utilized the squeal.

HISTORY OF THE AMERICAN MERCHANT MARINE

Mr. DAVIS of Tennessee. Mr. Speaker, the Democratic Party has always favored an adequate American merchant marine unhampered by adverse laws and consequently not needing antidoes in the form of subsidies from the Public Treasury. Only under the propitious policies of Democratic

rule has an American merchant marine ever flourished. It was under Democratic administration that American shipping passed through its golden era and the white-winged argosies flying the American flag sailed the seven seas without the aid of subsidies or other artificial stimulants. When the Republican Party first came into power, the United States had the largest merchant marine in the world, and American vessels carried twice as much of our rapidly growing exports and imports as all others combined, besides engaging extensively in carrying the trade between other nations. Under the blighting effects of high protective tariffs and other Republican policies after 50 years of nearly continuous Republican rule our former eminence on the sea had dwindled until more than 90 per cent of our own imports and exports were carried under alien flags.

As soon as the Democratic Party came into power in 1913 it began constructive and effective efforts to restore the American flag to the seas, and within three years and before we entered the World War American shipping engaged in the foreign trade, and the percentage of our greatly increased imports and exports carried in American vessels had more than doubled, which was described in the report of the Commissioner of Navigation as "a growth without precedent in our own history or in that of any other maritime nation."

When we were drawn into the World War and the need for additional ships to help win the war became immediate and imperative, the Democratic administration consummated the most prodigious shipbuilding program in the world's history, with the result that our merchant marine became the second largest in the world—nearly as large as that of Great Britain and greater than the combined tonnage of the next five national merchant marines. When the war was won and our troops and supplies returned, our Government-owned vessels were placed in the mercantile operation, and trade routes were established to every principal foreign port upon more than 400 routes in nearly 600 services, American flagships carrying over 50 per cent of our imports and exports. For the first time in a third of a century 50 per cent of the crews on American vessels engaged in the foreign trade were American citizens.

Although having passed through nearly a year of the world slump in shipping, this immense Shipping Board business had to its credit over $400,000,000 net profit from the operation of its vessels when the Republican administration came into power.

Then followed a saturnalia of extravagance, inefficiency, and favoritism, and a deliberate program to disparage and discredit Shipping Board vessels and trade routes so as to get the Government out of shipping at once and at whatever sacrifice at the behest of private shipping interests, both foreign and domestic. In order to favor the same interests the Republican administration strenuously endeavored to put through the infamous Lasker ship subsidy bill, but it was so obnoxious that even an overwhelmingly Republican Congress did not dare enact it into law, and the recent Republican national platform did not mention it. In a tremendous effort to effect the passage of this vicious bill the proper functions of the Shipping Board and Emergency Fleet Corporation were wholly neglected, and public funds appropriated by Congress for the merchant marine were illegally diverted and prostituted to a nation-wide propaganda for a subsidy to a few favored interests. This was pursuant to a deliberate scheme to turn the cream of the Government-owned fleet over to a shipping monopoly at a song and permit them to wax rich at public expense, and to scrap the remainder of the fleet to avoid a possibility of them coming in competition with a few hand-picked favorites. In order to justify such a course in the public mind Chairman Lasker and his cohorts carried on a tremendous campaign of disparagement of the ships and of Shipping Board operation, insisting that the Government-owned ships could never succeed, and that American-flag ships could not successfully operate without large bounties from the Public Treasury. This was accompanied by a rapid additional lay up of vessels and consequent destruction of our valuable trade routes, notwithstanding the fact that they were operating to full capacity carrying American products to foreign ports.

On January 1, 1920, 1,525 Shipping Board vessels of a total deadweight tonnage of 8,681,791 were in actual commercial operation. Notwithstanding the world-wide slump in commerce resulting in the worst shipping depression and the largest lay up of ships in history, yet when the Republican administration went into power March 4, 1921, there were still in active operation 981 Shipping Board vessels of 7,235,536 deadweight tons; it will be noted that there was a comparatively small reduction in tonnage, most of the ships laid up being of the smaller type. The ships have been steadily laid up until there are now in operation only about 364 Shipping Board vessels, and repeated and persistent efforts are being made by the president of the Emergency Fleet Corporation and other officials to effect still further drastic reductions. In fact, had it not been for the strenuous objection of Members of Congress and of certain patriotic members of the Shipping Board our Government merchant marine would doubtless have been wholly destroyed by this.

THE RECORD OF THE HOUSE OF REPRESENTATIVES, FIRST SESSION, SIXTY-EIGHTH CONGRESS—THE REPUBLICAN PLATFORM, 1924

Mr. LONGWORTH. Mr. Speaker, whatever may be said in approval or disapproval of the record of the House of Representatives in the first session of the present Congress, this fact at least must stand out uncontradicted—its legislative accomplishment is unexampled in volume and importance in recent years. The body which many people said at the outset would be impotent to legislate at all turned out to be one of the most efficient and effective legislative machines in history.

The Sixty-eighth Congress convened on December 3, 1923, and adjourned on June 7, 1924. The actual days in session numbered 142, as compared with 139 in the first session of the Sixty-seventh Congress, 144 in the first session of the Sixty-sixth Congress, and 114 in the first session of the Sixty-fifth Congress. The organization of the House and the committee assignments were not completed until December 17, and the permanent rules were not finally adopted until a month later. Thus it is to be noted that the organization of the House was not finally perfected and that the House was not completely equipped to do business until six weeks after it was first called to order.

Its legislative record therefore stands out all the more notably in comparison with that of the first sessions of the three previous Congresses, which experienced no such difficulties in organizing and adopting permanent rules of procedure. The number of bills and resolutions introduced during the session just closed total 10,481, as compared with 9,775 for the first session of the Sixty-seventh Congress, 11,419 for the first session of the Sixty-sixth Congress and 6,873 for the first session of the Sixty-fifth Congress. Of these 290 became public laws, as compared with 108 in the first session of the Sixty-seventh Congress, 93 in the first session of the Sixty-sixth Congress and 91 in the first session of the Sixty-fifth Congress. In addition to these there were finally enacted 37 public resolutions and 66 private laws and resolutions, making a grand total of public and private laws and resolutions finally enacted during the first session of the Sixty-eighth Congress of 393, as compared with 152 in the first session of the Sixty-seventh Congress, 121 in the first session of the Sixty-sixth Congress and 109 in the first session of the Sixty-fifth Congress. In other words, during the session of the Congress just closed more public and private laws were enacted than in the similar sessions of the three preceding Congresses all put together.

Coming now more particularly to the work of the House itself, the record is even more notable. There were considered and reported by the various committees of the House, and placed on the calendar, 632 public bills and 297 private bills, making a total of 929 as against 415 public and private bills in the first session of the Sixty-seventh Congress, 368 in the first session of the Sixty-sixth Congress, and 145 in the first session of the Sixty-fifth Congress. It thus appears that in the session just closed more bills were considered and reported by committees than were reported altogether during the similar sessions of the last three preceding Congresses.

Out of the 929 bills reported 594 were acted upon by the House either favorably or unfavorably, as against 293 in the first session of the Sixty-seventh Congress, 239 in the first session of the Sixty-sixth Congress, and 101 in the first session of the Sixty-fifth Congress. In other words, during the session just closed, with all the delays and disadvantages that existed at the outset, we actually considered, debated, and finally disposed of very nearly as many bills in the 142 days of the session as were acted upon in the 397 days of the three preceding Congresses.

The record of disposal of the public business, not counting the 135 resolutions passed by the House, makes an average of more than four bills a day considered and acted upon, which is unexampled so far as I know, and certainly during the more than 20 years that I have been in Congress.

It is a striking fact that this record was made under a revision of the rules of procedure which it was predicted would interfere with the power of the majority to dispose of legislation promptly and effectively. The House proceeded during the first month after its organization under the rules of the previous Congress, and during that month the Committee on Rules considered all proposals submitted for the revision and

amendment of those rules and the whole subject was fully and freely debated on the floor. As a result six changes were made in the rules which had been operative during a number of preceding Congresses, four of relatively minor and two of major importance.

Among the former, a new committee was created to deal with legislation for the benefit of disabled veterans of the World War, which legislation had been formerly under the jurisdiction of the Committee on Interstate and Foreign Commerce and other committees. There is no question but that this has worked well. It not only relieved the Committee on Interstate and Foreign Commerce, already overburdened, of some very important and technical legislation, but the new committee reported a most excellent bill which received the unanimous vote of the House. This committee has also been empowered by the House to make a complete survey of all soldiers' hospitals with a view to more effective coordination. Amendment of the rule relating to the Unanimous Consent Calendar was adopted requiring three objections to permanently erase a bill from the calendar on the second day of its consideration. This amendment seems to have been justified and to have worked well. Two other changes applied to the Committee on Rules, one requiring that a rule reported should lie over for a day unless authorized to be immediately considered by a two-thirds vote and the other that any bill reported must be actually taken up for consideration within a limited time. The object of the latter was to prevent the practice greatly complained of in previous Congresses, of the so-called "pocket veto" of a rule by the chairman or some member of the committee having it in charge. These changes seem to have worked well.

Of the other two, relatively greater in importance, the first was the repeal of the so-called "Underwood rule," designed to prevent the amendment upon the floor of revenue bills. This rule had been adopted in the Congress elected in the second half of the Taft administration by the Democratic majority for the frank purpose of facilitating the passage of the so-called "popgun" tariff bills, and it became so enlarged in its scope by chairmen's rulings that it virtually prevented any amendment of a tax or tariff bill upon the floor of the House. The rule was admitted to be unfair, even by its authors, and no objection was offered to its repeal by the majority in this Congress, although it was feared by some that it might impede the orderly consideration of revenue bills. The new system, however, was thoroughly tried out during the consideration of the tax reduction bill in the House and I think there can be no question but that the bill as it finally passed the House was in precisely the same form as it would have been had the amendment not been adopted.

The last of the amendments to the rules was of a more novel character, and its operation has been observed with interest both by its proponents and opponents in the only instance in which it has been tried out. This rule provides that when 150 Members sign a petition to discharge a committee from a bill referred to it 30 days previously it shall be in order to consider it, notwithstanding lack of action by the committee, on the first and third Mondays of every month. This rule was invoked in four instances during the session, but in only one were the necessary number of signatures procured. That was in the case of the so-called Barkley bill to abolish the Railroad Labor Board and make certain other amendments to the Esch-Cummins Act. It is not necessary for my purpose to consider the merits or demerits of the legislation itself. Opinion was very sharply and apparently quite evenly divided upon it. On two Mondays it was discussed, together with the rule, until late at night, and, so far as actual legislative progress had been made, the bill was in precisely the same situation at the conclusion of the discussion as it was at the beginning, and it became so evident that no further progress could be made that the rule was not invoked by the sponsors of the bill on the next Monday when it became in order. During the discussion of the rule two important decisions were made by the Chair; first, that no bill brought up under the rule could be considered except on Consent Mondays, and, second, that the motion to recess was not in order. Under these conditions two conclusions are inevitable, first, that no bill to which a majority, or even an aggressive minority somewhat less than a majority, is opposed can be finally acted upon within anything but an indefinite period, and, second, that to the extent that the rule is invoked the Consent Calendar is destroyed, and this without any actual filibustering or the employment of any but legitimate tactics in opposition. I would not be prepared to say that the rule has not some merit. Certainly there could be no valid objection to it if the original petition required the signatures of a majority of the House. It is not impossible to suppose a case where a committee might pigeonhole a bill which the majority of the House were sincerely anxious to have passed, and in such case the majority ought to be allowed to work its will. But if the rule is to be used by a minority to compel the majority to act upon legislation which it does not desire to consider, this rule has proved and will continue to prove a failure.

Once the organization had been perfected and the rules of procedure settled, the House proceeded to function with neatness and dispatch. It was generally agreed by the majority at the outset that every effort would be made to adjourn the Congress before the national conventions, and it was also agreed that before adjournment in addition to the necessary appropriation bills certain major pieces of legislation must be considered and acted upon. Among them were:

Tax reduction, further restriction of immigration, adjusted compensation for World War veterans, liberalization of the laws for the benefit of the disabled veterans of the World War, pensions for Civil and Spanish War soldiers and their dependents, the constitutional amendment for the regulation of child labor, action upon the several offers for the development of Muscle Shoals, increased compensation for postal employes, the constitutional amendment to make taxable the income derived from the bonds of municipalities and subdivisions of States, and agricultural relief.

Final action was had in the House upon all these measures. The last of the great appropriation bills, the second deficiency bill, carrying among other items $132,000,000 for the first payment under the adjusted compensation act, and some $25,000,000 for the payment of claims of the dependents of deceased veterans of the World War, failed in the Senate by reason of an individual filibuster. The Senate had added to the bill a general reclamation act and specific appropriations for the initiation of several new reclamation projects. In conference the House had agreed to the reclamation act and to all of these appropriations except two, one a project which seemed to have little if any merit. It was because of the failure of the House to agree to this appropriation that a Senator in the closing hours of the session talked the bill to death, with the result that the payment of some $150,000,000 to people entitled to it under the law is delayed for six months. Of course the first action of the House at the next session will be to pass this appropriation bill and to take up, I hope, the general subject of reclamation legislation which is of vital importance to many of the great Western States.

Under the circumstances one may well pause, I think, to question the wisdom of rules of procedure which permit one individual by the exercise of lung power alone to thwart the will of the practically unanimous majority of both Houses of Congress.

The bill providing for an increase in the salaries of postal employees was vetoed by the President on the main ground that it did not carry the revenue necessary to provide for the increase. No action was taken in the Senate, where the message first went, to override the veto, so that the bill did not become law for this session. Assurance was given in the House by the chairman and other members of the Committee on Post Offices that the question of providing from the postal revenues the additional revenue necessary to take care of the increases in pay contemplated will be taken up as soon as the Postal Commission established for the purpose of more equitably adjusting the revenues from the various classes of mail shall have made its report, and it may be fairly expected that a bill will be brought into the House early in the next session which will provide for a substantial increase in the pay of postal employees with the mail rates so adjusted as not to create a deficit in the postal revenues. In such case there would seem to be no difficulty in the way of final enactment f this legislation.

It may be noted that the House attached to this measure a well-considered corrupt practices act, which as a separate measure the President announced he would have approved.

Most unfortunately the constitutional amendment to tax the income derived from State and local securities failed to receive the necessary two-thirds vote by reason of the very large vote cast against it upon the Democratic side of the House, thus leaving in continued existence the greatest anomaly of our whole taxing system. It will be difficult if not impossible to finally arrive at an equitable adjustment of the graduated income tax system so long as it is possible by investment in this class of securities to escape all taxation whatsoever. Just so long as the rates on the larger incomes remain so high as to discourage investment in productive enterprise the temptation of very rich men by investment in these dead securities to escape all taxes will continue to prove to be irresistible.

The adjusted compensation bill which passed both Houses was vetoed by the President, and subsequently his veto was overriden, and consequently that measure is now a law. The compensation in this case takes the form of an insurance certificate payable at the end of twenty years. It is estimated that the total cost will amount to something over $2,000,000,000, with an average annual expense of something like $100,000,000—not merely so severe a charge on the revenues as the bill passed in the last Congress would have caused had it become a law.

The so-called Bursum bill providing increased pensions for Civil and Spanish War veterans and their dependents passed both Houses, but it was vetoed by the President and the veto sustained in the Senate.

The consideration in the House of the various offers for the development of Muscle Shoals resulted in the acceptance by a relatively small majority of the Ford offer. This, however, was locked in the Senate and an agreement made to consider the matter during the next session.

The immigration bill passed both Houses by large majorities and was signed by the President. It is generally considered to be the most carefully thought out and effective piece of legislation on this subject ever enacted by Congress.

Two bills passed by the House and which subsequently became laws of great benefit and importance to disabled veterans of the World War were, first, a law to increase their hospital facilities, and the other a bill so liberalizing the provisions of the existing law as to greatly simplify and facilitate their obtaining proper compensation.

The child labor constitutional amendment passed both Houses by considerably more than the requisite majorities, and now awaits action by the States.

Of all the major pieces of legislation the tax reduction bill gave rise to more extended consideration and debate than any other. The bill as first reported to the House was essentially that prepared under the direction of the Secretary of the Treasury, and made public even before the meeting of the Congress. Thus its provisions had been well known for months and had been extensively commented upon—favorably in general—by the great newspapers of the country. The outstanding features of the bill were the reduction of the high surtaxes to 25 per cent and the low normal taxes to 4 per cent, thereby reducing the high surtaxes 50 per cent and the low normal taxes 25 per cent. Scientifically accurate and wise as the bill seemed to many of us it was evident that unless the sentiment of Congress had changed very substantially since the last tax reduction measure was passed it would be impossible to make so great a reduction in the high surtaxes, certainly without at least a corresponding reduction in the low normal taxes. This seemed particularly true with regard to the Senate, that body having in the last Congress shown its preference for surtaxes higher than those approved by the House.

Upon that occasion the House had by a substantial majority reduced the high surtaxes from 65 to 32 per cent. The Senate, however, increased the House rate to 50 per cent, and in view of that action the House conferees were instructed to agree to the 50 per cent Senate rate. It was also to be noted that of the 174 members of the House who had voted to sustain the 32 per cent rate 73 had not returned to Congress, leaving 101 of the older Members who it was thought could be safely relied upon to vote for a rate so low as 25 per cent. A very careful poll, thoroughly checked and rechecked, revealed the fact that not to exceed 150 votes could be surely relied upon to sustain the so-called Mellon rates. This poll also showed that some 45 Members had expressed their unwillingness even to go below the existing rate of 50 per cent. It thus became indisputably evident that the 25 per cent rate could not be agreed upon, with the prospect that even the lowest rate that could be adopted in the House would be raised—as it in fact afterwards was—by the Senate.

Shortly after being reported the tax bill was taken up under the rules of the House in Committee of the Whole, with entire freedom of debate and amendment. Early in its consideration a substitute for the Mellon rates was offered by Mr. GARNER, of Texas, the ranking minority member of the Ways and Means Committee, increasing the high surtax rate to 44 per cent and reducing the low normal rate to 2 per cent. This, with other changes in the rates, it was estimated would create a deficit of more than $300,000,000. Another substitute was offered by Mr. FREAR, of Wisconsin, a member of the Ways and Means Committee, to retain the existing high surtax rate of 50 per cent. The accuracy of the poll to which I refer was proved in the test votes on the three separate rates. For the Mellon plan the vote was 152 as against 244, or 2 more favorable votes than had been counted on; for the Frear amendment the vote was 46 as against 254, or 2 more favorable votes than had been counted upon, and the Garner amendment was adopted by a vote of 221 to 196.

Under these conditions at the request of a number of my colleagues I undertook negotiations with a view to ascertaining whether it would be possible to agree upon a system of rates which could command united Republican support and stand as a Republican bill. Finally an adjustment was agreed upon, involving the decrease of all the then existing surtax rates by 25 per cent and the low normal rate by 50 per cent. In addition to this, provision was made for the arbitrary reduction of this year's taxes by 25 per cent.

When the bill was reported to the House from the Committee of the whole, this amendment was adopted, receiving the solid Republican vote, and the bill was later passed by a vote of 408 to 8.

As had been expected the Senate departed much further from the Mellon tax program than did the House, and adopted some very radical amendments. The high surtax rate of the House of 37½ per cent was increased to 40 per cent, but the intermediate rates remained practically the same, varying upon the standard incomes not to exceed ¼ on 1 per cent. In conference the Senate yielded on practically all of their amendments and the bill finally passed was essentially the House measure, and received the approval of the President.

The new law reduces taxes some $400,000,000. It remedies many of the administrative faults of the then existing law, makes an immediate cut of 25 per cent in all taxes and a cut for the future of 25 per cent in the case of the high surtaxes and 50 per cent in the case of the low normal taxes. As such it is a vast improvement over the tax law it superseded and can be successfully defended anywhere. People who were set upon the adoption of the Mellon bill exactly as introduced and who have criticized those of us who were willing to make certain concessions for the purpose of getting the best bill possible and one which could be finally enacted should pause to consider that had the House failed to pass a bill which commanded the support of the majority party not only would there have been no tax reduction legislation at this session but undoubtedly a bonus bill would have been passed providing for cash payments which would have doubled or tripled the outlay necessitated by the present law, and that other bills would have been passed which would have greatly increased the permanent charges upon the Treasury.

Of the 594 bills acted upon by the House 393, as I have said, became laws. In addition to those specifically mentioned, laws were enacted dealing with the following subjects:

Bering Sea sealing claims, the creation of a dairy bureau in the Department of Agriculture, a law providing additional appropriations for the eradication of the foot-and-mouth disease, agricultural credits, a law for the protection of fisheries in Alaska, a law extending further protection to animal reservations, establishing the upper Mississippi River wild-life and fish refuge, amending the national defense act and providing adjustment of pay in the Army, Navy, Marine Corps, and Coast Guard, providing for better roads in national parks, amending the national park act, extending for three years the provisions of the Federal roads act and authorizing an annual expenditure of $75,000,000, a law providing for the refunding of the debt of Finland, another for the refunding of the debt of Hungary, several laws amending the credits and refund provisions of the revenue act as recommended by the Secretary of the Treasury, a law providing additional inspectors for locomotives, a measure strongly recommended by the railroad operators, a law providing for a temporary increase of the Coast Guard for the purpose of more effective enforcement of the prohibition law, a law extending the time for final report with reference to rural credits, amending the Shipping Board act with regard to construction, reconstruction, and conversion of ships, prohibiting the entry from Mexico of tick-infested cattle, a law amending the act providing for vocational rehabilitation for civilians, extending the time for making advances by the war finance corporation, providing for the distribution of cannon and other war trophies, providing for compensation to United States employees injured in line of duty, a law providing for a Federal industrial institution for women, amending paragraph 3 of section 16 of the interstate commerce act relating to action by carriers for the recovery of charges, a law to prevent oil pollution of navigable waters, prohibiting the importation of crude opium for the manufacture of heroin, providing for the protection of forest lands, to provide for stock-raising homesteads, to furnish equipment to the Leavenworth penitentiary for the purpose of furnishing Government supplies and to compensate prisoners for labor, to continue construction work on the San Carlos Federal irrigation project in Arizona,

a law for the reorganization and improvement of our Diplomatic and Consular Service, 41 laws relating to Indian lands, compensation, per capita payments, and Indian schools, claims, allotments, irrigation projects, and so forth, 88 laws for the construction of bridges, and laws relating to the District of Columbia, among them, the gasoline tax law, law exempting the property of the D. A. R. from taxation, the incorporation of the National Medical Society, the teachers' salary law, law to amend the act to regulate the practice of dentistry, to regulate the practice of optometry, to regulate rents, adjusting the salaries of police and firemen, a law to develop the park and playground system in the District of Columbia, a law regulating traffic through the streets.

In addition to these bills which subsequently became laws the House also passed among others the Hoch resolution declaring agriculture to be the basic industry of the country, and to change freight rates on all products of agriculture, including livestock, to the lowest possible rates, a bill to establish a Bureau of Aeronautics in the Department of Commerce, a bill to amend the packers' and stockyards act of 1921, and a number of bills dealing with matters in Alaska, several bills relating to procedure in Federal courts and changes in judicial districts, several bills affecting the Postal Service, six omnibus pension bills, civil service reclassification legislation, and the monumental bill containing the revision and codification of the Statutes of the United States.

The two major measures designed to afford relief due to depressed agricultural conditions in certain States failed of passage. It seemed that neither the Agricultural Committee of the Senate nor that of the House were able to agree on a measure which could command the necessary support. The so-called Norbeck-Burtness bill reported by the Senate was beaten on the floor, as was the McNary-Haugen bill in the House. The failure of both was due largely to the fact that the farm organizations were unable to come together upon the precise measure which would afford the relief desired. It was understood in the Committee on Agriculture of the House that most of the western farm organizations were back of the McNary-Haugen bill, but it was equally evident that some very powerful farm organizations were opposed to it. The bill was very far-reaching, technical, and complicated, and while it received very thorough and extensive debate, a large number of Members of the House who were willing to go to almost any length to relieve the very serious depression in agriculture in some of the States were very seriously concerned lest the remedy proposed might not prove to be even a greater evil than the condition it was designed to relieve. The opposition to the bill was in no sense partisan, but it appeared that the main block of votes cast against it came from the Southern States.

Of the 12 appropriation bills presented during the session just closed 11 became law in practically the same form as passed by the House. It is not necessary to make more than a passing reference to them, as that subject has been exhaustively and ably treated by the chairman of the Committee on Appropriations, Mr. MADDEN, of Illinois, in a speech printed in the CONGRESSIONAL RECORD of June 7, 1924. Too much credit in my opinion can not be given to Mr. MADDEN and his associates for their efficient preparation and handling of these vitally important measures. They came out of the committee with the regularity of clockwork. It was seldom, indeed, that they did not appear on the exact date appointed, sometimes months in advance, and it was for this reason that the fixing of the date of adjournment and the preparation of the legislative program was a comparatively simple affair.

The bills had been so carefully and efficiently prepared, were so bullet-proof, so to speak, that amendments were rarely offered or adopted in the House. Of course, their totals were substantially added to in the Senate, as has been the custom for many years, but in conference these additions were pared down in the great majority of instances to about the figures agreed upon in the House. As a consequence the Budget estimates were exceeded in only an insignificant number of instances, and the total amount carried in all the bills showed a decrease below the Budget estimates of something over $10,000,000 and a decrease below the total sums appropriated for the preceding year of something more than $100,000,000. Had there not been appropriated in the deficiency bill which failed in the Senate, as above described, $132,000,000 on account of the first year's expense under the World War adjusted compensation act, the total reduction in appropriations as compared to the year previous would have been in excess of $232,000,000.

I think it can be fairly said that the record of the House of Representatives in the first session of the Sixty-eighth Congress is a decidedly creditable and noteworthy one in spite of the unusual delay incident to its organization and the adoption of the rules. In so far as the volume of legislation considered and acted upon was concerned it did as much work as was done in similar sessions of the last three Congresses all put together. Furthermore, the party in control with a majority of but 15 was able to carry out its program to the letter, not only with regard to the date of adjournment but with regard also to the legislative measures to be considered and acted upon.

I think it can be fairly said, too, that the House of Representatives of the present Congress has proved itself to be—in so far, at least, as the fiscal affairs of the Government are concerned, as was intended by the framers of the Constitution—the dominant body of the legislative branch of the Government.

Mr. Speaker, under leave granted for extension of remarks I insert herewith the platform adopted by the Republican Party in convention assembled on June 11, 1924.

REPUBLICAN PLATFORM 1924

"The delegates of the Republican Party in national convention assembled bow our heads in reverent memory of Warren G. Harding. We nominated him four years ago to be our candidate; the people of the Nation elected him their President. His human qualities gripped the affections of the American people. He was a public servant unswerving in his devotion to duty. A stanch Republican, he was first of all a true patriot who gave unstintingly of himself during a critical period of our national life. His conception and successful direction of the Limitation of Armament Conference in Washington was an achievement which measurably advanced the world along the path toward peace.

"As representatives of the Republican Party we share in the national thanksgiving that in the great emergency created by the death of President Harding there stood forth fully equipped to be his successor one whom we had nominated as Vice President—Calvin Coolidge. As Vice President and President, by word and deed, he has justified the faith and confidence which inspired his selection. He has put the public welfare ahead of all other considerations. He has given to the people practical idealism in office. In his every act he has won, without seeking, the applause of the people. The constantly accumulating evidence of his integrity, vision, and single-minded devotion to the needs of the people of this Nation strengthens and inspires our confident faith in his continued leadership.

SITUATION IN 1921

"When the Republican administration took control of the Government in 1921 there were four and a half million unemployed, industry and commerce were stagnant, agriculture was prostrate, business was depressed, the bonds of the Government were selling below their par value. Peace was delayed, misunderstanding and friction characterized our relations abroad. There was a lack of faith in the administration of government resulting in growing feeling of distrust in the very principles upon which our institutions are founded.

"To-day industry and commerce are active; public and private credits are sound. We have made peace; we have taken the first step toward disarmament and strengthened our friendship with other powers. Our relations with the rest of the world are on a firmer basis, our position was never better understood, our foreign policy never more definite and consistent. The tasks to which we have put our hands are not completed. Time has been too short for the correction of all the ills we received as a heritage from the last Democratic administration, but the notable accomplishments under Republican rule warrant us in appealing to the country with entire confidence.

PUBLIC ECONOMY

"We demand, and the people of the United States have a right to demand, rigid economy in government. A policy of strict economy enforced by the Republican administration since 1921 has made possible a reduction in taxation and has enabled the Government to reduce the public debt by two and a half billion dollars. This policy rigorously enforced has resulted in a progressive reduction of public expenditures until they are now $2,000,000,000 per annum less than in 1921. The tax burdens of the people have been relieved to the extent of $1,250,000,000 per annum. Government securities have increased in value more than $3,000,000,000 dollars. Deficits have been converted into surpluses. The budget system has been firmly established and the number of Federal employees has been reduced by more than 100,000. We commend the firm insistence of President Coolidge upon rigid Government economy and pledge our earnest support to this end.

FINANCE AND TAXATION

"We believe that the achievements of the Republican administration in reducing taxation by $1,250,000,000 per annum, re-

ducing the public debt by $2,432,000,000, installing a Budget system decreasing the public expenditures from $5,500,000,000 per annum to approximately $3,400,000,000 per annum, thus restoring the ordinary expenditures of the Government to substantially a pre-war basis and in the complete restoration of public credit, the payment or refunding of seven and a half billions of public obligations without disturbance of credit or industry, all in the short period of three years, present a record unsurpassed in the history of public finance.

"The intelligent assessment of taxes, their fair and scientific collection, and the efficient and economical expenditure of the money received by the Government are essential to the prosperity of our Nation.

"Carelessness in levying taxes inevitably breeds extravagance in expenditures. The wisest system of taxation rests most lightly on the individual and economic life of the country. The public demand for a sound permanent tax policy is insistent.

"Progressive tax reduction should be accomplished through tax reform. It should not be confined to less than four million of our citizens who pay direct taxes, but is the right of the more than one hundred million who are daily paying their taxes indirectly through their living expenses. Congress has in the main confined its work to tax reduction. The matter of tax reform is still unsettled and is equally essential.

"We pledge ourselves to the progressive reduction of the taxes of all the people as rapidly as may be done with due provision for the essential expenditures of the Government administered with rigid economy and to place our tax system on a sound peace-time basis.

"We indorse the plan of President Coolidge to call in November a national conference of Federal and State officials for the development of effective methods of lightening the tax burdens of our citizens and adjustment of questions of taxation as between the National and State Governments.

"We favor the creation by appropriate legislation of a nonpartisan Federal commission to make a comprehensive study and report upon the tax systems of the State and Federal Governments to serve as a basis for an intelligent reformation of our systems of taxation and as a basis for the proper adjustment of the subjects of taxation as between the National and State Governments with fairness and justice to the taxpayer and in conformity with sound economic priciples.

FOREIGN RELATIONS

"The Republican Party reaffrms its stand for agreement among the nations to prevent war and preserve peace. As an immediate step in this direction we indorse the Permanent Court of International Justice and favor the adherence of the United States to this tribunal as recommended by President Coolidge. This Government has definitely refused membership in the League of Nations and to assume any obligations under the covenant of the league. On this we stand.

"While we are unwilling to enter into political commitments which would involve us in the conflict of European policies, it should be the purpose and high privilege of the United States to continue to cooperate with other nations in humanitarian efforts in accordance with our cherished traditions. The basic principles of our foreign policy must be independence without indifference to the rights and necessities of others and cooperation without entangling alliances. This policy, overwhelmingly approved by the people, has been vindicated since the end of the Great War. America's participation in world affairs under the administration of President Harding and President Coolidge has demonstrated the wisdom and prudence of the national judgment. A most impressive example of the capacity of the United States to serve the cause of world peace without political affiliations was shown in the effective and beneficent work of the Dawes Commission toward the solution of the perplexing question of German reparations.

"The first conference of great powers in Washington, called by President Harding, accomplished the limitation of armament and the readjustment of the relations of the powers interested in the Far East. The conference resulted in an agreement to reduce armaments; relieved the nations involved from the great burdens of taxation arising from the competitive construction and manufacture of capital battleships; assured a new, broader, and better understanding in the Far East; brought the promise of peace in the region of the Pacific; and formally adopted the policy of the open door for trade and commerce in the great markets of the Far East.

"This historic conference paved the way to avert the danger of renewed hostilities in Europe and to restore the necessary economic stability. While the military forces of America have been reduced to a peace footing, there has been an increase in the land and air forces abroad which constitutes a continual menace to the peace of the world and a bar to the return of prosperity.

"We firmly advocate the calling of a conference on the limitation of land forces, the use of submarines and poison gas, as proposed by President Coolidge, when by the adoption of a permanent reparations plan the conditions in Europe will make negotiations and cooperation opportune and possible.

"By treaties of peace safeguarding our rights and without derogating those of our former associates in arms, the Republican administration ended the war between this country and Germany and Austria. We have concluded and signed with other nations during the past three years more than 50 treaties and international agreements in the furtherance of peace and good will.

"New sanctions and new proofs of permanent accord have marked our relations with all Latin America. The long-standing controversy between Chile and Peru has been advanced toward settlement by its submission to the President of the United States as arbitrator; and with the helpful cooperation of this country a treaty has been signed by the representatives of 16 American Republics which will stabilize conditions on the American Continent and minimize the opportunities for war.

"Our difficulties with Mexico have happily yielded to a most friendly adjustment. Mutual confidence has been restored, and a pathway for that friendliness and helpfulness which should exist between this Government and the Government of our neighboring Republic has been marked. Agreements have been entered into for the determination by judicial commissions of the claims of the citizens of each country against the respective Governments. We can confidently look forward to more permanent and more stable relations with this Republic that joins for so many miles our southern border.

"The wisdom of our policy, now well defined, of giving practical aid to other peoples without assuming political obligations has been conspicuously demonstrated. The ready and generous response of America to the needs of the suddenly stricken people of Japan and the starving in Russia gave evidence of our helpful interest in the welfare of the distressed in other lands.

"The work of our representatives in dealing with subjects of such universal concern as the traffic in women and children, the production and distribution of narcotic drugs, the sale of arms, and with matters affecting public health and morals, demonstrates that we can effectively do our part for humanity and civilization without forfeiting, limiting, or restricting our national freedom of action.

"The American people do cherish their independence, but their sense of duty to all mankind will ever prompt them to give their support, service, and leadership to every cause which makes for peace and amity among the nations of the world.

"We favor the holding from time to time of international conferences for the advancement and codification of international law.

FOREIGN DEBTS

"In fulfillment of our pledge in the national platform of 1920 we have steadfastly refused to consider the cancellation of foreign debts. Our attitude has not been that of an oppressive creditor seeking immediate return and ignoring existing financial conditions. Our position has been based on the conviction that a moral obligation such as was incurred should not be disregarded.

"We stand for settlements with all debtor countries similar in character with our debt agreement with Great Britain. That settlement, achieved under a Republican administration, was the greatest international financial transaction in the history of the world. Under the terms of the agreement the United States now receives an annual return upon the $4,600,000,000 owing to us by Great Britain with a definite obligation of ultimate payment in full.

"The justness of the basis employed has been formally recognized by other debtor nations. Thirty-five per cent of the total foreign debt is now in progress of liquidation.

"Great nations can not recognize or admit the principle of repudiation. To do so would undermine the integrity essential for international trade, commerce, and credit.

REORGANIZATION OF EXECUTIVE DEPARTMENTS

"We favor a comprehensive reorganization of the executive departments and bureaus along the lines of the plan recently submitted by a joint committee of the Congress, which has the unqualified support of President Coolidge.

CIVIL SERVICE

"The improvement in the enforcement of the merit system both by legislative enactment and Executive action since March 4, 1921, has been marked and effective. By Executive order the appointment of presidential postmasters has been placed on the merit basis similar to that applying to the classified service. We favor the classification of postmasters in first, second, and third class post offices and the placing of the prohibition enforcement field force within the classified civil service without necessarily incorporating all the present personnel.

THE TARIFF

"We reaffirm our belief in the protective tariff to extend needed protection to our productive industries. We believe in protection as a national policy with equal regard to all sections and to agriculture and industry. It is only by adherence to this policy that the interests of the consumers can be safeguarded and American agriculture, American labor, and American manufacturers be assured a return sufficient to perpetuate American standards of life.

"A protective tariff is designed to support the high American economic level of life for the average family and to prevent a lowering to the levels of economic life prevailing in other lands. It is the history of the Nation that the protective system has ever justified itself by promoting industrial activity and employment, enormously increasing our purchasing power, restoring confidence, and bringing increased prosperity to all.

"The tariff protection to our industry works for increased consumption of domestic agricultural products by an employed population instead of one unable to purchase the necessities of life. Without the strict maintenance of the tariff principle our farmers will need always to compete with cheap lands and cheap labor abroad, and with lower standards of living.

"The enormous value of the protective principle has once more been demonstrated by the effects of the emergency tariff act of 1921 and the tariff act of 1922.

"We believe that the power of the President to decrease or increase any rate of duty in the tariff act furnishes a safeguard against excessive duties and against too low customs charges, and affords ample opportunity for tariff duties to be adjusted after a hearing that they may cover the actual differences in the cost of production in the United States and the principal competing countries of the world.

AGRICULTURE

"In dealing with agriculture the Republican Party recognizes that we are faced with a fundamental national problem, and that the prosperity and welfare of the Nation as a whole is dependent upon the prosperity and welfare of our agricultural population.

"We recognize that agricultural activities are still struggling with adverse conditions that have brought deep distress. We pledge the party to take whatever steps are necessary to bring back a balanced condition between agriculture, industry, and labor, which was destroyed by the Democratic Party through an unfortunate administration of legislation passed as war measures.

"We affirm that under the Republican administration the problems of the farmer have received more serious consideration than ever before, both by definite Executive action and by congressional action, not only in the field of general legislation but also in the enactment of laws to meet emergency situations.

"The restoration of general prosperity and of the purchasing power of our people through tariff protection has resulted in an increased domestic consumption of food products, and the prices of many agricultural commodities are above the world price level by reason of direct tariff protection.

"Under the leadership of the President at a most critical time a corporation was organized by private capital making available $100,000,000 to assist the farmers of the Northwest.

"Realizing the disturbance in the agricultural export market, the result of the financial depression in Europe, and appreciating that the export field would be enormously improved by economic rehabilitation and the resulting increased consuming power, sympathetic support and direction were given to the work of the American representatives on the European Reparations Commission.

"The revival in 1921 of the War Finance Corporation, with loans of over $300,000,000, averted a complete collapse in the agricultural industry.

"We have established new intermediate credit banks for agriculture and increased the capital of the Federal farm loan system. Emergency loans have been granted to drought-stricken areas.

"We have enacted into law the cooperative marketing act, the grain futures and packer control acts; given to agriculture direct representation on the Federal Reserve Board and on the Federal Trade Commission.

"We have greatly strengthened our foreign marketing service for the disposal of our agricultural products.

"The crux of the problem from the standpoint of the farmer is the net profit he receives after his outlay. The process of bringing the average prices of what he buys and what he sells closer together can be indirectly expedited by reduction in taxes, steady employment in industry, and stability in business. This process can be directly expedited by lower freight rates, by better marketing through cooperative effort and a more scientific organization of the physical and human machinery of distribution, and by a greater diversification of farm products.

"We promise every assistance in the reorganization of the marketing system on sounder and more economical lines, and where diversification is needed, Government assistance during the period of transition.

"We favor adequate tariff protection to such of our agricultural products as are threatened by foreign competition.

"We favor, without putting the Government into business, the establishment of a Federal system of organization for cooperative marketing of farm products.

"The vigorous efforts of this administration toward broadening our exports market will be continued.

"The Republican Party pledges itself to the development and enactment of measures which will place the agricultural interests of America on a basis of economic equality with other industry to insure its prosperity and success.

MINING

"The mining industry has experienced a period of depression as the result of the abnormal economic conditions growing out of the Great War. This administration has accomplished much in improving the conditions affecting this great fundamental industry and pledges itself to continue its efforts in this direction.

HIGHWAYS

"The Federal aid road act adopted by the Republican Congress in 1921 has been of inestimable value in the development of the highway systems of the several States and of the Nation. We pledge a continuation of this policy of Federal cooperation with the States in highway building.

"We favor the construction of roads and trails in our national forests necessary to their protection and utilization. In appropriations therefor the taxes which these lands would pay if taxable should be considered as a controlling factor.

LABOR

"The increasing stress of industrial life, the constant and necessary efforts because of world competition to increase production and decrease costs, has made it especially incumbent on those in authority to protect labor from undue exactions. We commend Congress for its prompt adoption of the recommendation of President Coolidge for a constitutional amendment authorizing Congress to legislate on the subject of child labor and we urge the prompt consideration of that amendment by the legislatures of the various States.

"There is no success great enough to justify the employment of women in labor under conditions which will impair their natural functions. We favor high standards for wages, working and living conditions among the women employed in industry.

"We pledge a continuance of the efforts of the Republican administration to eliminate the 7-day 12-hour work week in industry. We regard with satisfaction the elimination of the 12-hour day in the steel industry and the agreement eliminating the 7-day work week of alternate 13 and 11 hours, brought about through the efforts of President Harding and President Coolidge.

"We declare our faith in the principle of the 8-hour day.

"We pledge a continuation of the work of rehabilitating workers in industry as conducted by the Federal Board for Vocational Education, and favor adequate appropriations for this purpose.

"We favor a broader and better system of vocational education, a more adequate system of Federal free employment agencies with facilities for assisting the movements of seasonal and migratory labor, including farm labor, and an ample organization for bringing the man and the job together.

RAILROADS

"The people demand and are entitled to have prompt and efficient transportation at the lowest rates consistent with good service and a reasonable return upon the value of the property devoted to public service.

"We believe that the American people demand a careful and scientific readjustment of railroad rate schedules with a view

to the encouragement of agriculture and basic industries without the impairment of necessary railroad service.

"The present laws regulating railroads which were enacted to meet postwar conditions should be modified from time to time as experience develops the necessity therefor.

"The consolidation of railroads subject to the approval of the Interstate Commerce Commission into fewer competitive systems will result in advantages to the public.

"The Labor Board provisions of the present law should be amended whenever it appears necessary to meet changed conditions. Collective bargaining, mediation, and voluntary arbitration are the most important steps in maintaining peaceful labor relations and should be encouraged. We do not believe in compulsory action at any time in the settlement of labor disputes.

"Public opinion must be the final arbiter in any crisis which so vitally affects public welfare as the suspension of transportation. Therefore the interests of the public require the maintenance of an impartial tribunal which can in an emergency make an investigation of the facts and publish its conclusions. This is essential as a basis for popular judgment.

"We favor a stable, consistent, and constructive policy toward our railroads.

GOVERNMENT CONTROL

"The prosperity of the American Nation rests on the vigor of private initiative which has bred a spirit of independence and self-reliance. The Republican Party stands now, as always, against all attempts to put the Government into business. American industry should not be compelled to struggle against Government competition. The right of the Government to regulate, supervise, and control public utilities in the public interest we believe should be strengthened, but we are firmly opposed to the nationalization or Government ownership of public utilities.

COAL

"The price and a constant supply of such an essential commodity as coal are of vital interest to the public. The Government has no constitutional power to regulate prices, but can bring its influence to bear by the powerful instrument afforded by full publicity. When through industrial conflict the supply is threatened the President should have authority to appoint a commission to act as mediators and as a medium for voluntary arbitration. In the event of a strike the control of distribution should be invoked to prevent profiteering.

MERCHANT MARINE

"The Republican Party stands for a strong and permanent merchant marine, built by Americans, owned by Americans, and manned by Americans, to secure the necessary contact with world markets for the sale of our surplus agricultural and manufactured products, to protect our shippers and importers from exorbitant ocean freight rates, and to become a powerful arm of our national defense.

"That part of the merchant marine which is now owned by the Government should continue to be improved by economical and efficient management, with reduction of the losses now paid by the Government through taxation, until it is finally placed on so sound a basis that with ocean freight rates becoming normal, due to improvement in international affairs, it can be sold to American citizens.

WATERWAYS, FLOOD CONTROL, AND WATER POWER

"Fully realizing the vital importance of transportation in both cost and service to all our people, we favor the construction of the most feasible waterways from the Great Lakes to the Atlantic seaboard and the Gulf of Mexico, and the improvement and development of rivers, harbors, and waterways, inland and coastwise, to the fullest extent justified by the present and potential tonnage available.

"We favor a comprehensive survey of the conditions under which the flood waters of the Colorado River may be controlled and utilized for the benefit of the people of the States which border thereon.

"The Federal water power act establishes a national water-power policy, and the way has thereby been opened for the greatest water-power development in our history under conditions which preserve the initiative of our people while protecting the public interests.

THE WORLD WAR VETERANS

"We reaffirm the admiration and gratitude which we feel for our soldiers and sailors.

"The Republican Party pledges a continuing and increasing solicitude for all those suffering any disability as a result of service to the United States in time of war. No country and no administration has ever shown a more generous disposition in the care of its disabled, or more thoughtful consideration in providing a sound administration for the solution of the many problems involved in making intended benefits fully, directly, and promptly available to the veterans.

"The confusion, inefficiency, and maladministration existing heretofore since the establishment of a Government agency for administering such benefits has in the main been cured by new legislation, and plans are being actively made looking to a further improvement in the operation of the bureau. The basic statutes have been so liberalized as to bring within their terms 100,000 additional beneficiaries. The privilege of hospitalization in Government hospitals, as recommended by President Coolidge, has been granted to all veterans irrespective of the origin of disability, and over $50,000,000 has been appropriated for hospital construction, which will provide sufficient beds to care for all. Appropriations totaling over $1,100,000,000 made by the Republican Congress for the care of the disabled evidence the unmistakable purpose of the Government not to consider costs when the welfare of these men is concerned. No legislation for the benefit of the disabled soldier proposed during the last four years by veterans' organizations has failed to receive consideration.

"We pledge ourselves to meet the problems of the future affecting the care of our wounded and disabled in a spirit of liberality, and with that thoughtful consideration which will enable the Government to give to the individual veteran that full measure of care guaranteed by an effective administration machinery to which his patriotic services and sacrifices entitle him.

CONSERVATION

"We believe in the development, effective and efficient, whether of oil, timber, coal, or water-power resources of the Government, only as needed and only after the public need has become a matter of public record, protected with scrupulous carefulness and vigilant watchfulness against waste, speculation, and monopoly.

"The natural resources of the country belong to all the people and are a part of an estate belonging to generations yet unborn. The Government policy should be to safeguard, develop, and utilize these possessions. The conservation policy of the Nation originated with the Republican Party under the inspiration of Theodore Roosevelt. We hold it a privilege of the Republican Party to build as a memorial to him on the foundation which he laid.

EDUCATION AND RELIEF

"The conservation of human resources is one of the most solemn responsibilities of government. There is an obligation which can not be ignored and which demands that the Federal Government shall as far as lies within its power give to the people and the States the benefit of its counsel.

"The welfare activities of the Government connected with the various departments are already numerous and important, but lack the coordination which is essential to effective action. To meet these needs we approve the recommendation for the creation of a cabinet post of education and relief.

UNIVERSAL MOBILIZATION IN TIME OF WAR

"We believe that in time of war the Nation should draft for its defense not only its citizens but also every resource which may contribute to success. The country demands that should the United States ever again be called upon to defend itself by arms the President be empowered to draft such material resources and such services as may be required, and to stabilize the prices of services and essential commodities, whether utilized in actual warfare or private activity.

IMMIGRATION AND NATURALIZATION

"The unprecedented living conditions in Europe following the World War created a condition by which we were threatened with mass immigration that would have seriously disturbed our economic life. The law recently enacted is designed to protect the inhabitants of our country, not only the American citizen but also the alien already with us who is seeking to secure an economic foothold for himself and family, against the competition which would come from unrestricted immigration. The administrative features of the law represent a great constructive advance and eliminate the hardships suffered by immigrants under the emergency statute.

"We favor the improvement of our naturalization laws and the adoption of methods which will exert a helpful influence among the foreign-born population and provide for the education of the alien in our language, customs, ideals, and standards of life.

HAWAII—ALASKA

"We favor a continuance for the Territory of Hawaii of Federal assistance in harbor improvements, the appropriation of its share of Federal funds, and the systematic extension of the settlement of public lands by the Hawaiian race.

"We indorse the policy of the present administration with reference to Alaska and favor a continuance of the constructive development of the Territory.

PHILIPPINES

"The Philippine policy of the Republican Party has been and is inspired by the belief that our duty toward the Filipino people is a national obligation which should remain entirely free from partisan politics.

"In accepting the obligation which came to them with the control of the Philippine Islands the American people had only the wish to serve, advance, and improve the condition of the Filipino people. This thought will continue to be the dominating factor in the American consideration of the many problems which must inevitably grow out of our relationship to these people.

"If the time comes when it is evident to Congress that independence would be better for the people of the Philippines with respect to both their domestic concerns and their status in the world, and the Filipino people then desire complete independence, the American Government will gladly accord it. The results of a careful study of the conditions in the Philippine Islands convince us that the time for such action has not yet arrived.

RECLAMATION

"Federal reclamation of the arid and semiarid lands in the West has been the subject of intensive study in the Department of the Interior during the past fiscal year. New policies and methods of operation have been adopted which promise to insure the successful accomplishment of the objects sought. The completion of this reorganization plan is regarded as one of the achievements of the present administration in the interests of farmers immediately and of all the people ultimately.

COMMERCIAL AVIATION

"We advocate the early enactment of such legislation and the taking of such steps by the Government as will tend to promote commercial aviation.

ARMY AND NAVY

"There must be no further weakening of our Regular Army. We advocate appropriations sufficient to provide for the training of all members of the National Guard, the Citizens' Military Training Camps, the Reserve Officers' Training Corps, Officers' Reserve Corps, and the reserves who may offer themselves for service.

"We pledge ourselves to round out and maintain the Navy to the full strength provided the United States by the letter and spirit of the Limitation of Armament Conference.

THE NEGRO

"We urge the Congress to enact at the earliest possible date a Federal antilynching law, so that the full influence of the Federal Government may be wielded to exterminate this hideous crime.

"We believe that much of the misunderstanding which now exists can be eliminated by humane and sympathetic study of its causes. The President has wisely recommended the creation of a commission for the investigation of social and economic conditions and the promotion of mutual understanding and confidence.

HONEST GOVERNMENT

"We recognize the duty of constant vigilance to preserve at all times a clean and honest Government and to bring to the bar of justice every defiler of the public service, in or out of office.

"Dishonesty and corruption are not political attributes. The recent congressional investigations have exposed instances in both parties of men in public office who are willing to sell official favors, and men out of office who are willing to buy them, in some cases with money and in others with influence.

"The sale of influence resulting from the holding of public position or from association while in public office, or the use of such influence for private gain or advantage is a perversion of public trust and prejudicial to good government. It should be condemned by public opinion and forbidden by law.

"We demand the speedy, fearless, and impartial prosecution of all wrongdoers, without regard to political affiliations or position; but we declare no greater wrong can be committed against the people than the attempt to destroy their trust in the great body of their public servants. Admitting the deep humiliation, which all good citizens share, that our public life should have harbored some dishonest men, we assert that these undesirables do not represent the standard of our national integrity.

"The Government at Washington is served to-day by thousands of earnest, conscientious, and faithful officials and employees in every branch. It is a grave wrong against these patriotic men and women to strive indiscriminately to besmirch the names of the innocent and undermine the confidence of the people in the Government under which they live. It is even a graver wrong when this is done for partisan purpose or for selfish exploitation.

"The Republica administration has already taken charge of the prosecution of official dereliction, and it will continue the work of discovery and punishment, but it will not confuse the innocent with the guilty nor digress for partisan advantage from the strict enforcement of the law.

LAW AND ORDER

"We must have respect for law. We must have observance of law. We must have enforcement of law. The very existence of the Government depends upon this. The substitution of private will for public law is only another name for oppression, disorder, anarchy, and mob rule.

"Every government depends upon the loyalty and respect of its citizens. Violations of law weaken and threaten government itself. No honest government can condone such actions on the part of its citizens. The Republican Party pledges the full strength of the Government for the maintenance of these principles by the enforcement of the Constitution and of all laws.

WOMEN DELEGATES

"We extend our greeting to the women delegates who for the first time under Federal authorization sit with us in full equality. The Republican Party from the beginning has espoused the cause of woman suffrage, and the presence of these women delegates signifies to many here the completion of a task undertaken years ago. We welcome them not as assistants or as auxiliary representatives but as copartners in the great political work in which we are engaged, and we believe that the actual partnership in party councils should be made more complete.

CONSTITUTIONAL GUARANTIES

"The Republican Party reaffirms its unyielding devotion to the Constitution and to the guaranties of civil, political, and religious liberty therein contained.

PARTY RESPONSIBILITY

"In our form of government parties are essential instrumentalities. Our Government functions best when the Chief Executive is supported in the Congress by a majority of the same political faith, united by common principles, and able by concerted action to carry out in an orderly way a definite, consistent, and balanced program.

"In urging the people to elect a Republican President and Vice President we ask them to elect to the Senate and House of Representatives men and women who believe in the Republican principles, acknowledge party responsibility, and who can be relied upon to keep faith with the people by carrying out the platform which the Republican Party now presents and pledges itself to fulfill."

ADJUSTED COMPENSATION

Mr. KENT. Mr. Speaker, every Member of Congress during the present session has received in every mail requests that he vote a certain way upon the "bonus" or "adjusted compensation" question. Very few letters have set forth any reasons for such requests, excepting that in most instances the service men suggested that favorable action upon this question would be some recognition for their comrades of the services rendered during the World War.

It is to be regretted that this matter comes before the present House for action. It should have been disposed of as soon as the war closed.

Let us examine for a moment the history of this controversy. In my judgment we must go back to the first days of our participation in the war to procure the proper perspective. In one of the greatest and most efficient plans ever conceived by man 5,000,000 of young men and women were transferred from the peaceful pursuits of industry and lodged in the armies and navies of the Nation. Other than food and clothing, they were allowed mere pittances, their dependents being allowed less. Those who were actually dependent were in some instances thrown upon the merciful charity of relatives. In this picture we must recall that we were then the most prosperous Nation in the world. We had not been affected, except favorably, by the battles in Europe. The wealth of the world had become centralized here. In every city, town, and village men had received "bonuses" that production might be stimulated. A new class of millionaires had been added to our population.

From this peaceful and prosperous existence went forth our young men and women to fight the battles of democracy. And as they went we assured them the battle was "to make the world safe for democracy." Their mothers were assured it was a "war against war" and this terrible conflict would never be repeated.

We who remained at home of course sacrificed in some ways. We even bought bonds "till it hurt." We still have the bonds, and they are worth to-day more than par. The wealth of the world is still here. Every class of our population received favored treatment except in a few rare instances, where industries classed as nonessential suffered. To stimulate production of essentials prices were paid which were never equaled in the world's history.

We commandeered only the man power of the Nation; everything else demanded its price and received it. I find no fault with the selective-service draft, but recognize the inherent sovereign right of a nation to commandeer and conscript its man power, place it upon the battle field, to be extinguished, if necessary, by the slaughter of war, to uphold the Nation's rights. This power exists and recognizes no right of compensation.

But we did not commandeer the material wealth of the country while spending freely of that greatest of all wealth—the healthy, strong citizenry of the Republic. We guaranteed the farmer a price for his product. We poured billions into the railroads and munitions plants. Hundreds of thousands of governmental employees each received a bonus of at least $240 per year. In my own home territory fabulous sums were paid out as "bonuses."

When the boys came out of the service they confronted a new order of things. A warlike nation had been transformed overnight into one of peace. The administration in power when war was declared had been "hamstrung" by a new and hostile Congress. The guaranties of peace were flung to the winds. What was once a nation, holding the moral leadership of the world, possessing a foreign policy which commanded respect, which could open the markets of the world to the products of America's labor and farms, became a nation, contemptuously regarded by her sisters, drifting aimlessly about in a sea of complicated international relations, her markets cut off, her laborers idle, and her farmers, in large measure, in bankruptcy and under the sheriff's hammer.

But there was enough honor left in her people to admit that great inequalities had been suffered by her service men. And so both great political parties and their leaders proceeded to assure the service men that some recognition would be given them. A small sum of money was to be given to each service man that he might take a short vacation, purchase something appropriate for his mother, wife, or sister, whose prayers had followed him to the cannon's mouth, or help to carry him along the road in his handicap and equalize in small measure the burden we had placed upon him in the service. And the money was to be raised by taxation imposed mostly upon those who profiteered during the war.

But as time went on the soldier found he had been "gold-bricked" most cruelly. This administration, upon the recommendation of the Secretary of the Treasury, refused compensation to the service men upon the theory that a vast deficit would be visited upon the Treasury if such a measure were passed. This prospective deficit became a surplus. The Treasury Department was only nine hundred and sixty-eight millions out of the way in its "guess." Meanwhile, the only tax measure which could have reached the profiteer was erased from the statute books. The old Congress went out. A new one, fresh from the people, came in, and by an overwhelming vote paid its tribute to the service men. The President, forgetting the proprieties, lashed with fury all service men and challenged their morality, as well as that of Congress, in attempting to equalize the burdens of the war. The President admitted there was inequality, but stated it could not be adequately compensated. But he forgot there could be appreciation expressed and a small pittance given in recognition of inequalities suffered and services rendered.

The floundering policy of this administration has lost the respect of our people. The service men, insulted and aghast, militant and ready again to die for their country, hold out a helping hand to the farmer who is prostrate in bankruptcy without a market and without hope for immediate relief.

Let us try now to think as we did in the days immediately following the armistice. Let us gauge the service man's problems as we then gauged them, as they should be, by the test of social, industrial, and political conditions as they existed then.

Mr. Speaker, before concluding my remarks I want to express my condemnation of the "legislative unmorality" of this administration in bringing this question out upon the floor in the manner provided by the Rules Committee, with a particular measure suggested and only 20 minutes debate to a side. A matter providing for the expenditure of $2,000,000,000, affecting 110,000,000 people, is worthy of more decent treatment. This merely follows out the usual practice of a leaderless administration.

I have given this question exhaustive thought without committing myself to the time of voting upon it. I feel that in speaking from my own heart and conscience I have spoken from the Nation's heart and conscience. And when we follow that test we shall never fall into error.

These remarks are not made to justify or excuse my consistent vote for this measure, but in gratification that at least one of the Nation's great moral obligations is met.

SPECIAL-PRIVILEGE SEEKERS

Mr. CROSSER. Mr. Speaker, on August 12, 1924, at the primary election, the people of the twenty-first district, in Cleveland, whom I represent, will answer the special-privilege seekers who arrogantly have been trying to bulldoze and browbeat the representatives of the people and to dictate to them by means of publications financially supported by these interests. This means which is used to control public opinion as much as possible is now commonly known as propaganda. The special-privilege seekers, having seen during war how seemingly certain were the results of propaganda, have ever since been using false propaganda in order to compel the adoption of policies they favor and to destroy public men who oppose the autocratic policies of these men.

The special interests demanded that the taxes on incomes above $100,000 per year be reduced twice as much as the taxes on the small incomes, and they threatened vengeance on Congressmen who would not obey their orders. They howled because I introduced a home loan bill to enable the people to get homes by means of long-time loans at a low rate of interest, and so they urged that an opponent be entered against me at the August 12 primaries. They did not want to give up any of their war profits to pay the men who did their fighting, and, of course, they raged at me because I favored doing something to make up for the loss of wages, salaries, and business suffered by the soldier boys during the late war. The special interests are always the first for a fight when they can get others to do the fighting and paying.

I know, however, that the people will on August 12 be alert and will vote. They will answer the hypocritical suggestions of special privilege with such emphasis and such a majority that they will not again insult the intelligence of the people.

ADJOURNMENT

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 7 minutes p. m.), under its previous order, the House adjourned until to-morrow, Friday, June 6, 1924, at 11 o'clock a. m.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SNELL: Committee on Rules. H. Res. 350. A resolution to appoint a subcommittee of the Committee on the Judiciary to examine into and report on the bankruptcy law of the United States; without amendment (Rept. No. 975). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 9610. A bill granting the consent of Congress to the Board of Supervisors of Lowndes County, Miss., to construct a bridge across Tombigbee River; without amendment (Rept. No. 981). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 9612. A bill granting the consent of Congress to the State of Georgia, through its highway department, to construct a bridge across the Oconee River; with an amendment (Rept. No. 982). Referred to the House Calendar.

Mr. SINNOTT: Committee on the Public Lands. S. 1987. An act accepting certain tracts of land in the city of Medford, Jackson County, Oreg.; without amendment (Rept. No. 983). Referred to the House Calendar.

Mr. ZIHLMAN: Committee on the District of Columbia. S. 2694. An act to enable the trustees of Howard University to

develop an athletic field and gymnasium project, and for other purposes; without amendment (Rept. No. 984). Referred to the Committee of the Whole House on the state of the Union.

Mr. PARKER: Committee on Interstate and Foreign Commerce. S. 2887. An act authorizing transfer of certain abandoned or unused lighthouse reservation lands by the United States to the State of New York for park purposes; without amendment (Rept. No. 985). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on the Public Lands. H. R. 8333. A bill to restore homestead rights in certain cases; without amendment (Rept. No. 986). Referred to the Committee of the Whole House on the state of the Union.

Mr. RICHARDS: Committee on the Public Lands. H. R. 9883. A bill to add certain lands to the Nevada National Forest in Nevada; with amendments (Rept. No. 987). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREENE of Massachusetts: Committee on the Merchant Marine and Fisheries. H. R. 9632. A bill for the protection of the northern Pacific halibut fishery; with amendments (Rept. No. 988). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. S. J. Res. 127. A joint resolution to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture; without amendment (Rept. No. 989). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 8981. A bill to establish standard weights for loaves of bread, to prevent deception in respect thereto, to prevent contamination thereof, and for other purposes; without amendment (Rept. No. 990). Referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of Washington: Committee on Immigration and Naturalization. H. R. 9639. A bill to change the title of Commissioner General of Immigration to Third Assistant Secretary of Labor, and for other purposes; without amendment (Rept. No. 991). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. S. J. Res. 98. A joint resolution authorizing the President to extend an invitation for the holding of the third World's Poultry Congress in the United States in 1927, and to extend invitations to foreign governments to participate in this congress; without amendment (Rept. No. 992). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. S. 2559. An act to establish an Alaska game commission to protect game animals, land fur-bearing animals, and birds, in Alaska, and for other purposes; without amendment (Rept. No. 993). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. S. 2148. An act to empower certain officers, agents, or employees of the Department of Agriculture to administer and take oaths, affirmations, and affidavits in certain cases; with amendments (Rept. No. 994). Referred to the House Calendar.

Mr. JOHNSON of Washington: Committee on Immigration and Naturalization. H. J. Res. 283. Joint resolution to permit to remain within the United States certain aliens in excess of quotas fixed under authority of the immigration act of May 19, 1921; without amendment (Rept. No. 995). Referred to the House Calendar.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BURDICK: Committee on Naval Affairs. H. R. 811. A bill for the relief of Frederick Marshall; with amendment (Rept. No. 967). Referred to the Committee of the Whole House.

Mr. MAGEE of Pennsylvania: Committee on Naval Affairs. H. R. 3771. A bill for the relief of John Clarence Shea; without amendment (Rept. No. 968). Referred to the Committee of the Whole House.

Mr. LEAVITT: Committee on Irrigation and Reclamation. H. R. 5812. A bill for the relief of Katherine Macdonald; with an amendment (Rept. No. 969). Referred to the Committee of the Whole House.

Mr. SWING: Committee on Naval Affairs. H. R. 8072. A bill for the relief of Emma Zembsch; with an amendment (Rept. No. 970). Referred to the Committee of the Whole House.

Mr. DREWRY: Committee on Naval Affairs. H. R. 8566. A bill for the relief of Claude S. Betts, late ensign (pilot), naval air service; with an amendment (Rept. No. 971). Referred to the Committee of the Whole House.

Mr. DREWRY: Committee on Naval Affairs. H. R. 9204. A bill granting six months' pay to Constance D. Lathrop; without amendment (Rept. No. 972). Referred to the Committee of the Whole House.

Mr. BRITTEN: Committee on Naval Affairs. H. R. 9461. A bill for the relief of Lieut. Edward E. Byrd, jr., United States Navy; without amendment (Rept. No. 973). Referred to the Committee of the Whole House.

Mr. BRITTEN: Committee on Naval Affairs. H. R. 6755. A bill granting six months' pay to Maude Morrow Fechteler; without amendment (Rept. No. 977). Referred to the Committee of the Whole House.

Mr. DARROW: Committee on Naval Affairs. H. R. 7825. A bill for the relief of William C. Gray; without amendment (Rept. No. 978). Referred to the Committee of the Whole House.

Mr. BRITTEN: Committee on Naval Affairs. H. R. 8169. A bill for the relief of John J. Dobbertin; with an amendment (Rept. No. 979). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on War Claims. H. R. 8727. A bill for the relief of Roger Sherman Hoar; with an amendment (Rept. No. 980). Referred to the Committee of the Whole House.

Mr. JOHNSON of Washington: Committee on Immigration and Naturalization. S. J. Res. 110. A joint resolution to admit Leia, Gersch, and Civia Lipman, three Russian orphan children, to the United States; without amendment (Rept. No. 996). Referred to the Committee of the Whole House.

Mr. HAUGEN: Committee on Agriculture. H. R. 5135. A bill for the relief of Leonard R. Coates; without amendment (Rept. No. 997). Referred to the Committee of the Whole House.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 5779. A bill to place John P. Holland on the retired list of the United States Navy; without amendment (Rept. No. 998). Referred to the Committee of the Whole House.

Mr. HAUGEN: Committee on Agriculture. H. R. 7053. A bill for the relief of the Pitt River Power Co.; without amendment (Rept. No. 999). Referred to the Committee of the Whole House.

Mr. WOODRUFF: Committee on Naval Affairs. H. R. 8234. A bill for the relief of Fayette L. Froemke; without amendment (Rept. No. 1000). Referred to the Committee of the Whole House.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 1343. A bill for the relief of Edward A. Grimes; without amendment (Rept. No. 1002). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on Naval Affairs. H. R. 5705. A bill for the reimbursement of certain persons for loss of Liberty bonds and Victory notes while naval general court-martial prisoners; without amendment (Rept. No. 1003). Referred to the Committee of the Whole House.

Mr. STEPHENS: Committee on Naval Affairs. H. R. 9308. A bill to authorize the appointment of Machinist Henry F. Mulloy, United States Navy, as an ensign in the regular Navy; without amendment (Rept. No. 1004). Referred to the Committee of the Whole House.

## CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (S. 2917) directing the Secretary of the Treasury to complete purchases of silver under the act of April 23, 1918, commonly known as the Pittman Act; Committee on Coinage, Weights, and Measures discharged, and referred to the Committee on Banking and Currency.

A bill (S. 1237) for the relief of settlers and claimants to section 16, lands in the L'Anse and Vieux Desert Indian Reservation, in Michigan, and for other purposes; Committee on the Public Lands discharged, and referred to Committee on Indian Affairs.

## PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. WILLIAMSON: A bill (H. R. 9697) declaring the existence of an emergency arising out of the low price of wheat, and providing for the purchase of the surplus of wheat of the crop of 1924 available for export; to the Committee on Agriculture.

By Mr. ACKERMAN: A bill (H. R. 9698) to amend the revenue act of 1924; to the Committee on Ways and Means.

By Mr. MORROW: A bill (H. R. 9699) limiting the creation or extension of forest reserves in New Mexico and Arizona; to the Committee on the Public Lands.

By Mr. PORTER: A bill (H. R. 9700) to authorize the Secretary of State to enlarge the site and erect buildings thereon for the use of the diplomatic and consular establishments of the United States in Tokyo, Japan; to the Committee on Foreign Affairs.

By Mr. ZIHLMAN: A bill (H. R. 9701) to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan police force, the United States park police force, and the fire department of the District of Columbia," approved May 27, 1924; to the Committee on the District of Columbia.

By Mr. SNELL: Joint resolution (H. J. Res. 285) providing for the creation of a joint commission on national defense; to the Committee on Rules.

By Mr. SUMMERS of Washington: Joint resolution (H. J. Res. 286) to encourage the export of wheat and of flour manufactured in the United States from wheat grown therein; to the Committee on Banking and Currency.

By Mr. BACON: Joint resolution (H. J. Res. 287) authorizing the erection of monuments to Thomas Jefferson and James Madison, at the seat of Government, and authorizing the publication of Madison's Debates of the Federal Convention and relevant documents, in commemoration of the one hundred and fiftieth anniversary of the Declaration of Independence; to the Committee on the Library.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DICKINSON of Missouri: A bill (H. R. 9702) granting a pension to Missouri Ganson; to the Committee on Invalid Pensions.

By Mr. FREE: A bill (H. R. 9703) for the relief of Sophie J. Rice; to the Committee on Claims.

Also, a bill (H. R. 9704) for the relief of the Stearns Wharf Co., of the State of California; to the Committee on Claims.

By Mr. FROTHINGHAM: A bill (H. R. 9705) for the relief of Catherine W. Bussey; to the Committee on Claims.

By Mr. GARBER: A bill (H. R. 9706) granting a pension to Donie C. Eakins; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 9707) granting an increase of pension to Mary Crook; to the Committee on Pensions.

By Mr. HICKEY: A bill (H. R. 9708) granting a pension to John Swarts; to the Committee on Invalid Pensions.

By Mr. LOZIER: A bill (H. R. 9709) granting a pension to Frederick Robb; to the Committee on Pensions.

By Mr. MICHAELSON: A bill (H. R. 9710) granting a pension to Henry C. Rietz; to the Committee on Pensions.

By Mr. MOONEY: A bill (H. R. 9711) for the relief of Mary Moore; to the Committee on Military Affairs.

By Mr. ROGERS of Massachusetts: A bill (H. R. 9712) for the relief of Rebecca E. Olmsted; to the Committee on Military Affairs.

By Mr. RUBEY: A bill (H. R. 9713) granting an increase of pension to Mary E. Kirk; to the Committee on Invalid Pensions.

By Mr. SEARS of Florida: A bill (H. R. 9714) for the relief of William Alexander Somerville; to the Committee on Claims.

By Mr. TAYLOR of Colorado: A bill (H. R. 9715) granting an increase of pension to Louise W. Henderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9716) granting an increase of pension to Mary M. Sturgeon; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 9717) granting an increase of pension to Nancy E. Heller; to the Committee on Invalid Pensions.

By Mr. VAILE: A bill (H. R. 9718) granting permission to Lieut. Col. Kyle Rucker, Judge Advocate General's Department, United States Army, to accept the decoration of the Ordre Grand-Ducal de la Couronne de Chene (commandner); to the Committee on Foreign Affairs.

By Mr. WILSON of Indiana: A bill (H. R. 9719) granting an increase of pension to Martha P. Matthews; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9720) granting an increase of pension to Maria Forstmeyer; to the Committee on Invalid Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3014. By Mr. BARBOUR: Petition of Wolters Colony Men's Club, of Fresno, Calif., relative to House bill 7016, and opposing any increase of parcel post rates; to the Committee on the Post Office and Post Roads.

3015. By Mr. COOK (by request): Petition of members and friends of the New Waverly (Ind.) Methodist Episcopal Church, in support of the constitutional amendment to prohibit sectarian appropriations (H. J. Res. 159); to the Committee on the Judiciary.

3016. By Mr. CRAMTON: Petition of members and constituents of the First Methodist Episcopal Church of Richmond, Mich., in support of the constitutional amendment to prohibit sectarian appropriations (H. J. Res. 159); to the Committee on the Judiciary.

3017. By Mr. GARBER: Statement of the Hon. Hugh Scott, medical officer in charge, United States Veterans' Bureau Hospital No. 90, Muskogee, Okla., in support of House bill 5209, and particularly the provision appropriating funds for the purchase of hospital at Muskogee; to the Committee on Public Buildings and Grounds.

3018. By Mr. HUDSON: Petition of the members of the Riverside Methodist Episcopal Church, of Flint, Mich., indorsing the proposed constitutional amendment to prohibit sectarian appropriations; to the Committee on the Judiciary.

3019. Also, petition of the members of the First Baptist Church of Pontiac, Mich., indorsing the proposed constitutional amendment to prohibit sectarian appropriations (H. J. Res. 159); to the Committee on the Judiciary.

3020. By Mr. MacLAFFERTY: Petition of the C. C. Thomas Navy Post, No. 244, of the American Legion, San Francisco, Calif., requesting that the U. S. S. *Albany* be allocated to the Naval Reserve Force of the twelfth naval district; also favoring legislation that will authorize the establishment of proper naval facilities on the lower portion of San Francisco Bay; and urging Congress to appropriate sufficient money to maintain the personnel of the Navy in conformity with the 5-5-3 ratio; to the Committee on Naval Affairs.

3021. By Mr. PATTERSON: Petition of the Taylor Memorial Baptist Church, of Paulsboro, N. J., in support of the constitutional amendment to prohibit sectarian appropriations (H. J. Res. 159); to the Committee on the Judiciary.

3022. By Mr. RAKER: Petition of Roosevelt Camp, Spanish War Veterans, Los Angeles, Calif., urging support of House bill 9270 in re relief for Spanish War veterans, and Charles A. Simmons, 1020 Union Street, San Francisco, Calif., in re House bill 9270; to the Committee on Invalid Pensions.

3023. Also, petition of California Federation of Women's Clubs, resolution in re forthcoming international opium conference; to the Committee on Foreign Affairs.

3024. Also, petition of Charles O. Busick, Sacramento, Calif., urging passage of the post-office salary bill; to the Committee on the Post Office and Post Roads.

3025. Also, petition of the Ebell of Los Angeles, Los Angeles, Calif., indorsing findings of military and naval affairs committee of the Los Angeles Chamber of Commerce providing for an appropriation to erect a general hospital of 1,000 beds on the grounds of the National Home for Volunteer Soldiers at Sawtelle, Calif.; to the Committee on Military Affairs.

3026. Also, petition of Jeremiah F. Sullivan, president California Bar Association, San Francisco, Calif., opposing Senate bill 624, relative to restricting the power of Federal judges in reference to instructing juries; to the Committee on the Judiciary.

3027. Also, petition of R. McLntyre, 1362 Seventh Avenue, San Francisco, Calif., urging passage of San Carlos dam bill (S. 966); to the Committee on Indian Affairs.

3028. By Mr. STRONG of Kansas: Petition of Swedish Methodist Church, of Scandia, Kans., by O. J. Lundberg, presiding officer, and Emil Isaacson, secretary, indorsing the proposed constitutional amendment to prohibit sectarian appropriations (H. R. 159); to the Committee on the Judiciary.

## SENATE

FRIDAY, *June 6, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father and the God of our fathers, we come to Thee this morning gratefully accepting the opportunities of service, realizing that our dependence must be upon Thee, so that in the last analysis of possibilities in connection with that service we must recognize the hand that guides and the wisdom imparted to us. We beseech of Thee to be in the deliberations of this day and the deliberations following which will soon close the session.

Grant unto each one, we beseech of Thee, that the turning away from the duties of high responsibility may be with the sense of a holy satisfaction in connection with the duties accomplished. Guard each life, we beseech of Thee, so that no sorrow shall darken it and no bereavement shall shadow the home. We pray for Thy divine help. Seek for us places of service. Be near to us constantly, and when life's journey is ended be with us. Through Jesus Christ our Lord. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Tuesday last, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6941) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War, and certain widows and dependent children of soldiers and sailors of said war; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FULLER, Mr. ELLIOTT, and Mr. COOK were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the bill (S. 1942) to protect navigation from obstruction and injury by preventing the discharge of oil into the coastal navigable waters of the United States, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and a joint resolution of the Senate severally without amendment:

S. 697. An act providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes;

S. 2159. An act authorizing annual appropriations for the maintenance of that portion of Gallup-Durango Highway across the Navajo Indian Reservation and providing reimbursement therefor;

S. 2761. An act to authorize the withdrawal of lands for the protection of antelope and other game animals and birds;

S. 2834. An act relating to the American Academy in Rome;

S. 2932. An act to quiet the title to lands within Pueblo Indian land grants, and for other purposes;

S. 3023. An act designating the State of New Mexico as a judicial district, fixing the time and place for holding terms of court therein, and for other purposes;

S. 3024. An act providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber, within the exterior boundaries of any national forest situated within the State of New Mexico;

S. 3244. An act granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi;

S. 3269. An act to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910;

S. 3380. An act to grant the consent of Congress to the Cincinnati, New Orleans & Texas Pacific Railway Co. to construct, maintain, and operate a bridge across the Cumberland River, in the county of Pulaski, State of Kentucky, near the town of Burnside;

S. 3420. An act granting the consent of Congress to the construction, maintenance, and operation by the Denver & Rio Grande Western Railroad Co., its successors and assigns, of a line of railroad across the southwesterly portion of the Fort Logan Military Reservation in the State of Colorado; and

S. J. Res. 73. Joint resolution providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States from the District of Columbia who served in the Great War.

The message also announced that the House had passed bills of the following titles, in which it requested the concurrence of the Senate:

H. R. 166. An act authorizing the Secretary of the Interior to issue patent to the city of Redlands, Calif., for certain lands, and for other purposes;

H. R. 3387. An act authorizing repayment of excess amounts paid by purchasers of certain lots in the town site of Sanish, formerly Fort Berthold Indian Reservation, N. Dak.;

H. R. 4088. An act to establish the upper Mississippi River wild life and fish refuge;

H. R. 5558. An act to authorize the incorporated town of Juneau, Alaska, to issue bonds in any sum not exceeding $200,000 for the purpose of improving the street and sewerage system of the town;

H. R. 6652. An act to authorize the city of Los Angeles, in the State of California, to construct and operate a line of railroad across the Fort MacArthur Military Reservation, in the State of California;

H. R. 8522. An act granting to certain claimants the preference right to purchase unappropriated public lands;

H. R. 9402. An act granting the consent of Congress to the Fullerton & Portsmouth Bridge Co. to construct a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky.;

H. R. 9515. An act granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the canal near Rehoboth, Del.;

H. R. 9516. An act granting the consent of Congress to the city of South Sioux City, in the State of Nebraska, to construct a bridge across the Missouri River between the States of Nebraska and Iowa;

H. R. 9517. An act granting the consent of Congress to the North Texas Co., of St. Jo, Tex., a corporation organized under the laws of the State of Texas, to construct a toll bridge across the Red River in the vicinity of Illinois Bend., Tex.; and

H. R. 9518. An act granting the consent of Congress to the State of Alabama, through its highway department, to construct and maintain a bridge across the Coosa River at or near Leesburg, Ala.

The message further announced that the House had adopted a concurrent resolution (H. Con. Res. 28) to authorize the printing of proceedings of Congress, together with the proceedings of the unveiling in Statuary Hall, upon the acceptance of the statue of Sequoyah, in which it requested the concurrence of the Senate.

### SUPPLEMENTAL ESTIMATES OF APPROPRIATIONS

The PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Commerce, fiscal year 1924, for protecting the seal and salmon fisheries of Alaska, in amount $55,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed (S. Doc. No. 147).

He also laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the War Department, fiscal year 1924, for the transportation of the Army and its supplies, etc., in amount $167,384.93, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed (S. Doc. No. 146).

He also laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the United States Veterans' Bureau, fiscal year 1924, for hospital facilities and services for patients of the United States Veterans' Bureau, in amount $6,850,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed (S. Doc. No. 144).

He also laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Board for Vocational Education for vocational rehabilitation of persons disabled in industry, in amount $900,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed (S. Doc. No. 145).

### TAXATION AND TAX-EXEMPT INCOME (S DOC. NO. 148).

The PRESIDENT pro tempore laid before the Senate a communication from the chairman of the Federal Trade Commission, which was ordered to be printed in the RECORD and to lie on the table and to be printed, as follows:

FEDERAL TRADE COMMISSION,
*Washington, June 6, 1924.*

The PRESIDENT OF THE UNITED STATES SENATE,
*Washington, D. C.*

SIR: I have the honor to transmit herewith a report of the Federal Trade Commission on taxation and tax-exempt income, in partial response to Senate Resolution 451, agreed to February 28, 1923 (Senator NORRIS). Additional reports in complete response to this resolution will be later submitted.

By direction of the commission.

Cordially yours,

HUSTON THOMPSON, *Chairman.*

REQUESTS FOR TARIFF INVESTIGATIONS (S. DOC. NO. 142).

The PRESIDENT pro tempore laid before the Senate the following letter from the chairman of the Tariff Commission, which was read, ordered to be printed, and referred to the Committee on Finance.

UNITED STATES TARIFF COMMISSION,
*Washington, June 5, 1924.*

Hon. ALBERT B. CUMMINS,
*President pro tempore United States Senate.*

MY DEAR SIR: In response to Senate Resolution 221, requesting the Tariff Commission to inform the Senate of the number of industries which have made bona fide requests for tariff investigations; the number of such requests upon which the commission has been unable to act; what, if any, sum of money should be provided by Congress in order to meet the legitimate requests of the business interests of the country for trade information and obtain necessary data concerning tariff adjustment, I have the honor to submit the accompanying report.

Respectfully,

THOMAS O. MARVIN, *Chairman.*

PENSIONS AND INCREASE OF PENSIONS

Mr. BURSUM. Mr. President, I ask that the action of the House of Representatives on the omnibus pension bill be laid before the Senate.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 6941) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BURSUM. I move that the Senate insist upon its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. BURSUM, Mr. FERNALD, and Mr. WALSH of Massachusetts conferees on the part of the Senate.

BRIDGE NEAR REHOBOTH, DEL.

Mr. BAYARD. I ask the Chair to lay before the Senate House bill 9515, just received from the House.

The bill (H. R. 9515) granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the canal near Rehoboth, Del., was read twice by its title.

Mr. BAYARD. Mr. President, yesterday the Senate passed Senate bill 3409. Identically the same bill was introduced in the House and was passed last night as House bill 9515. The Senate bill has not yet been taken up in the House, but the House bill itself came over from the House a few moments ago in a message, and has just been laid before the Senate. I ask unanimous consent for the present consideration of the bill.

The PRESIDENT pro tempore. The Senator from Delaware asks unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and was read as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the Delaware State Highway Department and its successors and assigns, to construct, maintain, and operate a bridge and the approaches thereto across the canal between Rehoboth Bay and the Delaware Bay, being a part of an inland waterway, partly natural and partly artificial, from Chincoteague Bay to Delaware Bay, at a point suitable to the interests of navigation, at or near Rehoboth, in the county of Sussex, in the State of Delaware, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906: *Provided*, That the Secretary of War is hereby authorized, upon the recommendation of the Chief of Engineers, United States Army, to grant permission to the said Delaware State Highway Department, its successors and assigns, under such terms and conditions as the said Secretary may deem equitable and fair to the public, to cross and occupy such public lands pertinent to the United States Canal as may be necessary for the bridge and approaches thereto.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

POLLUTION OF COASTAL NAVIGABLE WATERS

Mr. WILLIS. I ask the Chair to lay before the Senate the action of the House on Senate bill 1942.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1942) to protect navigation from obstruction and injury by preventing the discharge of oil into the coastal navigable waters of the United States, which was to strike out all after the enacting clause and to insert in lieu thereof:

That this act may be cited as the "Oil pollution act, 1924."

SEC. 2. When used in this act, unless the context otherwise requires—

(a) The term "oil" means oil of any kind or in any form, including fuel oil, oil sludge, and oil refuse;

(b) The term "person" means an individual, partnership, corporation, or association; any owner, master, officer, or employee of a vessel; and any officer, agent, or employee of the United States;

(c) The term "coastal navigable waters of the United States" means all portions of the sea within the territorial jurisdiction of the United States, and all inland waters navigable in fact in which the tide ebbs and flows;

(d) The term "Secretary" means the Secretary of War.

SEC. 3. That, except in case of emergency imperiling life or property, or unavoidable accident, collision, or stranding, and except as otherwise permitted by regulations prescribed by the Secretary as hereinafter authorized, it shall be unlawful for any person to discharge, or suffer, or permit the discharge of oil by any method, means, or manner into or upon the coastal navigable waters of the United States from any vessel using oil as fuel for the generation of propulsion power, or any vessel carrying or having oil thereon in excess of that necessary for its lubricating requirements and such as may be required under the laws of the United States and the rules and regulations prescribed thereunder. The Secretary is authorized and empowered to prescribe regulations permitting the discharge of oil from vessels in such quantities, under such conditions, and at such times and places as in his opinion will not be deleterious to health or sea food, or a menace to navigation, or dangerous to persons or property engaged in commerce on such waters, and for the loading, handling, and unloading of oil.

SEC. 4. That any person who violates section 3 of this act, or any regulation prescribed in pursuance thereof, is guilty of a misdemeanor, and upon conviction shall be punished by a fine not exceeding $2,500 nor less than $500, or by imprisonment not exceeding one year nor less than 30 days, or by both such fine and imprisonment, for each offense. And any vessel (other than a vessel owned and operated by the United States) from which oil is discharged in violation of section 3 of this act, or any regulation prescribed in pursuance thereof, shall be liable for the pecuniary penalty specified in this section, and clearance of such vessel from a port of the United States may be withheld until the penalty is paid, and said penalty shall constitute a lien on such vessel which may be recovered in proceedings by libel in rem in the district court of the United States for any district within which the vessel may be.

SEC. 5. A board of local inspectors of vessels may, subject to the provisions of section 4450 of the Revised Statutes, and of the act entitled "An act to provide for appeals from decisions of local inspectors of vessels, and for other purposes," approved June 10, 1918, suspend or revoke a license issued by any such board to the master or other licensed officer of any vessel found violating the provisions of section 3 of this act.

SEC. 6. That no penalty, or the withholding of clearance, or the suspension or revocation of licenses, provided for herein, shall be enforced for any violation of this act occurring within three months after its passage.

SEC. 7. That in the administration of this act the Secretary may make use of the organization, equipment, and agencies, including engineering, clerical, and other personnel, employed under his direction in the improvement of rivers and harbors and in the enforcement of existing laws for the preservation and protection of navigable waters. And for the better enforcement of the provisions of this act, the officers and agents of the United States in charge of river and harbor improvements, and the assistant engineers and inspectors employed under them by authority of the Secretary, and officers of the customs and Coast Guard Service of the United States, shall have power and authority and it shall be their duty to swear out process and to arrest and take into custody, with or without process, any person who may violate any of said provisions: *Provided*, That no person shall be arrested without

process for a violation not committed in the presence of some one of the aforesaid officials: *And provided further*, That whenever any arrest is made under the provisions of this act the person so arrested shall be brought forthwith before a commissioner, judge, or court of the United States for examination of the offenses alleged against him; and such commissioner, judge, or court shall proceed in respect thereto as authorized by law in cases of crimes against the United States.

SEC. 8. That this act shall be in addition to the existing laws for the preservation and protection of navigable waters and shall not be construed as repealing, modifying, or in any manner affecting the provisions of those laws.

SEC. 9. That the Secretary is authorized and directed to make such investigation as may be necessary to ascertain what polluting substances are being deposited into the navigable waters of the United States, or into nonnavigable waters connecting with navigable waters, to such an extent as to endanger or interfere with navigation or commerce upon such navigable waters or the fisheries therein; and with a view to ascertaining the sources of such pollutions and by what means they are deposited; and the Secretary shall report the results of his investigation to the Congress not later than two years after the passage of this act, together with such recommendations for remedial legislation as he deems advisable: *Provided*, That funds appropriated for examinations, surveys, and contingencies of rivers and harbors may be applied to paying the cost of this investigation, and, to adequately provide therefor the additional sum of not to exceed $50,000 is hereby authorized to be appropriated for examinations, surveys, and contingencies of rivers and harbors.

Mr. WILLIS. Mr. President, I desire to make a brief statement concerning the bill and amendment, and following that to move that the Senate concur in the amendment of the House.

Senators will remember the oil pollution bill that was discussed here at some length and passed finally, including within its terms land plants as well as ships, seeking to protect the coastal navigable waters of the United States from pollution through the discharge of oil from ships or from land plants. Personally I quite agreed with the committee that it was altogether desirable that land plants should be included, but that idea did not find favorable reception at the hands of the House of Representatives. The amendment made excludes land plants, but does provide that the Secretary of War shall make an inquiry as to the extent of pollution of navigable waters from land plants. I believe on the whole that it is wise legislation and will be productive of public good.

I move that the Senate concur in the amendment of the House.

Mr. FLETCHER. Mr. President, I think the legislation, in order to carry out its purpose and be really efficacious, ought to include land plants, but, as the Senator from Ohio has said, it appears that there is a difference of opinion about it. I think the investigation would be very appropriate, leading to further legislation in regard to the matter. The measure before us certainly provides very definite progress along the lines which are desired and which are quite important. I agree with the Senator that the best procedure would be to concur in the amendment of the House.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Ohio that the Senate concur in the amendment of the House.

The motion was agreed to.

## HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 6652. An act to authorize the city of Los Angeles, in the State of California, to construct and operate a line of railroad across the Fort MacArthur Military Reservation, in the State of California; to the Committee on Military Affairs.

H. R. 5558. An act to authorize the incorporated town of Juneau, Alaska, to issue bonds in any sum not exceeding $200,000 for the purpose of improving the street and sewerage system of the town; to the Committee on Territories and Insular Possessions.

H. R. 166. An act authorizing the Secretary of the Interior to issue patent to the city of Redlands, Calif., for certain lands, and for other purposes;

H. R. 3387. An act authorizing repayment of excess amounts paid by purchasers of certain lots in the town site of Sanish, formerly Fort Berthold Indian Reservation, N. Dak.; and

H. R. 8522. An act granting to certain claimants the preference right to purchase unappropriated public lands; to the Committee on Public Lands and Surveys.

H. R. 9402. An act granting the consent of Congress to the Fullerton & Portsmouth Bridge Co. to construct a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky.;

H. R. 9516. An act granting the consent of Congress to the city of South Sioux City, in the State of Nebraska, to construct a bridge across the Missouri River between the States of Nebraska and Iowa;

H. R. 9517. An act granting the consent of Congress to the North Texas Co., of Saint Jo, Tex., a corporation organized under the laws of the State of Texas, to construct a toll bridge across the Red River in the vicinity of Illinois Bend, Tex.; and

H. R. 9518. An act granting the consent of Congress to the State of Alabama, through its highway department, to construct and maintain a bridge across the Coosa River at or near Leesburg, Ala.; to the Committee on Commerce.

## FINANCIAL DEPRESSION AND UNEMPLOYMENT

Mr. WALSH of Massachusetts. Mr. President, the President pro tempore just laid before the Senate a communication from the United States Tariff Commission upon which I wish to comment for a moment.

On May 12, 1924, I presented a resolution that was adopted requesting the United States Tariff Commission to inform the Senate of the number of bona fide requests by industries for tariff investigations, the number of such requests they were obliged to decline because of lack of funds, and, thirdly, the amount of money that it would be necessary to have appropriated by the Congress to permit them to make the investigations requested by bona fide industries under the flexible provisions of the tariff act. The report on this resolution has just now been presented to the Senate.

I call the attention of the present administration to the situation in which it will place itself if it adjourns this session of Congress without the appropriation asked for by the United States Tariff Commission. It will be held responsible in part for business curtailment. The report states that the Tariff Commission has instituted 37 investigations, and that there are 75 bona fide petitions of industries in the country which can not be given the investigation desired because Congress has not furnished the funds necessary for that purpose. The report further states that the amount of money that will be necessary to carry on these investigations is $396,000.

Mr. President, I call attention to the fact that for some reason or other the industries and the business of the country except in periods of panic. It is estimated by the representatives of labor in the country that there are to-day between 1,500,000 and 2,000,000 unemployed people. This is an appalling situation. How can Congress adjourn without doing something—without requesting every agency of the Government to find the causes and provide by legislation if necessary the remedies?

I am not going to take the time to suggest the causes of the business depression that has been increasing and spreading for months, but one of the reasons for unemployment is undoubtedly the fact that the purchasing power of the American people has diminished. Another reason is the plight of the farmers of the West. They have not the money with which to buy, and our industries are suffering by reason of the poverty, the financial losses, and numerous handicaps under which the American farmers are laboring.

An impression has been sent throughout the country that for some reason or other the industrial depression is not due to the diminishing purchasing power of the American people, to the farmers' dire condition, to the high prices that the American people are protesting against, to the apparent consumers' strike, but is due to importations of different commodities from Europe. With the industries of the country in very serious condition, with unemployment general, with the Congress about to adjourn, are we to surmise what is responsible for the present business depression and speculate as to whether or not it is the importations that are coming into the country from foreign lands, that can be prevented if the facts justify it and Congress and the President exercise their power? The administration can not afford to close this session of the Congress and allow these petitioners, these industries which are now suffering severely, to go on until December next without any information or assistance from the Government.

Many are asking, What can the Government do to relieve unemployment, what can the Government do to relieve the farmers? There is one thing it can do to help the industries of the country. If they believe it is the tariff, they have a right to know it and have an official investigation made. They at least have a right to the helping hand of the Government to give them the information which they have a right to have under the law; to have investigations made to determine what action should be taken under the flexible provisions of the tariff act. The President can correct all depressions in business due to flooding the domestic market with foreign goods. He has the power, but it must be exercised after full investigation by the United States Tariff Commission. I appeal

for the necessary appropriation. The sum of $396,000 is necessary to do that work. Congress, however, is to adjourn, and every industry that has requested an investigation and the relief the law provides will know that we refused to give them information that is available, and that we have provided for by law, because we have not appropriated the money.

Mr. President, I can not do more than protest; but I emphatically make my protest in the name of the unemployed, who are walking the streets suffering for want of employment and the necessaries of life, in the name of the industries that are shutting down in this country, and who ask this Congress to act.

Mr. HEFLIN. Mr. President, will the Senator from Massachusetts yield to me for a moment?

Mr. WALSH of Massachusetts. Certainly.

Mr. HEFLIN. Mr. President, not only is Congress about to adjourn without doing anything for the laboring men, but it is about to adjourn without doing anything for the farmers of the country. We had a bill pending here, and asked unanimous consent for its consideration, which involved the Ford offer for Muscle Shoals. It was stated that Mr. Ford would give employment to thousands of people if he got Muscle Shoals. Certain Senators on the other side of the Chamber, however, objected even to the consideration of the bill at this session of Congress. Not only that, but the Ford offer proposed to sell fertilizer to the farmers of the country at half price. That would have involved a saving of a hundred million dollars a year to the farmers, but Senators on the other side of the Chamber, the Senator from Nebraska [Mr. NORRIS], the Senator from Iowa [Mr. BROOKHART], and the Senator from Wisconsin [Mr. LA FOLLETTE] all objected even to the consideration of the measure at this session of Congress.

One of the reasons advanced for doing so was that it was too important a matter to be hastily passed upon. The bill, however, has been pending in Congress for nearly three years. Hearings were had twice on it in the House of Representatives; hearings were had twice on it in the Senate; and I hold in my hand [exhibiting] volumes of those hearings 8 inches thick. The Senator from Nebraska stated that it was too big a question to consider at this session of Congress. An attempt was made on Tuesday to get a hearing upon the measure, to have the measure considered in this body, but those Senators refused to permit a time to be agreed upon to consider this very meritorious bill at the present session.

Henry Ford had been invited by this Government to make an offer. He accepted the Government's invitation and submitted an offer. His offer has been pending for nearly three years, as I have stated. That offer, Mr. President, contemplates serving the Government in furnishing nitrates for war purposes; that offer contemplates furnishing the farmers of the country fertilizer at half price. The completion of the work at Dams No. 2 and No. 3 practically would complete the navigation of the river and make it navigable there for 65 miles, but we could not get those Senators who claim to be the friends of the farmer, who claim to be the friends of the laboring man, to let us even vote upon the question.

The Senator from Nebraska in his report charges that real estate agents are using the Henry Ford offer to sell lots about Muscle Shoals, stating that Ford is going to get Muscle Shoals, and that this property will be very valuable; but I suggested in my remarks the other day that if the Senator from Nebraska wanted to prevent that sort of propaganda, if he wanted to take away from those agents the opportunity to peddle Henry Ford's name in that fashion, he could have done so by voting upon his offer and turning it down if the Senate did not want to accept it.

If the Senate had accepted it, then the real-estate agents would have told the truth and work would have begun at once, and some of the army of unemployed who have been spoken of by the Senator from Massachusetts [Mr. WALSH] would have found work down at Muscle Shoals.

Mr. President, I want the country to know the exact truth as to what was done here and by whom it was done. We have been taught by the Bible, and it is literally true, that a tree is known by its fruits. So an administration is known by its fruits; a Senator is known by his fruits. He may protest that he is a friend to the laboring man, but if he then votes against the laboring man's interests his talk is as sounding brass and a tinkling cymbal. He may protest his friendship for the farmer, but when he has the opportunity to cut the farmer's fertilizer bill in two and will not do so his protestations are in vain.

Mr. President, I merely wanted to make this comment at this time following the remarks of the Senator from Massachusetts.

Mr. WALSH of Massachusetts. Mr. President, may I inquire what disposition was made of the report of the United States Tariff Commission in response to my resolution?

The PRESIDENT pro tempore. The Chair ordered, there being no objection, that the communication be printed in the RECORD and that the report be printed as a public document.

Mr. WALSH of Massachusetts. I am very much pleased with that disposition. May I make the additional request that the report be referred to the Committee on Finance?

The PRESIDENT pro tempore. The report will be so referred.

## UTAH NATIONAL PARK

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 668) to establish the Utah National Park in the State of Utah, which was, on page 2, line 4, after the word "Utah," to insert:

*Provided*, That all the land within the exterior boundaries of the aforesaid tract shall first become the property of the United States.

Mr. SMOOT. I move that the Senate concur in the amendment of the House of Representatives.

Mr. ROBINSON. May I ask the Senator from Utah what will be the effect of the House amendment if it be concurred in?

Mr. SMOOT. Brice Canyon can not be included in the national park until all the private lands within the exterior boundaries of the park shall have been transferred to the Government of the United States.

Mr. ROBINSON. And the House amendment requires that to be done?

Mr. SMOOT. The amendment would include those lands in the park.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Utah to concur in the House amendment to the bill.

The motion was agreed to.

## SOLDIERS' ADJUSTED COMPENSATION

Mr. WILLIS. Mr. President, there has recently come to me from the Hon. Gilbert Bettman, a very distinguished citizen of Ohio, a very useful and interesting statement of fact with reference to the adjusted compensation bill which has recently become a law. I ask unanimous consent to print in the RECORD that letter, together with two newspaper clippings from the Cincinnati Times-Star relative to that same subject.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

CINCINNATI, *June 3, 1924.*

MY DEAR SENATOR: On my return to the city I find yours of the 27th. For over four years, as one of my Legion activities, I have pressed for recognition of the veterans' claim for adjusted compensation. Originally, in March, 1920, as one of the drafters of the first bill upon the subject; thereafter in May, 1920, as one of those who appeared before the Ways and Means Committee of the House; then before the Senate Finance Committee in December, 1920, and before the Senate Finance Subcommittee in June, 1921; and at every national convention except in September, 1919, the resolution passed by the convention has been drafted by me. During all this time naturally I have watched the arguments pro and con carefully, and it has been one of the most striking incidents in American history the tremendous propaganda that was created by those who opposed the measure. All of the avenues of publicity seem to have been open to opponents and very few to the proponents of the measure. Consequently, now that the bill has passed, those avenues are still open, and you of the Senate who voted in favor of the bill are hearing the shouts of protest that arise from those avenues rather than the words of approval from the service men.

None the less, the question has been rightly decided. Adjusted compensation was due the service men, not by reason of military service rendered or risks taken but because of the economic handicap suffered by reason of the service. Uncle Sam needed three elements to win the war—capital, labor, and the soldier—and of these three Uncle Sam drafted only the soldier, and ordered service at $1.25 per day. Wages doubled, trebled, and quadrupled, and capital reaped unheard-of profits. To approximately adjust this economic disparity was simple justice. The unanimity with which the American people have said that in the next war not only the soldier but capital and labor as well must be drafted is an ex post facto admission of the justice of the service man's claim. Looked at in the large, one of the puzzling aspects of the discussion has been this contention of paying for patriotism. Civilian employees received an adjustment of compensation, and hundreds of millions of dollars were paid to the railroads as an adjustment of the economic loss they suffered by reason of being drafted into the Government's service. The fact that the soldier suffered not only an economic loss but rendered a patriotic service has been the occasion of confusing the issue.

The civilian employee and the railroads secured their adjustment of compensation without a whimper going up from the tax-paying element. Should the soldier have been asked, not only to suffer the economic loss, but also because he rendered a patriotic service, to forgive the loss? This is the nub of the argument which has been made by the American Legion from the outset. You will find it set forth in our arguments before the Ways and Means Committee in the "Hearings before the Ways and Means Committee," House Documents, 1920. The Legion has never wavered from this position, and, mind you, the Legion never initiated the subject of adjusted compensation. Our resolution at the first convention in Milwaukee stated that the question was one for Congress, with which the Legion had nothing to do, and it was only when the Ways and Means Committee of the House invited the Legion to bottle-neck to Congress the judgment of the service body as to what form of soldier beneficial legislation would best meet the needs of the service men in the various parts of the country—that the Legion came to Washington and gave its judgment in the form of the original fourfold optional plan of adjusted compensation. This was the ground work of the original bill passed by the House in May, 1920, one of the chief options of which—the adjusted service certificate—has now been enacted into law.

But your judgment upon those who are still abusing the Members of Congress who voted for adjusted compensation must not be too severe. If the dire results forecast by the propagandists against adjusted compensation should eventuate, then their abuse is justified. But the fact is that those results will not eventuate, as we now already see by the passage of the tax reduction bill and its signing by the President.

As an American citizen, I shall always regret the propaganda of the opponents, that the adjusted compensation measure would forbid tax reduction. This assertion was demonstratably and arithmetically untrue. Yet the American people were polled at the expense of hundreds of thousands of dollars by the Literary Digest on the qustion, "which will you have, tax reduction or the bonus?" This propaganda was utterly insincere, because as a matter of arithmetic the bulk of the Mellon proposals could have been and now have been realized and the cost of adjusted compensation met at the same time. And not only was this contention arithmetically unsound, but it was utterly unmoral, because if the debt was a just debt, it should be met whether taxes could be reduced or not. It was just as unmoral to propound to the American people the question, which will you have, tax reduction or adjusted compensation, as it would be for a board of directors to propound to stockholders—which will you do, pay your debts or pay dividends?

Within a few weeks, when the country appreciates that adjusted compensation can be met and tax reduction had, the storm of criticism of the die-hards will abate. Surely, there is enough spirit of fair play in the American people in all elements to regard the battle as having been fairly waged, and now that the issue is decided, to abide by the decision. Moreover, I believe an accurate historian of this four-year controversy would record that one of the great contributing causes to the passage of the measure was the overplaying of their hands by those who opposed it. To continue to play after the game is over would unnecessarily produce bitterness.

Further, if the tax-paying elements would leave off consideration of false propaganda and get down to the facts (although I have worked for the service men in this cause diligently and hard, I can not escape having something of the reaction of the taxpayer), they would conclude that the passage of adjusted compensation will be in the end a saving for the United States Treasury. If adjusted compensation had not been passed, the coming of a pension system would be accelerated by decades, and the Treasury would pay in billions in pensions rather than adjusted compensation in millions. To have allowed 3,000,000 men to drop back into the body politic with the feeling that something was coming to them from their Government which did not come would, in my judgment, have produced within a very few years the coming of a pension system. At the American Legion convention at New Orleans in 1922 we passed a resolution which contained among other statements, "The American Legion stands foursquare in favor of adjusted compensation and against a pension." The Legion should be taken at its word, and now that adjusted compensation has been passed, a great bulwark has been raised up against the coming of any pension system.

Nor can you of the Senate in the Republican ranks who voted for adjusted compensation be chided for failure to support the President. Party regularity does not go to that extreme. If every proposal of the President had to be coincided in by every Senator or Member of Congress of the majority party, we would cease to need a Congress; and the balance of power provided by the Constitution, of judiciary, legislative, and executive, would be thrown out. The shoe is rather on the other foot. The President must now recognize that every time this question in any aspect has been voted on by the rank and file of the people of this country, and, further, when it has been voted on by the people's direct representatives in the House and in the Senate, the measure has been approved; and party regularity, now that the bill has become a law, rather suggests that the President fall in line. Further, the attack upon the Republican Senators in this aspect is just another overplaying of their hands by the opponents of the measure. I do not think you will find any general feeling of bitterness among the service men against the President for having taken the position that he did. The question, of course, had two sides, and the President took the most tenable which an opponent of the measure could take, to wit, that the claim never existed. The President did not take the position that the claim existed but could not now be met. He did not resort to the subterfuge of arguing that you could not have a reduction of taxes and adjusted compensation. And in all my contact with the service men in Ohio and elsewhere, I frankly have not heard any substantial criticism of the President. Moreover, you are familiar enough with the presentation of the arguments and position of the service men to know that the service men have merely presented, as they conceived it and according to their lights, the justice of their claim; and they have made no threats of political annihilation as a penalty for opposition and no promises of political favor as a reward for support. And, in conclusion, I believe among the more potent reasons for the passage of the law has been this difference in method of presentation between the two contending elements. The American Legion has stood solely upon the justice of the claim of the service men and has asked only for such recognition as was consistent with the country's welfare. No less a watchdog of the United States Treasury than Senator Penrose himself said when we appeared before him in 1921, that the position of the American Legion "was patriotic throughout."

Very truly yours,

GILBERT BETTMAN.

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AMERICAN LEGION SHOULD BE SATISFIED—"MELLON TAX CUT CAN BE EFFECTED DESPITE BONUS," SAYS ONE OF AUTHORS OF SOLDIER BILL.

Gilbert Bettman, one of the authors of the original adjusted compensation bill, drafted by the American Legion's national legislative committee, of which he was chairman, said Wednesday, in commenting on the passage of the revised bill over the President's veto:

"The service man should be satisfied, because the bill recognizes the justice of his claim. The taxpayer should be satisfied, because by paying that claim in the form of insurance adjusted compensation forfends against a pension system, and thus constitutes for the taxpayer and the Treasury a saving in the end.

"The American Legion should be satisfied, because in the public eye adjusted compensation has unfortunately and mistakenly been looked upon as one of the Legion's major objectives. With the closing of the chapter on adjusted compensation, the Legion will be revealed to the American people in its true light, not as an organization attempting to get something from the Nation in its own behalf but as an organization dedicated to give something to the Nation by service, not only to comrades but to community, State, and Nation.

"The effect of the passage of the adjusted compensation bill on tax reduction has been grossly exaggerated. The substantial reduction contemplated in the Mellon plan can, as a matter of arithmetic, and will be made.

"The American Legion at its convention in New Orleans stood foursquare against a pension. The Legion should be taken at its word, and it will stand as a bulwark, now that adjusted compensation has been passed, against any pension legislation."

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"COMPENSATION FOR SOLDIERS MISUNDERSTOOD"—ATTORNEY WHO HELPED DRAFT ORIGINAL BILL COMMENTS ON PASSAGE

"Adjusted compensation has been misunderstood by its opponents," said Attorney Gilbert Bettman, who was national chairman of the American Legion committee on legislation, which drafted the original "adjusted compensation" bill. Commenting on the passage of the bill Wednesday in the Senate, Bettman said:

"The bill has passed because it is just. Adjusted compensation has never been sanctioned by the American Legion as a payment to the soldier for military risks taken or military service rendered. That obligation rests upon all American citizens and can not be compensated in money. Adjusted compensation has been sanctioned, though not initiated, by the American Legion, as an approximate adjustment of the economic losses sustained by the service men during their war days of service. Uncle Sam needed three things during the war—capital, labor, and the soldier. Of these, only the soldier was drafted. The soldier served at $1.25 a day, while the profits of capital were unrestricted and the pay for labor in the industries, in the shipyard, and in the munition factories trebled and quadrupled.

"To approximately adjust the various economic disadvantages of the soldier is merely to meet a just economic obligation. The justice of approximately meeting this obligation has been recognized by the people throughout the country whenever they have had opportunity to vote upon the question, and has now been given decisive recognition by the House and Senate of the United States.

"With the closing of the chapter on adjusted compensation the Legion will be revealed to the American people in its true light, not as an organization attempting to get something from the Nation in its own behalf, but as an organization dedicated to give something to the Nation by service, not only to comrades but to community, State, and Nation.

"The President should be satisfied and should sign the bill, because he must now see that it reflects the will of the American people."

AGRICULTURAL CONDITIONS

Mr. FRAZIER. Mr. President, the day after the so-called bonus measure was passed over the President's veto I received a telegram which interested me somewhat, and I wish to read it. It is dated May 20, Cortland, N. Y., and reads as follows:

L. J. FRAZIER,
*Senate Chamber, Washington, D. C.:*

You are a traitor to your party, a menace to your country. If Congress knew how it stood in the eyes of the majority of the people, it would adjourn and its Members slink home. The people are with the President.

HENRY L. SQUIRES,
*9 Railroad St.*

I was interested in the telegram, and so wrote to this man Squires on the 21st of May, as follows:

Your interesting telegram of May 20th was duly received. In order to get your remarkable viewpoint I would appreciate very much if you would enlighten me a little further as to your views on the present political situation. I would also like to know in what business you are engaged.

I always welcome honest criticism and would appreciate any additional criticisms you wish to make.

Yours truly, ———.

A few days later I received a reply written on the stationery of the Brockway Motor Truck Co., of Cortland, N. Y., from the office of the president, signed "George A. Brockway." It starts out:

SIR: Acknowledging receipt of my indictment by wire, which was sent over the signature of my secretary, as well as a duplicate to 29 other so-called Republican Members of the Senate who voted to override President Coolidge, I am giving you my viewpoint of many subjects causing in this country to-day so much unrest and at the same time paralyzing business.

I appreciate the fact that I am not the only irregular Republican. On the so-called bonus vote it will be noted on page 8871 of the CONGRESSIONAL RECORD that there were only 26 regulars that day in the whole Senate, and 9 of them were Democrats.

Mr. President, it is interesting to note that the president of the Brockway Motor Truck Corporation had his secretary send the insulting telegrams to Members of the Senate; in other words, he has his secretary do his dirty work for him. He goes on in this letter:

In the first place, I feel it is up to men like yourself to enlighten your constituents, not to carry out in Congress any radical ideas they may have in the way of remedying the so-called evils that exist.

I want to read this because it is typical, apparently, of the viewpoint of the average big-business man. The writer continues:

North Dakota is a wheat-growing State, as I understand it. The price of wheat can not be stabilized or controlled by legislation.

That sounds very familiar.

I believe that the price of wheat, as well as any other commodity grown or produced all over the world, is based, and always will be, on the supply and demand—

There is another phrase that sounds very familiar—

particularly when more is grown in this country than can be consumed in the country.

The only way this compensation could be increased is by general prosperity, which will be reflected in the commercial centers consuming more food. In driving through Great Britain and on the Continent last summer I was surprised to see the vast quantity of grain grown. I am told that this condition is the same through eastern Europe and Asia. The people in those countries have gone to work and raised their own grain, for the reason that they did not have gold to pay for food imported.

It seems to me that if a business man, such as this man probably is, instead of going to Great Britain and Europe to study conditions there, while apparently knowing nothing of the situation in the agricultural States of his own nation, had gone out to the West and found out what the agricultural situation there was he would have been a great deal more enlightened on the subject, and could have talked more intelligently than he does. He talks about supply and demand controlling the market for wheat. Anyone who knows the wheat business knows that the law of supply and demand does not control the price but, as shown by past history of grain manipulation in this country, the grain gamblers have controlled the price of wheat the same as the price of meat products and other products which the farmer raises are controlled.

The writer of the letter continues:

I am located in a dairy country, and our farmers ship all their milk to the large cities, but through cooperation they have been able to organize and in that way secure a fair price for their milk; but this is a local situation, as you must know, and would not apply to grain. There is no way of overcoming the law of supply and demand, in my opinion, and if we are producing more wheat than can be used in this country, any surplus must be exported; and when that condition of affairs exists the price is based on the world-wide export price.

He says that there is no way of controlling the law of supply and demand; yet he admits that the farmers of his own community have a cooperative organization to control the price of milk, and have made a profit on it.

He goes on further and says:

MAGNUS JOHNSON and men of that type advocate reduction in freight rates as a panacea. I am of the opinion if the railroads hauled the wheat to seaboard for nothing, it would not make any difference with the price of grain to the farmer.

That is a mighty intelligent remark coming from anyone, I do not care whom—that if the grain were hauled to the seaboard for nothing it would make no difference in the price of the wheat to the farmer.

This gentleman states that the law of supply and demand governs the price of wheat, and yet he says that if the 15 or 20 cents freight paid on a bushel of wheat shipped to the central markets from the point where it is grown were not paid it would make no difference in the price of wheat to the farmer. Perhaps it would not, but if it would not there is something decidedly wrong with this gentleman's argument.

He says:

At the present time you must admit that Congress is discredited by the people—

I want my friends on this side of the Chamber to get this—

In fact, it does not stand as high as the ordinary board of county supervisors; and I believe that men like yourself, if they can only see the light, should advocate relief based on sound business principles, and go before your people with a program of that kind, and they will see it is not for their interests to secure temporary relief, which in the end will cause the country much distress.

No one wants temporary relief if he can get permanent relief, but if we can not get permanent relief we are willing to try almost anything.

He says further:

If Congress had carried out Secretary Mellon's plan in principle, had deferred any bonus legislation until such time as the country was in better shape, that you would see business booming all over the country.

Business booming all over the country, when thousands upon thousands of farmers in the agricultural States are absolutely broke and out of business! Still, he says, if we could lower taxes in the higher brackets for the millionaires, and a few things of that kind, we would see business booming throughout the country.

Many of our politicians in the West have tried their best for several years past to work up a sectional feeling. I doubt very much if this is a good thing for the country. Radicalism is all right for Russia, but I have too much faith and confidence in the American people to ever see that sentiment prevail in the United States.

Here is another interesting passage:

President Coolidge goes before the people as a candidate on the Republican ticket, and, in my opinion, goes to defeat, due to the action

of the Republicans in Congress. Whether things would be better in the hands of McAdoo, Al Smith, LA FOLLETTE, remains to be seen. As far as I am personally concerned, it makes no difference to me.

He apparently is absolutely discouraged.

He says further:

Men like yourself should give the situation to-day much thought, and any ills and evils to be worked out should be worked out on sound, conservative, and economical principles, not on the radical way of looking at things. I doubt very much if there is less than 25 per cent of the farmers in Dakota but what are driving their own pleasure cars. This is all right, and I favor it, providing they can afford it.

Providing they can afford it! But he goes on:

But with the readjustment of values that is now going on, it is necessary for one to "cut their garments according to their cloth," and when they do that things will be all right.

In other words, if the farmers are going broke and going out of business, as they are to-day all over the Nation, he says that if they will cut their clothing according to the cloth they will be all right. In other words, if they can not make any profit, let them starve for a few years until this readjustment takes place.

I have read only a part of this letter, but it seems to me it gives a fair sample of the attitude of the big business interests, especially of the East. The farmers' situation is mighty serious all over the Nation. I do not need to go into detail as to what their situation is. We have the best agricultural land in the world, and yet the farmers who own their own farms are going broke and out of business by the thousands.

I want to give a few statistics coming from the Agricultural College of North Dakota. They say that during the past five years, 1919 to 1923, inclusive, there was a loss each year on raising wheat in North Dakota, as follows:

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| In 1919 loss per acre | $3.67 |
| In 1920 loss per acre | 10.90 |
| In 1921 loss per acre | 7.05 |
| In 1922 loss per acre | 1.69 |
| In 1923 loss per acre | 4.85 |

or an average loss for five straight years of $5.63 per acre, or an aggregate loss per acre for these five years of $28.16. That means that the average loss on every acre of wheat grown in North Dakota, and throughout the Northwest, for the past five years was $28.16. There was also a loss most of these years on cattle, hogs, sheep, and potatoes.

Taking all these losses into consideration, it is absolutely safe to say that during the past four or five years the farmers of the Northwest have had an aggregate loss on the products they have produced of more than the present cash value of their land. In other words, the average farmer who had his land clear five years ago has lost in these five years of deflation the total cash value of his farm, and the farmer who carried mortgages five years ago—and a big majority were mortgaged—has either lost his land entirely or is holding on through the clemency of his creditors.

The total loss on land values and farm products in the past four years is conservatively estimated at $50,000,000,000.

During the war time, through an act of Congress, a minimum price was fixed on wheat, which price became the maximum or fixed price. Of all the products which were necessary to maintain and successfully prosecute the war, wheat was the only one upon which the price was fixed by the Government. The farmer did not object to having this price fixed by the Government, but he did object, and rightly, because the prices of other commodities were not likewise fixed. We did not think it fair or just that the wheat grower should be singled out and thus discriminated against. We were compelled to sell at a Government fixed price and at the same time had to buy on the open market at war-time prices with war profits, the sky apparently being the limit; and when some of us objected to this unfair treatment, as some of us did, we were called pro-Germans and Bolsheviks.

The price was determined by a commission, after much discussion, at $2.20 at the terminals at Chicago, which was a little more than a dollar per bushel less than wheat had been selling for just previous to this on the open market. Two dollars and twenty cents was decided upon as a fair price as compared with prices of other products at that time, but the price of all other products went up and wheat remained at $2.20, which was our fixed price. Italy guaranteed $4.80, France $3.84, Holland $3.70, Switzerland $3.18, and Norway $4.00, and in some of the other neutral nations the price was still higher.

An appeal was made to the farmers to produce more wheat. The newspapers took up the slogan that "Wheat would win the war." In North Dakota our wheat acreage was increased more than 2,000,000 acres. The cost of production increased until we were producing at a loss, and the Government sold wheat to the allied governments at less than cost of production, at the expense of the American farmers. Yet, according to Senate Document 259, there were 10 flour mills that had profits ranging from 306 per cent to 2,628 per cent during that same time.

Throughout the war the railroads were given a magnificent profit. All business interests were allowed to make immense war profits. New millionaires were made by the wholesale, and the price of wheat undoubtedly would have gone a great deal higher had it not been fixed by the Government.

The Minneapolis Journal of August 22, 1920, quotes Herbert Hoover as saying:

Had not the Food Administration and the United States Grain Corporation assumed control of the wheat supply after the short crop of 1917, wheat would have gone to $6 a bushel, flour probably to $25 or $30 a barrel, and there would have been bread riots that would have interfered seriously with our participation in the war. Because of our large foreign population of recent arrival, men who had not yet absorbed fully the American ideals, we might have had most serious outbreaks if bread had gone up abnormally.

That, according to the Minneapolis Journal, is what Mr. Hoover said. It is rather a strange statement, too—that bread riots might be caused by foreign population who had not yet absorbed American ideals. In other words, good Americans would go hungry and starve to death and keep still about it! He is badly mistaken.

It has been said by some one that there are only three days' difference between the most intelligent people and the barbarians, that three days of starvation will make a savage out of anyone, and it will.

You know the farmers are criticized for not having business methods in farming. It is true that they have not the business methods that they should have, and yet it is pretty hard to get away from the situation that they are laboring under. The senior Senator from Ohio [Mr. WILLIS] made the statement the other day, when talking on the Postal Service regulation bill, that it was unbusinesslike for anyone to employ help and fix a salary when he did not know whether or not the returns from his business would stand that expense. That may be true, and yet the farmers do business that way all the time. They hire their help in the spring of the year, put in their crops, and do not know a thing about what they will receive for those crops when they are ready for market. They take chances on the elements of nature, on the bugs and grasshoppers, and all kinds of things, and then when their crop is ready for market they take chances on the grain gamblers and food gamblers who fix the prices of those products. As was well and aptly said by one of the witnesses who appeared before the Agricultural Committee of the Senate, "If the little bugs did not get the farmer's crops while they were growing the big bugs were sure to get them when they were ready for market."

The farmers have tried cooperative organizations; they have tried to better their condition by developing cooperative marketing, but, generally speaking, these cooperative concerns have been put out of business by unfair and unjust treatment by the big business interests that are organized against them. In North Dakota the farmers have been robbed for years on the grade of their grain. We finally passed what was known as the North Dakota grain grading act to allow the State authorities to grade the wheat that was produced in that State.

Under that law they were to grade wheat according to its milling value, according to the amount and grade of flour that could be made from it, and the amount of bread that could be made out of a bushel of wheat. That is not the way the grain is graded at the present time or was graded before this law was passed.

Wheat is raised to produce flour and bread, and we felt that it should be graded according to the amount of flour and bread it produced and the quality. So we passed this North Dakota grain grading act. We were taken into court on it, and finally taken clear up to the Supreme Court of the United States, and upon a five-to-four opinion the law was declared unconstitutional.

This grain grading act, while it was enforced there a couple of years, saved the farmers of that State millions of dollars each year, without any question, upon the narrowing of the margin paid to the farmer as compared with the price it was sold for in the market, and in paying the farmer for the foreign material, the dockage, that was in the wheat that had

food value, and in giving the farmer better grades for his wheat.

After the law was declared unconstitutional, the farmers, as well as the business man, were so impressed that the law had been good and that we should have another one, that in 1922 another grain grading law was initiated, which we felt might stand a decision of the court. It carried by 3 to 1 in the November election in 1922. It was again taken into the courts, of course. It is before the Supreme Court to-day. It was argued in the Supreme Court in this city on May 4, 1923. Up to date no decision has been given, and I do not look for any decision until after election, at least. I sometimes think it might be a very good stunt to investigate the Supreme Court, too.

The Senators perhaps know something of the farmers' attempt to organize in the Western States. There are a few so-called radical Members of Congress here, coming from those Middle West and Western States. I want to tell why they are here.

When the farmers tried to organize cooperative concerns, they were put out of business by unfair methods by the Chamber of Commerce of Minneapolis, by the Board of Trade of Chicago and Kansas City, and so forth, and they even went so far as to break up the farmers' meetings held to discuss the farmers' situation. Yes; they broke up the farmers' meetings. That was done in the great State of Minnesota. Speakers were tarred and feathered because they had the nerve to go before the people and tell them the condition of the farmers, and what they should do to organize and to better their conditions. That is why two Farmer-Labor Senators and some Farmer-Labor Congressmen are in the Congress from the great State of Minnesota to-day.

In South Dakota the same thing occurred. Tar-and-feather parties were organized, meetings were broken up, and the same thing was true in Kansas and Nebraska. The same thing was true in Montana, Idaho, Washington, and some other States out there. That is why some more so-called radical Senators have come to Congress, and I predict right here that there will be still more of the same type of men coming into the United States Senate from those States.

It is sometimes said that the farmers are "seeing red." Perhaps they are, and whose fault is it, after these conditions they have gone through? Whose fault is it that no constructive legislation has been put across for the relief of the farmers and the agriculturalists of this Nation at this present session of Congress? Senators on the other side of the aisle will say, undoubtedly, that it is the fault of the Republicans. I want to say right here that the RECORD shows, on page 10290, on the vote on the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE] to recess until July, that 19 Democrats voted against that. On the next page of the RECORD, it is shown that on the amendment that was offered to postpone the adjournment until the 21st of June, 20 Democrats voted in the negative. We could easily have had enough to carry that proposition, to recess until July, and then have time to put acrosss some legislation, and to consider the Muscle Shoals question as well. In even two weeks' extra time we could undoubtedly have considered the Muscle Shoals question and some other relief measures for agriculture. But the Democrats stopped it.

Some one suggested, whether it was an English lord or some one who looked like an English lord, "By their fruits ye shall know them." I do not want the Democratic Party to go out and lay everything to the Republicans. There has not been a single day since the session opened last December but that there were enough so-called radicals on this side of the Chamber to vote with the Democrats to put across a progressive program—progressive legislation for the people, farm legislation or labor legislation, or anything else—for the benefit of the people. Senators over there know that as well as I do. On this side of the Chamber Senators are a little more to blame, I will admit, and yet, as I quoted from the RECORD a little while ago, there are only a few regulars on this side.

They say that the farmers are "seeing red." I want to say right here that more than the farmers are seeing red. There are a lot more seeing red. A presidential election is coming only a few months from now, and it is said that unsound economic conditions are not very conducive to safe and sane voting at the polling places. Perhaps that may be true. One thing I believe the people of this Nation can thank the so-called radicals on this side and on the other side of the Senate for at this session, and that is for all the developments brought out by the investigations. You can say what you like about those investigations, but they have brought the truth to the people that many a department and many a public official has been guilty of graft and unfair dealing, robbery of the Treasury of the United States and of the people of the money they paid in taxes.

There is no question but that the result of the next election will depend largely upon what the people think of the things brought out by these investigations, and in my estimation the developments from the investigations will have a mighty wholesome effect upon the coming campaign, and I predict some wonderful changes after next November.

Mr. President, I believe that the farmers of this Nation are going to demand legislation for their relief in more certain terms than ever before. It is said that that would be class legislation. Yes; perhaps it would, and yet if Congress thought as much of the farmers who produce the food products to feed the people of this Nation as they do of the railroad companies, which simply transport those products from one point to another, we would have a law for the farmers that would do for us what the Esch-Cummins Act does for the railroads of the country.

If Congress thought as much of the farmers as they do of the big bankers, we would have a law that would do for the farmers what the Federal reserve act does for the big banks.

If we here in Congress thought as much of the farmers as we do of the manufacturing interests, we would have a law that would do the same thing for the farmers as the Fordney-McCumber tariff bill does for the big manufacturers.

Talk about the farmers "seeing red"! What beats me, and what I can not understand for the life of me, is why they do not see a lot redder than they do.

Mr. JOHNSON of Minnesota. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. FRAZIER. I yield.

Mr. JOHNSON of Minnesota. Talking about farmers beginning to see red, the Senator from North Dakota referred to a party who wrote a letter to him, which he has just read, criticizing the tax bill which we have just passed. I received a letter from one of the biggest business men in the State of Minnesota, and this is what he said to me:

> The revenue bill I would consider a very meritorious bill, and I trust the President will sign it—

Of course, he wrote this before President Coolidge signed it—

> as it has a tendency to more materially reduce the taxation of the poor man than large incomes, which is only fair. I believe it is policy to shoulder the burden of taxes on the rich, and recognize fully the old theory, faculty and ability to pay should be considered in levying taxes.

That shows that the big business men of the Northwest are going to see a little more red in the future, and probably it would be a very good thing for them to do so.

Mr. FRAZIER. I do not think there is any question about that. Banks have failed by the wholesale out through the whole Northwest, and business interests are hard pressed, to say the least. There is no question but they realize that their welfare depends on the farmer's welfare. It seems to me that the only thing that will wake up the business men of the East is for hard times to strike them—and they are coming, and coming faster than a lot of people think.

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. FRAZIER. I gladly yield.

Mr. KING. I think the Senator does not mean to defend the Bolshevik view, nor would he defend a policy on the part of the American farmer to become a communist. I sympathize with the position of the Senator that agriculture has suffered a great deal, but I call his attention to the fact that if we should become red, all property would be taken over by the Government, and there would be erected a despotism under which the farmers could suffer infinitely more than they are suffering to-day under a republican form of government. So I do not think the Senator ought to encourage, by any speech which he makes—and he is a patriotic American—the spirit of communism. What we need is more democracy and less communism, more independence on the part of the people, more local self-government, and less of the absolutism which characterizes the Soviet Government, and which some people would like to introduce into the United States under the form of a centralized system of government.

Mr. FRAZIER. Mr. President, I agree with the Senator from Utah exactly. North Dakota was one of the first States where the farmers and workers organized to better their economic conditions, and yet when we organized, the opposition,

headed by outside opposition, the big interests of this Nation and political parties, as well, called us Bolshevists, free lovers, atheists, and everything they could lay their tongues to; they broke up meetings and tarred and feathered speakers. That did not happen in North Dakota, however. I am thankful to say there was not a single tar-and-feather party or a single farmers' meeting broken up out in North Dakota.

Mr. JOHNSON of Minnesota. That is because they had a good governor, like Senator FRAZIER, of North Dakota. That is why they did not break up more meetings.

Mr. KING. The Senator remembers that in the last political campaign Governor Cox, the standard bearer of the Democratic Party, speaking for the party, went into the Governor's State—the present Senator's State—and there, in a very broad and comprehensive manner, attempted to deal with the social and economic problems of the farmer and the working people of the Nation, and I am sure that the broad views which he expressed, speaking for the Democratic Party, must have found cordial support upon the part of the distinguished Senator from North Dakota.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. FRAZIER. I yield.

Mr. SHIPSTEAD. When the Senator spoke of farmers seeing red, he meant by that the American interpretation of what constitutes seeing red, did he not?

Mr. FRAZIER. Absolutely.

Mr. SHIPSTEAD. The Senator is well aware that the American interpretation of what constitutes a "red" is of an individual who will not vote the Republican or the Democratic ticket, and does not use McCormick machinery on the farm. Is not that right?

Mr. FRAZIER. Absolutely.

Mr. KING. Mr. President, if the Senator will pardon me, I think it would be better to label him an "independent," or a "progressive," and drop the word "red."

Mr. FRAZIER. I am only using the common term, "seeing red." In North Dakota we tried to change conditions in the American way, by the ballot, the intelligent use of the ballot at the polls, and that is what I advocate throughout the Nation, for the people to interest themselves in their Government. Yes, and I believe they are becoming more interested, not only in the Middle West and West, but throughout the East, too. I believe they are going to put the Government back where the framers of the Declaration of Independence and those who adopted the Constitution of the United States intended it should be—in the hands of the people themselves. That is what I advocate and I believe that is coming about, and coming quicker than a lot of conservatives think it will come.

It is intimated that in this coming campaign the World Court will be one of the chief topics, or the League of Nations, or something of that kind, and the restoration of European markets. It is said we can not have prosperity until the European markets are restored. It will be a long time before prosperity comes, in my opinion, if it has to wait until that time.

But we do not have to wait for European markets to be restored to get prosperity in this country. If the Norris-Sinclair bill could be passed and the margin of profit regulated from the time the food products and other products leave the farm until they come to the ultimate consumer; if we could get an honest price for our farm products—yes, a price that would pay the cost of production and yield a little profit and not increase the cost to the consumer a single bit—that would be all we ask. Out of a 9-cent loaf of bread only 1½ cents goes to the farmer for his wheat. The rest of it is in the handling charges, the baking, milling, processing, and profits. The same is true of many other things. The only thing that will ever put the farmers on a paying basis is to give them the cost of production for their products and a little profit, the same as any other business must have in order to be profitable. All the farmers ask, and it is all they have ever asked—and, so far as I know, all that the workers have asked—is a square deal at the hands of Congress. They are not getting it, and I want to predict that at the coming election the people will speak stronger than they have ever spoken before. I believe that they will demand that they have a square deal here and will keep up the fight until they get it.

I was indorsed by the Nonpartisan League of North Dakota as a candidate for the United States Senate. They said it would be an awful disgrace if the people of that great State should elect a United States Senator who had been recalled as governor, and perhaps it was. I did not go to the convention. I told the boys who spoke to me that I had had my share of politics and wanted to go back on the farm and build it up again, because it had run down while I was away in office as governor. After the convention was over they wired me that I had received the indorsement as candidate for United States Senator and asked me to come down there. I went down and talked the matter over with them and went into the fight. We had to get money to pay for our campaign expenses. I want to say right here that, as Senators know, the senior Senator from Massachusetts [Mr. LODGE], on May 21, 1924, at page 9109 of the RECORD, in talking about campaign expenses, said:

> I think I am putting it moderately when I say that nine-tenths of the money expended on behalf of the party of the Senator from Arkansas, as well as my own, is raised in the city of New York.

Admitting that nine-tenths of the campaign funds of both of the great parties are raised in Wall Street——

Mr. HEFLIN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Alabama?

Mr. FRAZIER. I yield.

Mr. HEFLIN. Does not the Senator recall that I challenged the statement of the Senator from Massachusetts and stated that nine-tenths of the Democratic campaign fund was raised about the country in $1, $5, and $10 subscriptions?

Mr. FRAZIER. I did not remember that the Senator had challenged the statement.

Mr. JOHNSON of Minnesota. Mr. President, will the Senator yield a moment?

Mr. FRAZIER. Certainly.

Mr. JOHNSON of Minnesota. Talking about campaign contributions, I introduced a resolution in this body about six weeks ago requesting the chairman and the treasurers of the two major parties to report to this body who helped to pay the deficit in their respective parties. Up to this minute not a single statement has been filed about the matter. I am told that there was a deficit last fall of $1,600,000 in the Republican Party alone. We found that Doheny and Sinclair had paid some of it. When I saw in the newspaper this morning that Lowden, of Illinois, is going to be the candidate for the Vice Presidency of the United States I was a little bit suspicious that perhaps he had helped pay a part of the deficit.

Of course, we can not go out and get the information. My resolution did not demand that they should produce it. It merely asked them to produce it, but they have not done it. It would be mighty interesting to have a report from those gentlemen if they dared to come out with it now. But no; they keep that away from the common people.

The Senator from North Dakota has mentioned the fact that we have to go out among the poor farmers and get subscriptions in $1, $2, and $5 amounts. That is true. But where did the other organization get their money? I want to say right straight from the shoulder here, and I do not hesitate, because I have first-hand information, that some "lame ducks" in the Republican Party were to be taken care of by the President of the United States. I got first-hand information that they did try to shake off some of them but could not do it because it was a promise made to them months before.

Mr. FRAZIER. Mr. President, during our campaign in North Dakota in 1922 and in all the other campaigns we have gone through since the farmers organized not a single dollar has ever come from New York, Wall Street, or any place else or from any of the rest of the big interests. The money has been put up by the people themselves generally through collections. In the last campaign we took up collections at every meeting. I sent in to headquarters from my meeting, after paying my expenses and the expenses of the men who traveled with me, over $1,200; and that was the bulk of the money they had for the whole campaign, resulting out of collections taken up at the meetings.

Just after the nominating convention I received a letter from a very prominent judge who had been a resident of our State since the early days. He was visiting in the West for his health. He wrote me saying that he was glad I had been indorsed as a candidate for the United States Senate. He said he was afraid that the farmers and workers in North Dakota might get discouraged after their apparent defeat by the recall, and said if the farmers and workers of North Dakota want to win, if they want to get anything to benefit themselves, they will have to enlist for the duration of the war. I want to say right here, Mr. President and Members of the Senate, that the farmers and workers of the Middle West and West have enlisted for the duration of the war and they are going through with this fight. Yes, if it takes a lifetime, they are going through with the fight until they put the Government back in the hands of the common people. I believe in proportional representation

and if the farmers and workers think by the greatest stretch of imagination that they can send corporation attorneys to the United States Congress and get fair representation, I do not understand their viewpoint. When two-thirds of the Members of Congress are attorneys, and most of them corporation attorneys at that, we can not expect to have the Government that Lincoln said we should have—of the people, by the people, and for the people.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2257) to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended.

The message also announced that the House had passed bills of the following titles, in which it requested the concurrence of the Senate:

H. R. 4971. An act to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes;

H. R. 6095. An act to authorize the Secretary of War to sell real property, to wit, a portion of the Fort Revere Reservation at Hull, Mass.;

H. R. 6541. An act to amend an act entitled "An act to provide for the disposal of the unallotted lands on the Omaha Indian Reservation, in the State of Nebraska";

H. R. 7522. An act to authorize and direct issuance of patents to purchasers of lots in the town site of Bowdoin, Mont.;

H. R. 8308. An act authorizing the Coast and Geodetic Survey to make seismological investigations, and for other purposes;

H. R. 9314. An act to amend section 98 of the Judicial Code; and

H. R. 9380. An act granting the consent of Congress to Board of County Commissioners of Aitkin County, Minn., to construct a bridge across the Mississippi River.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker of the House had signed enrolled bills and a joint resolution of the following titles, and they were thereupon signed by the President pro tempore:

H. R. 3104. An act granting 160 acres of land to the Western State College of Colorado, at Gunnison, Colo., for the use of the Rocky Mountain biological station of said college;

H. R. 8233. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes; and

S. J. Res. 142. Joint resolution providing for the United States Government to have representation at the celebration of the centennial of the first meeting of the Legislative Council of the Territory of Florida.

ORDER OF BUSINESS

Mr. WALSH of Montana. Mr. President, I inquire what is the order of business?

The PRESIDENT pro tempore. The regular order of business is the presentation of petitions and memorials.

Mr. WALSH of Montana. I shall insist hereafter on the observance of the order of business.

Mr. JONES of Washington. Regular order!

Mr. BRUCE. Mr. President, I ask unanimous consent——

Mr. NORRIS. Mr. President, there are quite a number of Senators who have bills to introduce and some have reports to make from committees. Could not Senators wait with their remarks until the routine morning business is finished and let us dispose of routine business?

Mr. BRUCE. It will only take a moment to dispose of the matter in which I am interested.

Mr. WALSH of Montana. With all due deference to the Senator, I must insist on the regular order.

The PRESIDENT pro tempore. The regular order is demanded, which is the presentation of petitions and memorials.

PETITION

Mr. HARRISON presented resolutions adopted by the Mississippi Funeral Directors and Embalmers' Association favoring the passage of legislation for the establishment of a mortuary corps as a part of the Military Establishment of the United States, with qualified funeral directors and morticians constituting the officer personnel thereof, which were referred to the Committee on Military Affairs.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 4971. An act to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; to the Committee on Post Offices and Post Roads.

H. R. 6095. An act to authorize the Secretary of War to sell real property, to wit, a portion of the Fort Revere Reservation, at Hull, Mass.; to the Committee on Military Affairs.

H. R. 6541. An act to amend an act entitled "An act to provide for the disposal of the unallotted lands on the Omaha Indian Reservation, in the State of Nebraska"; to the Committee on Indian Affairs.

H. R. 7522. An act to authorize and direct issuance of patents to purchasers of lots in the town site of Bowdoin, Mont.; to the Committee on Public Lands and Surveys.

H. R. 9314. An act to amend section 98 of the Judicial Code; to the Committee on the Judiciary.

H. R. 8308. An act authorizing the Coast and Geodetic Survey to make seismological investigations, and for other purposes; and

H. R. 9380. An act granting the consent of Congress to Board of County Commissioners of Aitkin County, Minn., to construct a bridge across the Mississippi River; to the Committee on Commerce.

H. R. 4088. An act to establish the upper Mississippi River wild life and fish refuge; to the Committee on Commerce.

CODIFICATION OF VETERANS' BUREAU AND WAR RISK ACTS

Mr. REED of Pennsylvania. Mr. President, I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2257) to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act as amended and the vocational rehabilitation act as amended.

[For conference report see the RECORD, House proceedings, pages 11001 and following.]

Mr. REED of Pennsylvania. I ask that the conference report be agreed to.

Mr. NORRIS. Mr. President, I would like to ask the Senator if he will not allow morning routine business to be finished before we consider any of the conference reports?

Mr. REED of Pennsylvania. It will only take a moment, I believe. I move that the Senate agree to the report of the committee of conference.

Mr. DILL. I would like to know what are some of the changes presented in the conference report. I do not want to ask to have it lie over a day, but I would like to have a chance to examine it. I suggest to the Senator that he wait until the regular routine business is disposed of.

Mr. REED of Pennsylvania. I understand that a conference report is privileged at this time.

Mr. DILL. It is only the presentation of it that is privileged and not a motion to adopt it.

Mr. REED of Pennsylvania. A motion to proceed to its consideration is also privileged.

Mr. DILL. Not in the morning hour.

Mr. REED of Pennsylvania. The motion can be made after 1 o'clock, I understand.

Mr. DILL. No; after 2 o'clock.

The PRESIDENT pro tempore. The Chair is of the opinion that the conference report is in order at this time, and the question is upon the motion of the Senator from Pennsylvania.

Mr. WALSH of Massachusetts. Mr. President, I do not want to interrupt the Senator from Pennsylvania, but I would like to suggest that the Senator from Tennessee [Mr. SHIELDS] be sent for. He is interested in the report. He can be sent for while the Senator from Pennsylvania is explaining the conference report.

Mr. REED of Pennsylvania. Mr. President, Senators will find the conference report printed in full, beginning at page 11001 of the CONGRESSIONAL RECORD.

In substance the House has conceded to the Senate bill throughout. They have conceded the necessity for classification and have adopted our bill as the basis of the code. The only changes that were made that have any substance or are

of importance will be found summarized in the statement compiled by the House conferees at page 11010 of the CONGRESSIONAL RECORD.

As will be seen there, it is provided that we accepted the House provision regarding the annual report of the director, which involves no concession in substance. We next accepted the provisions barring conscientious objectors and aliens who used their alien citizenship during hostilities. We agreed to the amendment which the House had put in which provides for compensation regardless of misconduct to those men who are totally blind, to those who are paralyzed, to those who are afflicted with paresis, and to those in our hospitals suffering from constitutional lues while they are in the hospital. That will end by saving the Government money, because these cases not infrequently go on in increasing aggravation of ailments incurred during service, for which the Government would have to pay. The provision is very strictly limited, and it is substantially cut down from what the House had provided.

In the Senate the bill as reported from the committee was amended on the motion of the Senator from Washington [Mr. DILL] to extend the presumptive period in cases of tuberculosis and mental trouble to five years from the date of discharge. The House of Representatives "went us one better" on that and made it six years. We compromised that disagreement by agreeing on a uniform date which is actually about five and a half years from the date of the average discharge; that is to say, the presumptive period for all men runs to January 1, 1925. It seemed to us that that was a proper compromise between the Senate and the House provision.

Another amendment, which was offered by the Senator from Tennessee [Mr. SHIELDS], was put in the bill on the floor of the Senate. To that amendment the House of Representatives disagreed; and that is the only remaining matter of importance that I need detain the Senate to explain.

Mr. SHIELDS. I should like to have the Senator state fully what was done in reference to that amendment.

Mr. REED of Pennsylvania. That is just what I am proceeding to do. As the bill left the Senate it contained the so-called Shields amendment, providing that cases of tuberculosis which had not yet reached a state of arrest should be rated as permanent total disability, carrying $100 a month for a period of one year after the diagnosis of arrest. I think in substance that was the effect of the amendment; that is to say, if a man actually had tuberculosis, he should be entitled to a minimum of $100 a month until one year after the disease was pronounced cured, and that thereafter he should be entitled to a minimum of $50 a month for the remainder of his life.

That carried with it, by implication, a maturity of his insurance policy, if he had one; so that a single man who had the Government insurance would receive not only the $100 a month after he was pronounced cured but he would get $57.50 a month from his insurance policy, which provided for total permanent disability. The House of Representatives absolutely refused to agree to that. We had more trouble over that amendment than over any other point of disagreement. We finally worked out a compromise that seemed to all of the Senate conferees and to all of the House conferees to be a just one, and this is what it provides: So long as a man is in a hospital, under the present regulations he is given a total temporary disability payment which amounts to $80 a month. I am, of course, speaking of single men who are without dependents. That remains the law. If he can be discharged before his tuberculosis is pronounced to be arrested, then, under the conference bill, he is entitled to a rating of total temporary disability for not less than three years after his discharge in a state of quiescent tuberculosis, but after he is pronounced cured, when his disease is arrested, then the conference bill grants him that same temporary total disability allowance for six months after he is cured.

We all realized the force of the argument of the Senator from Tennessee, that a man may be pronounced cured, but if he is thrown instantly into hard physical labor he is apt again to break down and his disease may again flare up. We wanted, in so far as we could with justice to the Treasury, to give that man assurance of support for a period after he was pronounced cured. Senators will find the provisions of the bill on that subject in the last paragraph of page 11005 and the second paragraph of page 11006 of the RECORD. We did the best we could to hold the entire Senate amendment, as we deemed it our duty to do, and what we have done has been to secure a material improvement in the law relating to those cases.

I think there is nothing else of material improvement over the present law and of material improvement over the bill as it was reported to the Senate. The Senator from Tennessee may justly feel that he and those who worked with him for the amendment accomplished a great thing for the tubercular soldiers.

Mr. DILL. Mr. President, I wish to ask the Senator from Pennsylvania a question about the men who are in hospitals who have been placed there simply because they were ex-service men. There was a provision in the bill allowing those men a small compensation. As I understand, that provision was not retained.

Mr. REED of Pennsylvania. That provision we could not retain, though we tried to do so. I believed in it firmly, and I know my colleagues did, but it would have meant a disagreement if we had insisted. We did retain the privilege of hospitalization for all veterans; that much we gained.

Mr. DILL. Let me ask the Senator another question regarding the disability of men resulting from the treatment in hospitals. Is there any provision in the bill by which men can get compensation for such injury?

Mr. REED of Pennsylvania. Yes; that is in the bill exactly as if it were a service injury which was received during war time.

Mr. DILL. I asked that question because a few days ago when I made some remarks in the Senate regarding the use of the spinal puncture in the hospitals, an hour later an ex-service man who was in the gallery and overheard the discussion came to my office. He had had a spinal puncture used upon him, and he told me that he was laid up for 15 months, paralyzed, in the hospital as a result. He wanted an amendment of some kind put into this bill in order that he might have compensation as the result of that treatment; and it seemed to me that was a very just request.

Mr. REED of Pennsylvania. Such a provision is included in the bill.

Mr. DILL. I am glad to know that.

Mr. REED of Pennsylvania. And it will take care of such cases.

Mr. DILL. Mr. President, I wish to say to the Senator from Pennsylvania that I believe the spinal puncture treatment of these ex-service men in the hospitals ought to be stopped. It is cruel; it is inhumane; it is terrifying to those men. For instance, since I made the speech to which I have referred, I have received a number of letters from all over the country citing instances where men have been given the spinal puncture treatment and paralysis has resulted from it. The doctors insist on it as a method of determining whether or not there shall be compensation paid to such men. I believe that it ought to be stopped and stopped completely, because if these boys are in such condition that the doctors can not determine it except by puncturing their spines, they ought to be given the benefit of the doubt.

Mr. SHIELDS. Mr. President——

The PRESIDENT pro tempore. May the Chair make a suggestion? The conference report is of a privileged character and may be laid down at any time, but the question of whether the conference report is to be considered is a question that must be decided by the Senate. The Chair feels that that question ought to be put at the present time. The rule provides that it must be decided without debate. So the question is, Will the Senate proceed to the consideration of the conference report?

Mr. WALSH of Montana. Mr. President——

Mr. NORRIS. That is debatable, is it not, Mr. President? I wish to appeal to the Senator from Pennsylvania——

The PRESIDENT pro tempore. The rule provides that the question of proceeding to the consideration of a conference report is not debatable, but the report itself is debatable when once it is taken up.

Mr. NORRIS. Mr. President, the Senator ought not during the routine morning business try to push a measure of this kind through the Senate.

Mr. SHIELDS. Mr. President, I thought I had been recognized by the Chair.

Mr. WALSH of Montana. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Montana will state his inquiry.

Mr. WALSH of Montana. I have not heard anybody move to proceed to the consideration of the conference report. Was such a motion made?

Mr. REED of Pennsylvania. I made such a motion.

The PRESIDENT pro tempore. The question of consideration was raised, and it has to be decided without debate. The Chair will put that question now. Will the Senate proceed to the consideration of the conference report?

Those who are in favor of so proceeding will say "aye"; those who are opposed to it will say "no."

Mr. REED of Pennsylvania. I ask for a division.

The PRESIDENT pro tempore. A division is demanded. Those who are in favor of proceeding to the consideration of the conference report will rise and stand until they are counted.

Mr. REED of Pennsylvania. I call for the yeas and nays, Mr. President.

The yeas and nays were ordered, and the principal clerk proceeded to call the roll.

Mr. PHIPPS (when his name was called). I have a pair with the junior Senator from North Carolina [Mr. DIAL]. I am informed that if he were present he would vote as I intend to vote, and I therefore feel at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. COLT (after having voted in the affirmative). Has the junior Senator from Florida [Mr. TRAMMELL] voted?

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). That Senator has not voted.

Mr. COLT. I have a general pair with the Senator from Florida, and therefore withdraw my vote.

Mr. ROBINSON. I desire to announce that the junior Senator from Indiana [Mr. RALSTON] is necessarily absent. If he were present he would vote "yea."

The result was announced—yeas 74, nays 0, as follows:

YEAS—74

| | | | |
|---|---|---|---|
| Adams | Fernald | La Follette | Shields |
| Ashurst | Ferris | Lenroot | Shipstead |
| Bayard | Fess | Lodge | Shortridge |
| Borah | Fletcher | McKellar | Simmons |
| Brandegee | Frazier | McKinley | Smith |
| Brookhart | George | McLean | Smoot |
| Broussard | Gooding | McNary | Spencer |
| Bruce | Hale | Moses | Stanfield |
| Cameron | Harreld | Neely | Stephens |
| Capper | Harris | Norris | Sterling |
| Copeland | Harrison | Oddie | Swanson |
| Couzens | Heflin | Overman | Wadsworth |
| Cummins | Johnson, Calif. | Pepper | Walsh, Mass. |
| Curtis | Jones, N. Mex. | Phipps | Walsh, Mont. |
| Dale | Jones, Wash. | Pittman | Watson |
| Dill | Kendrick | Reed, Mo. | Wheeler |
| Edge | Keyes | Reed, Pa. | Willis |
| Edwards | King | Robinson | |
| Ernst | Ladd | Sheppard | |

NAYS—0

NOT VOTING—22

| | | | |
|---|---|---|---|
| Ball | Gerry | Mayfield | Trammell |
| Bursum | Glass | Norbeck | Underwood |
| Caraway | Greene | Owen | Warren |
| Colt | Howell | Ralston | Weller |
| Dial | Johnson, Minn. | Ransdell | |
| Elkins | McCormick | Stanley | |

So the motion was agreed to; and the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2257) to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended.

Mr. WALSH of Massachusetts. Mr. President, there is little about the changes made in this bill in conference that can be added to what the Senator from Pennsylvania [Mr. REED] has said. An opportune time, however, is at hand to call the attention of the country to just what the situation is concerning our disabled veterans.

There has been a good deal of criticism of the management of the Veterans' Bureau. I myself at various times have indulged in this criticism and am responsible for inaugurating the two investigations held since March 4, 1921. Recently the Senator from Nevada [Mr. ODDIE] presented some views in which he indicated that he believed that the management of the bureau was not at the present time satisfactory; that there was need of more dismissals and other reforms.

I think the public ought to distinguish between enacting laws that are beneficial and helpful to disabled soldiers and the managerial work of the bureau. The administration of the bureau is an executive function, and the executive department must be held responsible for the mismanagement of the past and that of the future. Congress is responsible for providing the money and for enacting the laws that will help to relieve the difficulties of administration due to red tape and divided responsibility.

In my opinion the present bill is a great step forward and one of the most satisfactory measures that could be enacted by the Congress in behalf of the disabled veterans—in fact, of all veterans of the war. I do not know of a single solitary reasonable request made by any organization of the veterans of the war or the bureau that has not been granted and included in this bill. I do not know of a single material feature in which this bill could be improved in so far as giving the necessary money to provide compensation, hospitalization, and rehabilitation for the veterans of the World War; and I want to take this occasion to compliment the Senator from Pennsylvania [Mr. REED] for his industry, for his ability, and for the long and tedious hours that he has given to the construction of this piece of legislation. It has been an honor and a privilege to be associated with him in the long and difficult talk of drafting this measure.

Mr. DILL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Washington?

Mr. WALSH of Massachusetts. I do.

Mr. DILL. The Senator was a member of the committee that made the investigation of the Veterans' Bureau?

Mr. WALSH of Massachusetts. Yes.

Mr. DILL. Has that committee made its final report to the Senate?

Mr. WALSH of Massachusetts. I am very glad the Senator asked me that question. We have made three reports, and I have on my desk now a report which I am going to submit today dealing with the whole hospitalization situation, to which I have given a good deal of time and study, covering several months, and I hope it will be some contribution to the solution of the hospitalization problem and the improvement of the facilities for their care and the relief of their dependents.

Mr. DILL. I want to say to the Senator that I think the committee has rendered a very great service. There is a question in my mind as to whether or not the committee should be continued during the summer; and I wondered what was the Senator's idea, without speaking personally as to the value of such a committee, about continuing this work of investigation during the coming recess or adjournment of Congress.

Mr. WALSH of Massachusetts. In my opinion, it should be continued.

Mr. DILL. It will require a new resolution, however, to continue the committee, will it not?

Mr. WALSH of Massachusetts. There is some question about that. I think possibly under the present resolution the duties of the committee may end at the adjournment of this session, and it may be necessary to have a resolution introduced extending the time. I will tell the Senator why I think it ought to be continued—because a good deal of the work of the committee has been that of making helpful and sympathetic suggestions to the director. I hope the Senator from Pennsylvania will agree with me about that. We can not pass laws telling the director how to run or improve this or that department of the bureau, whom to place in this or that position, how many employees he ought to have, or how many and whom he ought to dismiss. It is largely administrative; and the Senator from Nevada [Mr. ODDIE] has been especially interested in that feature of the work of our committee, in examining into the personnel, in making recommendations as to the removal of incompetents in the personnel, and the removal of superfluous employees. In my opinion, all of this work, when sympathetically made, is very helpful and very beneficial; so that, in answer to the Senator, I will say that I believe that by keeping the committee intact it can from time to time send for the director and confer with him and discuss with him improvements in the bureau.

On many occasions the members of this committee have met and have conferred with the director, and only within a day or two the Senator from Pennsylvania, while we were in this conference committee, discussed very seriously some of the problems in the bureau that we thought ought to be corrected, and we were very frank in our statements among ourselves and to him that further improvements were desirable. Certainly no one has been franker or braver than the Senator from Nevada [Mr. ODDIE] in his suggestions about improving the personnel of the bureau.

If the bureau fails now, with this legislation, satisfactory to everybody, then the country will place the blame upon the man in charge of the bureau; and if the present director fails now, with all the requests granted that he made of Congress, then he must suffer the consequences and some other chief must be placed in his office. It is an office that requires the highest measure of ability, and sympathy with the veterans and courage and strength of character to master this great problem.

The office, however, is a most difficult one. It is an intricate one; and I have had a great deal of sympathy for the present director, for he went into a bureau that had reached about as low an ebb as it was possible for a governmental bureau to reach. He went into that office, when it was believed to

be encumbered with graft and corruption and incompetency; when there appeared to be no purpose to transact the business of that bureau orderly, intelligently, patriotically, or efficiently. The present director has had a very difficult problem; and the work of our special committee has been largely along the line of encouraging him, of cooperating with him, and of assisting him to work his way out of the mess of intrigue, of deception, of corruption, and of incompetence in which he found himself.

On the whole, I think the director has done well. He is honest. He must be more than that; he must be firm and yet kindly. I do not think he has by any means elevated the bureau to a state of perfection. I think there is much more to be done; but I must say that from my general survey of his work I think he has given of his best energy and of his best ability and has done a large amount of good. I think he is still on probation, as it were. While I have not had time to study all the evidence, I think it possible and perhaps necessary that some of the suggestions the Senator from Nevada [Mr. ODDIE] has made be carried out, but I think for the present we ought to continue to strengthen the director's hand and purpose; but that does not mean that we should not make constructive criticism. The past wrongs have been exposed. The evils of the past have been pointed out. The road to progress has been entered upon, the money has been provided, and the laws have been improved. There is absolutely no excuse for failure now; and if any complaints come in the future they must be complaints to remove from office the director, if he is not able to meet the requirements of the job and to administer the law properly and courageously.

Mr. President, I ask the indulgence of the Senate for taking up its time; but I did want to send word to the country that this measure is as liberal and as broad as it has been possible to make it. It grants all reasonable relief that has been asked for and meets with the satisfaction and approval of all the organizations of the veterans and their friends and everybody interested in this problem. It goes far beyond what the Government has ever done for the Spanish War veterans or the Civil War veterans. The director and President must now accept full responsibility. Congress has given them the machinery; time will determine if they are capable of operating it.

Mr. SHIELDS. Mr. President, the amendment in behalf of the tubercular ex-service men was one in which those afflicted with that trouble were much interested, and one which I believe was necessary for their comfort, for their cure, and for their welfare in every respect. I am disappointed that it did not remain in the bill as passed by the Senate, and I know those who were to be benefited will be sorely disappointed; but I am satisfied that the conferees upon the part of the Senate have made an earnest and persistent effort to have it retained as passed by the Senate, and I have no fault to find with them. On the contrary, I commend their efforts to get the compromise which now appears in the bill. While it is not sufficient to give the full relief these men need and which eventually, I think, they will have, yet it is an advance step, it is a recognition of the principle involved, and I hope that at a subsequent session the law will be made as provided in the amendment.

I will not object to the conference report, because the bill is one of great merit. I do not wish in any way to jeopardize it in the concluding hours of the session. I will not ask that it be recommitted for fear that something might occur so that it would not become a law, and for that reason I am going to acquiesce in it.

The Senator from Pennsylvania [Mr. REED] has given a very full and clear statement of it, and I do not care to repeat it; but I do deeply regret that the amendment could not be retained as passed by the Senate.

Mr. ODDIE. Mr. President, I have already commented at considerable length on the matters relating to the bureau. I have commented on the splendid and efficient work done by my colleagues on the committee, and I want to thank my colleague from Massachusetts [Mr. WALSH] for the kindly expression he has made about my work this morning. But, Mr. President, referring again to the work of the committee and to the conditions I have found to exist in the bureau, I stand squarely on the report I have made to the Senate. I have found no occasion to take back one word. In spite of the fact that insinuating statements have been made on this floor regarding what I have said—which can be answered—I am not going to stoop to small controversies. I stand on the broad principles I have enunciated and the facts I have stated.

Mr. WALSH of Massachusetts. Mr. President, the Senator from Nevada will agree that if the facts which he has presented to the Senate are well founded—and I do not doubt but that they are—the solution of the difficulties he has pointed out rests entirely and solely with the President of the United States and not with the Congress.

Mr. ODDIE. Mr. President, I admit that; but the President of the United States has been in a very difficult position in this matter in having received information regarding the bureau from many sources. I feel and I know that the President is anxious to clean up the conditions that are not satisfactory in the bureau; that he is working on that matter now, and that when he is convinced that certain things must be done he will do them. I hope that what I have presented will be of assistance to him.

Mr. SHIPSTEAD. Mr. President, I want to ask the Senator from Massachusetts a question. The Senator from Massachusetts was a member of the committee investigating the Veterans' Bureau, and the committee made a preliminary report last fall, promising to make a more complete report later. I have been trying to get a copy of that report, but I am informed that it has not been made up to this time. I would like to ask the Senator when a complete report will be made?

Mr. WALSH of Massachusetts. Mr. President, there have been three preliminary reports made. The first report was a recommendation for the codification of all present laws, and recommendations for the expansion and enlargement of the present benefits to veterans.

The second report was a discussion of the conditions the committee found in the Veterans' Bureau, plus a statement made by the attorney for the committee.

The third report was a report made by myself of the Veterans' Hospital at Rutland, Mass., which illustrated the general conditions existing in all hospitals throughout the country.

I have on my desk now a very extensive report upon the hospitals of the country at large, which I will present during the day. In addition to all these reports a great amount of work has been done and a great amount of time has been spent by the Senator from Pennsylvania [Mr. REED] and myself in trying to codify the laws relating to the veterans of the World War, and the result of that work, sometimes necessitating our presence at our offices on Sundays and many evenings, is the bill which is about to pass.

In addition to that the Senator from Nevada [Mr. ODDIE] has devoted himself largely to investigating and inquiring into the personnel of the bureau. He has made observations to the Senate, which we have all heard. He has carried his information to the President; and I want to repeat that even the investigating committee can not order men out who are inefficient. If there are incompetents there, if there is intriguing and conspiring going on, if there are men disloyal to the veterans or to their chief, it is the duty of the director—and if he can not do it, it is the duty of the President—to remove them. All that the Senator from Nevada is leading up to is to give proof that the present director has not either the courage or the ability or the capacity to clean out his department of disloyal men, and, of course, the President must be satisfied of the fact; and if he is, I have no doubt but that he will make a change, if one is necessary.

The Senator from Washington [Mr. DILL] suggests that our committee continue during the recess. I stated, and I think the Senator from Pennsylvania will agree with me, that a great deal of our work now is and in the past has been in the way of suggesting to the director that this ought to be done or that that ought to be done, trying to uplift and improve the administrative features of the bureau. I think it would be a very good idea for the committee to continue in existence, and I am glad to know, from the Senator's inquiry, that he believes the work should go on.

Mr. DILL. Mr. President, I have taken a somewhat critical attitude at times regarding this legislation for the Veterans' Bureau, but I want to say now that I think the legislation is indeed a very great improvement over the present law. I think the committee deserves a great deal of credit, and the thanks of the veterans and of the country, for having prepared legislation that meets so many of the needs of the Veterans' Bureau.

In the light of the fact that this investigating committee did such excellent work in finding the weaknesses of the Veterans' Bureau, which resulted in the improved legislation which we now have, I believe the Senate ought to pass a resolution before we adjourn either reappointing these Members or naming some other Members to act as a committee to sit during the recess of Congress this summer, in order that still further improvement may be made, and that whatever weaknesses are to be remedied may yet be remedied.

Mr. ODDIE. Mr. President, I will make one comment, as a member of the committee, that whether I remain a member of the committee or not, I intend to continue the work I have been

doing for the betterment of the bureau, and will continue to investigate certain other matters which I think need improvement.

Mr. NORRIS. Mr. President, I suppose everybody in the Senate is in favor of this report, and everybody is in favor of going forward, if the conference committee is not able to get what should be gotten for the veterans, because if there is one branch that ought to have kindly consideration more than any other branch of the Government, it is that which handles the affairs of the disabled veterans. I know of no objection whatever to the report.

I do want to say, however, that since we had a roll call to take up the report, it occurred to me that it was probably unintentional, but had the effect of putting some Senators in a wrong attitude, because they wanted to take this report up after the routine morning business was finished. I was one of those. We all knew, of course, that this conference report would come up, and that it would be approved, that there would not be a vote against it; but some of us insisted on the Senate adjourning yesterday in order that we might have a morning hour to transact some routine morning business, which can not regularly come before the Senate at any other time than in the morning hour.

We had taken recesses for a good while, and it was unanimously understood that we would have one adjournment in order that we could transact some morning business. It is now within 2 minutes of 2 o'clock, and no morning business can be taken up, and nothing has been accomplished except to delay. The Senator in charge of this bill himself called for a yea-and-nay vote to take up the conference report, when there was no use of that. It was going to come up anyway. I think he should have permitted us to have a morning hour and could then have taken up the report.

I have tried for two days to make a report from the Committee on Agriculture. I tried yesterday, and objection was made. I have on my desk to-day a resolution which I want to introduce and which I want to have passed before Congress adjourns, but under the law it will have to go to the Committee to Audit and Control the Contingent Expenses of the Senate, and I shall have to get a report from that committee. So every minute means something, and to quite a large number of people in my section of the country that resolution means something. Therefore it seemed to me that it was not unreasonable that we should have a morning hour. I will be at the mercy of anyone who wants to object, if I submit my resolution, because the morning hour has been taken up with other business.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Nebraska yield to the Senator from Nevada?

Mr. NORRIS. I yield.

Mr. PITTMAN. Does not the Senator believe that it would be in accordance with the rules if the Senator should at the present time ask unanimous consent that upon the disposition of this report the morning business be proceeded with until it is completed?

Mr. NORRIS. That request may be made. I do not know whether there would be any objection to it or not. I am willing, of course, to have a vote on this conference report. I do not want to delay that.

Mr. PITTMAN. I suggest to the Senator that he ask unanimous consent that upon the completion of the conference report morning business be taken up and continued until completed.

Mr. NORRIS. Carrying out that suggestion, I ask unanimous consent that as soon as the Senate has voted on the conference report routine morning business shall be in order, not to exceed an hour.

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent that morning business be conducted for not to exceed an hour longer.

Mr. BRUCE. Mr. President, I do not like to object to any proposition, but I have been endeavoring for a long time to submit a report from a committee.

Mr. NORRIS. That is just the privilege the Senator will get under the proposed unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and the unanimous-consent agreement is entered into. The question is on the motion of the Senator from Pennsylvania to agree to the conference report.

The report was agreed to.

### REVIEW OF THE REPUBLICAN ADMINISTRATION

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD, as a memorial, an editorial of the New York World of to-day entitled "1920 to 1924."

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The editorial is as follows:

1920-1924

Next week the Republican Party, meeting in national convention, will undertake to claim another term of power. It is a fitting time to ask how it has kept the faith.

We shall not ask here how well the party has kept its promises. That is to some extent a matter of argument. We shall not ask here whether one policy or another has been wise. That is a matter of opinion. We shall not ask here how competently any particular piece of business was managed. That can be disputed. Here we shall ask only whether the party as constituted to-day is honest enough to justify the renewed confidence of the American people.

On this page we submit a review of the evidence which leads us to the conclusion that the Republican administration which came into power on March 4, 1921, was inspired by so low a standard of public service, involving such easy-going tolerance of graft and waste, that it has produced the most extraordinary record of dishonesty known to this generation. There may have been in some past era of American history a record as bad. No man or woman in active life to-day has ever seen so many public men in such very high places, inside the Cabinet and intimates of the White House, do so much vulgar evil.

In reviewing the record we shall have nothing whatever to do with gossip and rumor. We shall have nothing to do with petty charges or second-string offenders. We ignore Roxie Stinson and many other associates of the former Attorney General of the United States. We take nothing from the Democratic opposition. Every charge rests either on an indictment, on evidence reported by Republicans in good standing, or on a confession under oath which has not been challenged.

We shall not complicate the record with lesser scandals, such as the dismissal of Arthur Powell Davis from the Reclamation Service, the selection of the author of the "Dear Ben" letters to be Secretary to the President, or the career of the Rev. Heber Votaw as superintendent of Federal prisons. Nor do we deal with the widespread scandal known to exist in the enforcement of prohibition or in the collection of internal revenue. These are scandals of a different order, in part because they are inherent in the nature of the laws themselves, in part because there is no evidence credible to us which connects these scandals in his department with Secretary Mellon himself. On the contrary, we dissociate Mr. Mellon, together with Messrs. Hughes, Hoover, Weeks, Wallace, Hays, and Davis, from direct complicity in the scandals themselves.

Nor shall we deal with scandals in the making of the tariff law. We have no time here to dwell upon the behavior of a sugar Senator like SMOOT, a glove Senator like Calder, or of wool Senators like GOODING, WARREN, BURSUM, and STANFIELD. We are concerned here not with incidental dishonesty but with fundamental dishonesty, not with special favors within the law but with gross violations of the law.

THE ACCUSATION

This administration stands accused of dishonesty, charged that in the person of Forbes the disabled veteran was betrayed, in the person of Fall the public property was looted, in the person of Daugherty justice was corrupted.

It is accused of shielding dishonesty, as demonstrated by the support of Newberry and the inexcusable delay and reluctance in dismissing Forbes and Daugherty.

It is accused of obstructing investigation, of resisting exposure, and of lending aid and comfort to dishonest men.

It is accused of permitting its agents to terrorize public officials in their pursuit of wrong by the use of spies against Senators LA FOLLETTE, CARAWAY, and WALSH, culminating in the attempted frame-up of WHEELER.

Finally, the respectable members of this administration are charged with slackness in preventing wrongs committed by their associates in the Cabinet, with timidity and partisanship in failing to assist their exposure, with complacency resulting in a bad moral example for failing to condemn publicly and unequivocally the dishonesty they have witnessed; and it is charged that, however honest they may be personally, they are neither vigilant enough nor courageous enough nor possessed of sufficiently stern standards of public duty to justify any confidence that they could prevent in the future the dishonesty they did not prevent in the past.

When the whole record is reviewed, the dangerous evil revealed by it is the decay of positive virtue among the respectable members of the administration. Forbes, Fall, and Daugherty are not typical Republican leaders. But they were tolerated and shielded and their exposers attacked. The leadership of the Republican Party, beginning with the preconvention campaign of 1920, has taken as its ideal national selfishness and national materialism; its spokesmen have preached contempt for idealism in the public service and have set a standard of morality which first invited dishonesty, then covered it up, and then gave it protection.

EARLIER SYMPTOMS

1. BEFORE THE ELECTION

That there was to be no nonsense about idealism was made plain even before the Chicago convention of 1920. As early as March of that year it was known that money in scandalous amounts was being used on behalf of Gen. Leonard Wood. The World at that time estimated the fund at his disposal as $1,000,000. The Kenyon committee, set up as a result of Senator BORAH'S action on the World's exposure, reported that the actual preconvention expenditures were as follows:

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|---|---|
| Wood | $1,773,303 |
| Lowden | 414,984 |
| Johnson | 194,393 |
| Hoover | 173,542 |
| Harding | 113,109 |

This exposure made Wood, who was not the machine candidate, impossible. Lowden, the next strongest candidate, was put out of the running a few days before the convention by evidence showing that two Missouri delegates—Moore and Goldstein—had each received $2,500 Lowden money, that other delegates had received smaller amounts, and that Jacob L. Babler, Republican national committeeman, had received $17,000. The Lowden money was handled by E. L. Morse.

It was this Missouri delegation which led the break to Harding in the convention. After the election Goldstein was nominated by President Harding as collector of internal revenue. Under criticism the nomination was withdrawn. W. L. Cole, a delegate who had received Lowden and Harding money, was made special assistant to the Attorney General in Washington. Roy Davis, who received $500 of Lowden money, was made minister to Costa Rica. W. H. Allen, who received $400, was appointed a prohibition agent. E. L. Morse, who handled the money, was given a $90,000 contract for a Federal hospital site, later appraised at $35,000.

In the campaign the Republican National Committee spent $5,319,729 and the Democratic $1,318,274.

The Republican Congressional Committee spent $375,969 and the Democratic $24,498.

The Republican Senatorial Committee spent $326,980 and the Democratic $6,675.

The totals reported by the Kenyon committee for the campaign before and after nominations are:

By the Republicans, $8,100,739.

By the Democrats, $2,237,770.

"These figures," says the report, "do not by any means represent the entire amount of money expended in the campaign."

2. NEWBERRY

That the new administration had no strong scruples against corrupt practices was shown very early in its action in the Newberry case.

The seat of Truman H. Newberry, of Michigan, in the United States Senate, cost $250,000 in 1918. He was later convicted of corrupt practices in the United States district court in Grand Rapids and sentenced to two years' imprisonment, but in the end he was saved from going to jail by a decision of the United States Supreme Court on a technical point, four out of nine judges dissenting. In the meantime, as Senator from Michigan, he had made it possible for the Republicans to organize the Senate and to reject the Versailles treaty. He was their majority.

For two and a half years the Republicans, who were in control of the Senate, delayed consideration of the charges filed against Newberry. But the issue of corrupt practices could not be suppressed. Finally, a year after the advent of the new administration, on January 13, 1922, the Senate, by the votes of 46 Republicans, adopted a resolution declaring Newberry duly elected and hypocritically condemning the "expenditure of such excessive sums in behalf of a candidate" as "contrary to sound public policy, harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of free government." He was saved from expulsion by five Republican votes.

The Harding administration was active in supporting Newberry. The President directly intervened to influence Republican Senators, and Secretary Hughes, who had served as Newberry's counsel in court, published a statement that his former client was a victim of social injustice and above moral reproach.

For nearly four years Newberry held a purchased seat in the Senate. But in November, 1922, nine Newberry Senators were beaten in the elections: Calder, of New York; France, of Maryland; Frelinghuysen, of New Jersey; Kellogg, of Minnesota; McCumber, of North Dakota; New, of Indiana; Poindexter, of Washington; Townsend, of Michigan; and du Pont, of Delaware.

Newberry faced an adverse majority in the Senate after March 4, 1923. On November 20, 1922, when he had studied the election returns, he resigned from the Senate because he was certain to be expelled when the new Senate came together.

THE INNER CIRCLE

The new administration which had descended upon Washington in 1921 consisted of an inner circle of friends, mostly from Ohio, and an outer circle of respectable men.

The respectable men were given the departments which manipulating politicians care least about, because there is not much in them by way of patronage, pork, pull, and the opportunities to make deals. The inner circle, which contained Daugherty, who had made Harding President, took personal charge of the department which spends the most money, the Veterans' Bureau; the department which administers the greatest amount of public property, the Interior; and the department which wields the greatest power over individuals, Justice. From the point of view of deals these departments outrank all others except prohibition enforcement, which, though it is under the Treasury, was conceded to the spoilsmen.

However, the inner circle reached out for more. With the help of the stupid Denby the naval oil reserves were brought within the jurisdiction of the inner circle by the Executive order transferring them from the Navy Department to Secretary Fall's Department of the Interior. By a special decision of Attorney General Daugherty it was made possible for Forbes to award hospital contracts without reference to the War Department. Thus by two transfers of authority the inner circle gathered unto itself the fat from the Navy and War Departments. It then reached out for the only remaining department with really important opportunity for graft. That was the Treasury with all its vast possibilities of favoritism in the handling of tax returns. The man chosen to bring the Treasury within the control of the inner circle was Mark Hanna's confidential man, Elmer Dover, of Ohio.

Dover was brought to Washington in 1921 and made Assistant Secretary of the Treasury. He was to be the patronage broker, because Secretary Mellon did not meet the requirements of the situation. Secretary Mellon was a plain business man who had no taste or understanding for such matters.

With the best will in the world Dover set about pleasing his Republican friends in Congress, but he was unable to make a clean sweep of Democrats in the Treasury Department without Secretary Mellon's assent. He had laid his plans and selected the victims for dismissal in order to make room for Republicans. But when it came time to put through his scheme and refurnish the Internal Revenue Bureau with Republicans, Secretary Mellon opposed having the bureau upset and the public service demoralized for the gratification of office seekers and their congressional backers. So the Dover scheme, after months of preparation, came to a dead halt.

The Republicans in the House went so far as to adopt a round-robin of protest against the shortage of patronage they were receiving. When the matter was brought to the White House for settlement, Mr. Harding had the choice of repudiating Secretary Mellon or indorsing the Dover scheme for the wholesale firing of Democrats. He was forced to sustain Secretary Mellon and overrule Dover, the patronage broker. There was then no longer any reason for retaining Dover as Assistant Secretary of the Treasury. His usefulness had expired, and he quit the Government service and abandoned the administration in July, 1922.

The Dover incident is significant because it represents the most important check from within the administration suffered by the inner circle in its raid upon the Government. That may account for the enmity of Daugherty for Secretary Mellon, which finally led to the use of Burns spies to watch the Secretary of the Treasury. At any rate, Mr. Mellon would not play the game, at least so far as the fiscal activities of the Treasury are concerned.

Having seen how the inner circle established itself in power within the administration, we pass now to a review of the three most challenging cases in its notorious record—Fall, Daugherty, and Forbes.

ALBERT B. FALL

When Albert B. Fall came into the Harding Cabinet as Secretary of the Interior the Nation had two great oil reserves untouched by private exploitation—Teapot Dome, Wyo., 9,481 acres, estimated to contain some 25,000,000 barrels of oil; and Elk Hills, Calif., 38,969 acres, estimated to contain at least 200,000,000 barrels. Three successive Presidents—Roosevelt, Taft, and Wilson—had set aside these reserves for the fueling of the Nation's fleet, the first line of national defense.

In May, 1921, within two months after the Harding administration came into office, Fall induced his President to transfer these great reserves from the Department of the Navy to his own department—the Interior. (Executive order, May 31, 1921.) He thereupon proceeded to dispose of the reserves to private interests on the ground that there was danger of the oil being lost through drainage. Whether such danger existed is a technical question which does not need discussion here; for the important fact, granted the danger, is that Fall did not go to Congress for funds to drill and so permit the Navy to conserve its oil for its own needs; he did not rest content with a fringe of "offset wells" around the perimeter of the reserves; instead of that he opened both reserves to private exploitation on terms so disadvantageous to the Navy that—

(a) Of the oil in Elk Hills the Navy will derive approximately 1 barrell in 12. (Statement of the Director of Geological Survey.)

(b) Of the oil in Teapot Dome the Navy will derive approximately 1 barrel in 16. (Testimony of Admiral J. K. Robison, Senate hearings, pp. 933–935.)

These are the Fall leases; they were rushed through the administration behind a screen of secrecy (Senate hearings, pp. 263–270) and they were accompanied by "loans" to Fall of $100,000 from Edward L. Doheny (Senate hearings, p. 172) and of $25,000 from Harry F. Sinclair (Senate hearings, pp. 1831–1833) within four months of his leaving office.

Fall has subsequently admitted that he lied in the first instance concerning the sources of his loans and has refused to testify further on the ground that his evidence would incriminate himself.

HARRY M. DAUGHERTY

By those who attempt an apology for Harry Daugherty it is alleged that he is the victim of sensation; that the charges against him rest upon evidence of witnesses whose past records discredit what they have to say.

It is, however, upon the testimony of no disgruntled employee but of the confidential secretary of the influential Mr. Burns that the close association of Daugherty and Jess Smith has been established:

> "Mr. Smith was a sort of second in authority to the Attorney General. * * * He had access to the files. * * * Anything he wanted he got up there." (Testimony of Mrs. W. O. Duckstein before the Senate committee, May 21, 1924.)

In the second place it is again no disgruntled employee but Jess Smith's own telegrams which prove the close association between Smith, Daugherty, Miss Roxie Stinson, and the whole clique from Washington Court House, Ohio, whose testimony is now so offensive to apologists for Mr. Harding's Cabinet. (Senate hearings, pp. 601–606.)

In the third place it has been testified by Gaston B. Means, by George Remus, and by other witnesses (Senate hearings, March 14, May 23, etc.) that into the hands of Jess Smith, "second in authority to the Attorney General," they delivered sums of money in return for an explicit promise of Daugherty's assistance in some evasion of the law. It is here that Daugherty's apologists have their first chance to raise the cry of unreliable testimony. But the fact remains, and it is nowhere challenged, that, granted these men are liars in their talk of bribes, the Attorney General of the United States lived on terms of intimacy with men who dealt in crime.

Finally, while Daugherty has been vociferous in affirmation of his innocence, he has to this day never undertaken under oath and on the witness stand to deny the specific charges brought to prove that through Jess Smith the influence of the highest legal office in the Nation was sold.

CHARLES R. FORBES

Within 60 days of his inauguration and within four weeks of the time that Teapot Dome was handed over from Secretary Denby to Secretary Fall President Harding placed in charge of the greatest single disbursing office in Washington a man whom he had met on a congressional junket to Honolulu—Charles R. Forbes.

By the organization of the Veterans' Bureau in August, 1921, under Forbes's command three Government agencies for the relief of disabled men were brought under one jurisdiction—the War Risk Insurance Bureau, part of the Public Health Service, and the Vocational Education Board—spending together a total of more than $450,000,000 annually.

Of all the events which followed a conservative Republican committee in a conservative Republican Senate reports that the record discloses "wretched incompetence, waste, and dishonesty." Two chief charges are brought against the Forbes régime:

(A) HOSPITAL CONTRACTS

The first charge concerns the award of hospital-building contracts. There was need for efficient planning and for prompt construction. With Forbes's advent political and speculative real-estate interests became active. Construction of hospitals was delayed by the desire to insure the award of construction contracts to favored contractors and by the manipulation of bids.

Thus, for example, in the case of the hospital at Northampton, Mass., all bids were twice rejected on various pretexts, to the advantage of a concern favored by Forbes, with whose agent he had had corrupt relations.

At Excelsior Springs, Mo., a hospital site appraised at $35,000 cost the Government $90,000. It was bought from E. I. Morse, a prominent Republican politician, who handled a large part of the Lowden preconvention campaign funds in Missouri in 1920. The hospital is not yet ready for patients.

In the words of General O'Ryan, counsel for the Senate committee of investigation:

> "The whole record of hospital construction throughout the country shows unreasonable delay. * * * It has been conclusively established by the testimony of witnesses, by documentary evidence, and by the corroborative effect of the numerous telltale circumstances that were brought out that fraud and corruption existed in the bureau and that Director Forbes was a leading actor in an established conspiracy to defraud the Government."

(B) MISMANAGEMENT

The second chief charge against Colonel Forbes concerns dishonesty and neglect in management. Here the clearest example is the affair at Perryville, Md., where the Veterans' Bureau had a depot for supplies.

At this depot had been assembled material of all kinds from wartime hospitals and storage depots. The Perryville station was transferred from the Public Health Service to Forbes's bureau by Executive order of President Harding. No inventory was taken. Within a few months Forbes prepared for the sale of the entire property. A secret sale agreement was made with the Thompson-Kelly Co. of Boston by which $3,000,000 of Government property brought less than $600,000, although the Public Health Service and the Veterans' Bureau had need of it. As a single instance, on the list cleared for sale as surplus the number of bed sheets was given as 2,622. Actually 84,930 bed sheets were delivered to the Thompson-Kelly Co. at 20 cents on the dollar, while other sheets bought at $1.03 were being delivered at the Perryville depot. Some of the bales of these sheets on arrival at the warehouse were run through and on the other side loaded into the waiting cars of the contractor.

In the report of the counsel for the Senate committee it is set forth that the transaction resembled "more the work of buccaneers in the looting and scuttling of a ship than the mere negligence of trusted Government officials."

This is the record of Charles R. Forbes. No steps were ever taken by any executive department of the Government to bring to justice Forbes or any of his confederates in these criminal transactions. Many months after he left the Government service a Senate select committee heard the testimony of witnesses and printed its report. Only then, after full publicity, was the Department of Justice moved to activity. On February 28, 1924, just a year after he quit office, Forbes was indicted in Chicago by a United States grand jury for accepting a bribe from an agent of Thompson & Black, a contracting firm, and for conspiracy to defraud the Government. On April 16, 1924, he was again indicted in Baltimore for conspiracy to defraud the Government in the sale of supplies at Perryville.

Under the Forbes administration, it is estimated by those associated with the Senate investigation that a total of $225,000,000 was squandered.

THE BEST MINDS

What in the meantime were the respectable members of the administration doing to prevent dishonesty, to expose dishonesty, and to punish dishonesty? Fall was under fire for the oil leases at least two years before his exposure by Senator WALSH as a bribe taker and liar. Forbes's mismanagement of the Veterans' Bureau had become notorious months before he left office and over a year before he was finally indicted. The character of Daugherty's administration of the Department of Justice had become a public scandal long before his motley collection of friends, associates, and agents were paraded before the Wheeler committee. What, then, were the respectable members of the Cabinet doing all that time? If this administration is entitled to a new lease of power, it can only be on the ground that it contains enough able and honest men to clean up the muck and prevent another raid upon the Government.

The honest men claim that they did not know what was going on. Mr. Hughes has made a public statement saying that the oil leases did not come before the Cabinet, and apparently he expects the country to be satisfied with this explanation of why Mr. Hughes, Mr. Hoover, Mr. Mellon, and others inside the Cabinet did not know as much about them as men like Senators LA FOLLETTE and WALSH outside the Cabinet. The plea that the honest men were ignorant may be true, but it does not inspire confidence in them.

In the case of Mr. Denby, who apparently was also an honest man, there is the excuse of abnormal stupidity. A man like Denby might turn over the Navy's oil reserves to a notorious anticonservationist like Fall against the advice of the chief of his Bureau of Engineering. It would mean little to him when Admiral Griffin "told him * * * that if he turned the administration over to the Interior Department we might just as well say good-by to our oil." For Denby just did not understand anything. He did not know what portion of the great Elk Hills reserve had been leased. He did not know to whom it had been leased. He did not know whether or not it had all been leased. Concerning even the broad outlines and elementary facts of a revolution in naval policy which cost the Nation some 200,000,000 barrels of oil, he testified that he would have to "consult the record and find out" (Senate hearings, p. 1284). That is Denby, who was not, to be sure, one of the best minds. The best minds, however, warned though they were in ample time by criticism in the Senate, were uninterested and uninformed.

When, finally, the whole series of scandals had been exposed without the assistance or the encouragement of any of the best minds, what did they do to show that they had learned the lesson that statesmen must be vigilant? Were they indignant at Fall, Forbes, and Daugherty? If they were, they concealed it and made no effort to convince the country that they really thought the looting of public property, the betrayal

of disabled veterans, and the corruptions of justice were serious evils. The silence which has inclosed the best minds has been eloquent, broken only by an indignant refusal on the part of Mr. Mellon to be investigated, by a keynote speech of Mr. Hughes which contained no mention of oil, of the Veterans' Bureau, or of the Department of Justice; by a speech on February 12 of Mr. Coolidge promising punishment of the guilty, followed on April 11 by a message denouncing with great violence not the grafters but the investigators of graft.

While the best minds were poised in judicial calm at the spectacle presented by their fellow Cabinet members, other minds of the administration in the Department of Justice and the Republican National Committee were preparing their reply to the exposure. The machinery of justice it must be understood was never used in all these affairs to help detect and punish graft. It was used, the best minds not preventing, to thwart investigation and punish the investigators. Thus we find that in the Daugherty impeachment proceeding in the House, the Department of Justice detectives were used to spy on Representatives WOODRUFF and KELLER, who had made the charges against Daugherty. They were used to spy on Senator LA FOLLETTE after he had attacked the Fall oil leases. They were used to burgle the Senate Office Building of papers relating to hearings then under way, and the secret codes of the Department of Justice were used to send messages to and from Edward B. McLean at Palm Beach, keeping him advised about the Senate's probable intentions of subpœnaing him. Finally, on Burns's own testimony, it is established that three agents of his bureau were sent to Montana to get something on WHEELER after Burns had been in consultation with Daugherty and George B. Lockwood, secretary of the Republican National Committee. The culminating attempt to block the pursuit of dishonesty was the frame-up of Senator WHEELER. All of this happened under a Cabinet presided over by Mr. Coolidge and comprised of the best minds.

In short, the best minds did not prevent dishonesty, they did not help to expose dishonesty, they did not severely condemn dishonesty, and they were incapable of stopping members of their administration from conspiring to obstruct investigation. And the low standard of morality which made Fall, Forbes, and Daugherty possible in 1921 prevails, in spite of the best minds, in 1924, and the same symptoms which appeared in 1921 in the Wood and Lowden campaigns have reappeared. The "Massachusetts Calvin Coolidge Finance Committee," presided over by Louis K. Liggett, has learned nothing from Newberry, from Wood, and Lowden, from the whole sorry record: "There is no limit," it says in an invitation to campaign contributors, "to the amount an individual may give to this committee. Large contributions will be so divided as to give full observance to the requirements of the statutes." Mr. LODGE in the Senate approves this letter; Mr. Coolidge by his silence does not object. Thus the cycle has gone a full turn and we are back where we started from.

If Mr. Coolidge and the best minds have learned anything, they have not revealed it.

Next week a party whose leaders in Congress have rejected the leadership of Mr. Coolidge on every major issue will offer him to the country as a man ideally fitted by character to restore confidence in the Government at Washington.

### PROHIBITION ENFORCEMENT

Mr. ASHURST. Mr. President, as a petition or memorial, I ask unanimous consent to have printed in the RECORD an article by Mrs. Kathleen Norris regarding prohibition, entitled "No compromise."

The PRESIDENT pro tempore. Without objection, it will be printed in the RECORD as requested.

The article is as follows:

[From the Philadelphia Public Ledger, April 13, 1924]

NO COMPROMISE—KATHLEEN NORRIS TALKS TO WOMEN—MAINTAINING PROHIBITION IS WAR, NOT PLEASANT AND NOT EASY, AND THERE IS ONLY ONE ANSWER TO THE QUESTION—NO COMPROMISE—AS MEN CLEARLY SEE

The mother of two boys wrote me a very forcible and impressive letter a few weeks ago. She said that her sons were 18 and 20, and that their life—the family life—was that of the usual growing American town that is almost a city; the usual tennis and boating, the usual motor car, and the usual dozen or more of club or hotel dances during the winter.

"What am I to do about prohibition and the boys?" she writes. "My husband is the best man in the world, and deep down in his heart I think he would find that he really approves of the change since our young days, the dragging of the drink evil out into the light where the youngsters can and must see it and judge it. His uncle and one of my uncles—but then who hasn't had an intemperate uncle or cousin or father? I was going to say that like almost every other family in the Union ours paid the price of alcohol in the last generation

"My husband doesn't discuss it. He knows that I would be all for absolute obedience to the law, if I had my way. Sometimes I hear his friends talking about a modified law, and sometimes I have to tell them that they may not speak contemptuously of my country in my house. But he and his friends keep a certain supply of liquor always on hand, having their cocktails and their highballs, paying their bootleggers, and he—simply doesn't discuss it.

"Meanwhile, time goes on, and my young sons see the law derided and find liquor at home and in the homes of their apparently respected and patriotic neighbors. I can't make an issue of this with my husband, can I? And I can't blame my sons for taking for granted in other women's houses the things they see in their own.

"What worries me is that I feel that we are harming the boys. I know that I am one of thousands of mothers who are faced here with an apparently insoluble problem. What are all the others doing?"

Well, dear mother of two young Americans, who may be called upon to defend that beloved flag of ours some day, I can only answer you—in the old phrase—according to my lights. And these lights have been growing strangely stronger and clearer during the troubled months of the great prohibition experiment.

I would say—no compromise.

There is no compromise in war. Men see that clearly enough. No allowance is made for the soldier who explains to his general that he did not follow orders because he did not approve of them and felt that they were pretty sure to be recalled.

And this is war; wars have been fought, and millions of lives have been lost, for far less serious and less noble causes than this.

For it is no longer merely a question of drinking or not drinking. It is a question of having a nation or not having a nation. To rob our children of alcoholic drink may or may not be wise. To rob them of honor is beyond all question an injustice to them.

Wars are not pleasant, and the conditions they impose are not easy. It was not easy for those heroic early mothers of ours to do without the tea that was so magnificently flung into Boston Harbor. It will not be easy to obey our country now, and to make real citizens, loyal and honest Americans, of this younger generation of ours.

But if we are to live as a nation it must be done.

The position of this mother who writes me and of thousands of other mothers all over the Union has become an extremely difficult one. We women have been told for hundreds of years that patriotism is a magnificent virtue. We have obediently followed in the wake of our men, sacrificing everything when need arose for our flag. Our sons, our homes, our husbands, our comfort, and our joy have all gone down before this fetish of nationalism.

For them the bands and the uniforms, the excitement and the guns, the ready phrases about national honor and the duty of an American. For them the pride, when the boys study history, and look up glowing from their books to ask questions about Washington, and the German who was George the Third, and Gettysburg, and Grant and Lee.

For us, to follow. To repeat obediently, "America needs our men; America shall have them uncomplainingly."

Now, suddenly all this is forgotten. Our country, it would appear, is a blue-nosed hypocrite, something to laugh at; her laws may be obeyed or disobeyed at will. Our children are not Americans.

Mothers, like this mother, investigate this law whose nonobservance is ruining the honesty and loyalty of the younger generation. Satisfy yourselves—it is easily done—that it was only after almost a century of debate and argument, analysis and dispute, that the eighteenth amendment was added to our glorious Constitution. There was nothing hurried or secret about it.

Satisfy yourselves of this other curious point—that two-thirds of America numerically and much more than that geographically were actually dry by popular decision when the amendment was written. Here was already an enormous majority for bone dryness, before all this dishonor and debate began.

Satisfy yourselves of the opinions of all the great constructive institutions toward the dry law—the clubs and churches, the organizations of parents and teachers, organized women everywhere, the colleges. Investigate the nearest prisons, reformatories, hospitals, alcoholic wards, insane asylums, slums, and convince yourselves just what part alcohol has played in forming and maintaining them.

Ask yourself if drink has ever made anyone wiser, happier, kinder, better. Ask yourselves—in the words of a Spanish proverb I found the other day—if water ever put a man into jail and his wife and babies into the poorhouse?

And, finally, take your stand on the question as becomes mothers and public-spirited women and American citizens. Tell your husband, your daughter, and your son that for you the question is settled. Tell the boy's friends that he is an American and will uphold the Constitution. And tell the woman who asks your daughter to a house where smuggled liquor can be found that you can not have your little girl's loyalty to the most wonderful country in the world weakened; you want still to fly that flag on February 22 and the Fourth of July; you still want to feel that all our glorious traditions are truly yours.

Call a meeting in your house of as many women as you can muster. Have some one explain to them the seriousness of the situation and

remind these same good women of their patriotism of five or six years ago, remind them of the service flags and canteens, the ignorances, and the enthusiasm. Enlist them now in a service just as serious.

It will not mean what patriotism sometimes has meant to women. It will not mean blood and danger, starvation, separation, fears, and massacres; it will not mean widowhood and ruin. It only means that a good law and a simple law, legitimately enacted, shall be held sacred.

The effect of this in one village would be tremendous. What it would mean in 100 or 1,000 American small towns, it warms one's heart to think. The path is straight before us, for what could be less complicated than being more loyal to our country?

The time has come when we must do this. The time has come when we must feel ourselves fortunate that our course is so clear. Something is the matter with America—and with the Americans. If we are to cure her we must look here first of all to this great common current of treason and contempt and disloyalty. We must steel ourselves to face the good-natured protest of the man of the house and the impatient pleading of the children. For his sake and for their sake and for America's sake we must leave the class of the unconscientious objectors and become citizens again.

Perhaps we are hardly conscious just now of what we lose when we lose our national honor. All this law breaking has crept in very quietly, fanned by jokes and cartoons and specious arguing and general indifference. For the moment we have lost sight of two important facts:

First, that alcoholic beverage is forbidden by law.

Second, that the men and women who deliberately evade their country's laws and who act and speak of her with contempt and disloyalty are traitors.

There is the whole thing in a few words. It is of no avail to argue about wetness or dryness now. That is not the question. It is stupid to discuss a "light wine and beer" law. For there is no such law. The long years of the prohibition fight were glorious years, but they are over. The fight legally is won. The question now is one of national honor and allegiance.

But perhaps before we enter upon this second phase, this inevitable time of educating our boys and girls to patriotism, it may be as well to glance back at primary causes, at the old reasons that brought the dry law into being, at the old condition that spurred the beginners of the whole movement.

If you believed, you mother of sons, that in fighting alcohol we are fighting the very foundations of incalculable misery and abuse, fighting the fight of tearful, bewildered babyhood, of girlhood and boyhood betrayed and defiled, fighting against slums and disease and crime and insanity, fighting to empty corrective institutions filled with wistful, sullen boys as good, fundamentally, as yours, and to empty houses of such unspeakable shame as is not even mentionable to ears of girls like yours, then would you fight?

Not for commercial, political reasons we do not understand, not against some other nation with cannon and bayonet, but cleanly and honestly and in all charity and loyalty and intelligence, for the flag and the country we love, for the millions of men and women who will not fight for themselves, for these dear girls and boys who must grow up in a better world than the old drinking, swearing, sodden "Saturday-night" world we knew. If you believed that you might have a hand in that, then would you sacrifice and endure and fight?

You know you would. It seems to me that this is the answer. The hip flask and the bootlegger are a compromise, and a dangerous compromise. They are compatible neither with patriotism nor with common morality. In asking husband and sons to give them up you are asking them to surrender nothing but what is harmful and shameful.

Some day, to be sure, the law may be altered. That will reopen the old prohibition problem and give every loyal American an opportunity to express himself about it to some purpose. But meanwhile—and it promises to be a long while—have we any choice?

I think not. I think the very boys and girls, once it is fairly explained to them, will see that we have not. They may at first laugh a little at mother's fanaticism, but surely we have become thin skinned if we are afraid of that. The pioneer mothers were not afraid of their children; the mothers of Revolutionary days would have known how to deal with any youth or maiden who dared pipe up for the scarlet uniform.

Explain to them your predicament, and that there will be no further compromise. You will find plenty of other influences backing you. Unexpectedly this woman and that, this man and that, will approve. They will help you to create a public feeling against the easy patriotism of the liquor-drinking neighbors, who still speak of themselves as Americans and of the Stars and Stripes as their flag.

And then when it is done, in a few months or a few years, and the lawbreakers come suddenly to their senses, you will know that you have had a hand in it—you have helped to give America back to her sons and daughters again.

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COLUMBIA RIVER BRIDGE, WASHINGTON

Mr. JONES of Washington. Mr. President, I have to leave the Chamber to attend a committee meeting, and I have a little morning business to present. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 9177) granting the consent of Congress to the counties of Kittitas and Grant, in the State of Washington, to construct a bridge across the Columbia River at or near Vantage Ferry, Wash., and I ask unanimous consent for its immediate consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the counties of Kittitas and Grant, in the State of Washington, or their assigns, to construct, maintain, and operate a bridge and approaches thereto across the Columbia River at a point suitable to the interests of navigation, at or near Vantage Ferry, Wash., and along the route of and continuous with the North Central Highway as officially designated by the State highway commissioner of the State of Washington, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The State of Washington, or any political subdivision or subdivisions thereof, within or adjoining which said bridge is located, may at any time acquire all right, title, and interest in said bridge and the approaches thereto constructed under the authority of this act, for the purpose of maintaining and operating such bridge as a free bridge, by the payment to the owners of the reasonable value thereof, not to exceed in any event the construction cost thereof: *Provided*, That the said State or political subdivision may operate such bridge as a toll bridge not to exceed five years from date of acquisition thereof.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Petitions and memorials are in order. If there are no further petitions or memorials to present, reports of committees are in order.

RIO GRANDE BRIDGE, TEXAS

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 9361) granting the consent of Congress to the construction of a bridge across the Rio Grande.

It is very important that the bill shall pass as early as possible. I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to C. M. Newman, his successors and assigns, to construct, maintain, and operate a bridge, and approaches thereto, across the Rio Grande, at a point suitable to the interests of navigation, at or near the point known as Alamo Alto, on the American side of the river, 1,750 feet northwest from the El Paso and Hudspeth County line, in survey No. 51, El Paso County, Tex., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, such construction to be made only with the consent and approval of the Republic of Mexico.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CHATTAHOOCHEE RIVER BRIDGE, ALABAMA-GEORGIA

Mr. SHEPPARD. From the Committee on Commerce I report back favorably, without amendment, the bill (H. R. 9457) granting the consent of Congress to the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River, at or near Alaga, Ala., connecting Houston County, Ala., and Early County, Ga., and I ask unanimous consent for its present consideration.

There being no objection, the bill was considered as in Committee of the Whole, and was read as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge and approaches thereto across the Chattahoochee River, at a point suitable to the interests of navigation, at or near Alaga, Ala., connecting Houston County, Ala., and Early County, Ga., in accordance with the provisions

of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

TOMBIGBEE RIVER BRIDGE, MISSISSIPPI

Mr. SHEPPARD. From the Committee on Commerce I report back favorably, without amendment, the bill (H. R. 9610) granting the consent of Congress to the Board of Supervisors of Lowndes County, Miss., to construct a bridge across Tombigbee River, and I ask unanimous consent for its present consideration.

There being no objection, the bill was considered as in Committee of the Whole, and was read as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the board of supervisors of Lowndes County, Miss., and their successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Tombigbee River at a point suitable to the interests of navigation, at or near Columbus, in the county of Lowndes, in the State of Mississippi, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1898) reclassifying the salaries of postmasters and employees of the Postal Service and readjusting their salaries and compensation on an equitable basis, and for other purposes.

The message also announced that the House had passed the bill (S. 3220) authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, D. C., to Fort Lincoln, Prince Georges County, Md.

DEPUTY FISCAL AGENTS OF AGRICULTURAL DEPARTMENT

Mr. NORRIS. From the Committee on Agriculture and Forestry I report back favorably without amendment the bill (S. 3018) to authorize the designation of deputy fiscal or disbursing agents in the Department of Agriculture stationed outside of Washington, and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nebraska?

Mr. ROBINSON. What is the bill? The reading of the title does not explain it.

Mr. NORRIS. I will explain it if the Senator desires. In the Forest Service there are 17 fiscal agents altogether. The bill authorizes deputy fiscal agents. We have deputies now, and it does not authorize the appointment of any new officers, but, in the absence of the fiscal agent himself, it authorizes the deputy to sign checks upon giving bond, and so forth. It is a practice they have been following, but the Comptroller General has held or has notified them that after the 1st of July he will hold that there is no authority of law for the deputies to sign checks in the absence of the fiscal agent himself. Ordinarily there are about two and a half months in the year when the fiscal agents are absent on official business and from their regular place of business.

Mr. ROBINSON. Has the comptroller heretofore approved the accounts?

Mr. NORRIS. Yes; they have been approved because that has been the practice for a great many years. He now puts them on notice that that is what he will hold, and they concluded, after investigation, that he was technically right.

Mr. ROBINSON. Is the report of the committee unanimous?

Mr. NORRIS. It is.

Mr. ROBINSON. I have no objection to the bill.

There being no objection the bill was considered as in Committee of the Whole, and was read as follows:

*Be it enacted, etc.*, That whenever the need therefor may arise, any fiscal or disbursing agent of the Department of Agriculture stationed outside of Washington, D. C., may, with the approval of the Secretary of Agriculture, authorize any qualified employee of said department to act as his deputy and to discharge all the duties by law or regulations imposed on said fiscal or disbursing agent, and the official bond given by the said fiscal or disbursing agent shall be held to cover and apply to the acts of the deputy appointed to act in his place in such cases. Such deputy shall, moreover, for the time being, be subject to all the liabilities and penalties prescribed by law for the official misconduct in like cases of the fiscal or disbursing agent, respectively, for whom he acts, and such deputy shall be required by the Secretary of Agriculture to give bond to and in such sum as the fiscal or disbursing agent may require.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

HENRY M'GUIRE

Mr. NORRIS. From the Committee on Agriculture and Forestry I report back favorably, without amendment, bill (H. R. 1306) for the relief of Henry McGuire, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nebraska?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That there is authorized to be appropriated for payment by the Secretary of the Treasury to Henry McGuire, or his legal representatives, the sum of $225.23, as full compensation for 9,385 feet, board measure, of lumber which, upon dates between September 22, 1909, and October 11, 1909, and at the specific request and direction of an employee of the Forest Service, United States Department of Agriculture, was furnished to one Hiram Campbell for use in the construction of a house to replace one owned by said Hiram Campbell which was destroyed on September 19, 1909, by fire originating from brush-burning operations conducted on national forest land by employees of the Forest Service.

Mr. NORRIS. This is a case where several years ago the officials and employees in the Forestry Service were burning some brush to clear off some land on a forest reservation. The fire got away from them and burned the house of a settler. They thought they had arrangements made to let another settler near there, who had a sawmill, to supply the man whose house was burned with lumber that would be taken from the Forestry Service, but in the meantime the man with the sawmill went somewhere else. They finally concluded that the only thing to do was to submit the matter to Congress and ask that payment be made to the man for the lumber which he actually did furnish to build the house of the settler which was burned down by the employees. It amounts to only $252.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that the President had approved and signed the following acts:

On June 5, 1924:

S. 799. An act for the relief of F. A. Maron; and

S. 3181. An act to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide additional hospital facilities.

On June 6, 1924:

S. 112. An act providing for a comprehensive development of the park and playground system of the National Capital;

S. 1971. An act to authorize the Commissioners of the District of Columbia to accept certain land in the District of Columbia dedicated by Charles C. Glover for park purposes;

S. 1013. An act for the relief of Gordon G. MacDonald; and

S. 1330. An act for the relief of the estate of Ely N. Sonnenstrahl, deceased.

REPORTS OF COMMITTEES

Mr. HARRELD, from the Committee on Claims, to which was referred the bill (S. 854) for the relief of Margaret Richards, reported it with an amendment and submitted a report (No. 775) thereon.

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3327) to provide for the cooperative marketing of agricultural commodities, reported it without amendment and submitted a report (No. 776) thereon.

He also, from the Committee on Interstate Commerce, to which was referred the bill (S. 2646) to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees

and subordinate officials, and for other purposes, reported it with amendments and submitted a report (No. 779) thereon.

Mr. BRUCE, from the Committee on Claims, to which was referred the bill (S. 2293) for the relief of Lehigh Valley Railroad Co. and McAllister Lighterage Line (Inc.), reported it with amendments and submitted a report (No. 780) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (S. 3398) to authorize the city of Norfolk, Va., to construct a dam from the southern and northern banks of Lafayette River to the southern and northern edges of the channel of said river, reported it with amendments and submitted a report (No. 781) thereon.

Mr. DILL, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 5318) to authorize an exchange of lands with the State of Washington, reported it without amendment and submitted a report (No. 786) thereon.

Mr. KENDRICK, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2844) to place the agricultural industry on a sound commercial basis, to encourage agricultural cooperative associations, and for other purposes, reported it with amendments and submitted a report (No. 787) thereon.

### LEASES UPON NAVAL OIL RESERVES

Mr. WALSH of Montana. Mr. President, from the Committee on Public Lands and Surveys I submit an interim report of its investigation into the subject of leases of naval oil reserves in pursuance of a resolution of the Senate. The report is signed by the chairman of the special committee, the Senator from North Dakota [Mr. LADD], the Senator from South Dakota [Mr. NORBECK], the Senator from Washington [Mr. JONES], the Senator from Colorado [Mr. ADAMS], the Senator from Wyoming [Mr. KENDRICK], the Senator from Washington [Mr. DILL], the Senator from Nevada [Mr. PITTMAN], and myself. Other members of the committee, I understand, have some observations to submit concerning the report.

The report as thus adopted by the committee is in substantial conformity with the draft of a report submitted by myself for approval of the committee. The committee went over the draft with some considerable care and made some changes, generally corrections of matters that had inadvertently crept into the original draft.

I will say in this connection that I prepared the report and it is an unimpassioned and impartial narrative of the proceedings before the committee and the disclosures made by the hearings. If it does not in every respect meet that idea it is because I was unable to reach it.

I wish now to move that the Senate adopt the report of the committee, but in order that Senators may have an opportunity to examine the report before a vote is had I shall ask that the motion lie on the table and shall call it up for consideration on to-morrow at some appropriate time if such occasion is presented.

The public interest manifested in the proceedings of the committee and the very great desire to learn of the conclusions arrived at, moved the committee to direct me to request that the Senate order the publication of 10,000 copies of the report. I ask unanimous consent that such order be made.

Mr. SMOOT. In order to publish the 10,000 copies, would it be within the $200 limit?

Mr. WALSH of Montana. I have not any idea.

Mr. SMOOT. It is just the report itself and not the testimony?

Mr. WALSH of Montana. Yes.

Mr. SMOOT. Then it is well within the $200 limit, so there will be no objection to it at all.

The PRESIDING OFFICER. The Chair understands the Senator offers the report, moves its adoption, and asks that the motion lie on the table.

Mr. WALSH of Montana. Yes; and at the same time I ask unanimous consent that the Senate order 10,000 copies of the report printed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana that 10,000 copies of the report be printed? The Chair hears no objection, and it is so ordered.

Mr. SPENCER. Mr. President, in this connection I present a statement signed by the five minority members of the committee, the Senator from Utah [Mr. SMOOT], the Senator from Oregon [Mr. STANFIELD], the Senator from New Mexico [Mr. BURSUM], the Senator from Arizona [Mr. CAMERON], and myself, and ask that the statement also lie on the table and that it be printed. There is no necessity for any such number of copies, but it ought to be printed so that it will be available.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri? The Chair hears none, and it is so ordered.

Mr. WALSH of Montana. I desire to make a simple statement in connection with the observations just submitted by the minority members of the committee. The statement is to the following effect:

On May 14, when the hearings were discontinued for this session, request was made, of record, that an opportunity of at least a few days be afforded in order to examine the report which the senior Senator from Montana [Mr. WALSH] indicated he intended to prepare, and that such opportunity be given before the report was submitted to the committee for final action. No such opportunity was afforded.

The report was printed and presented June 4 to the committee for immediate consideration and action. It was on that date first presented to the undersigned. It has been physically impossible to examine, in any fair or adequate manner, the statements of the report which deals with such voluminous testimony and which attempts to pass judgment on disputed questions of law, and upon controverted facts.

The report indicates that the hearings before the committee are not yet concluded, and are to be resumed in case "the authority of the committee as the representative of the Senate be vindicated" in its attempt to further interrogate Mr. H. F. Sinclair.

The statement further says:

A casual reading of the report indicates many mistakes and conclusions and inferences of fact and law which, in the judgment of the undersigned, are unwarranted by the testimony.

Mr. President, at the time I advised the committee upon conclusion of the taking of the testimony that I should make a draft of the report which I should submit to the committee, and as for its adoption the Senator from Missouri [Mr. SPENCER], a member of the committee, said that he would like to have a copy of my draft. I did not feel, in view of what had transpired before the committee, that I was called upon to submit my proposal to the Senator from Missouri any more than to any other member of the committee.

So I did not do so; but I submitted the draft to the committee, as stated in this memorandum, on the 4th day of June. The Senator from Missouri had a copy of it just as soon as any other member of the committee had. No member of the committee saw it until I submitted it to the committee. The committee then spent two days in the consideration of the report. The commitee went through it; it was read before the committee, corrections were made by the committee wherever any errors were discovered in it; conclusions of fact were discussed, and, as I have indicated heretofore, changes were made in the draft, of no great consequence, except that some conclusions were eliminated.

The Senator from Missouri unfortunately was not able to attend the meetings of the committee, nor were any of the other members whose names are subscribed to this statement commenting upon the report, save the Senator from Utah [Mr. SMOOT], who was present during a part of the first day's consideration of the report by the committee, and the Senator from Oregon [Mr. STANFIELD], who was present a part of the two days.

Mr. SPENCER. Mr. President, will the Senator allow me to ask him a question?

Mr. WALSH of Montana. Now, a general statement is made that many mistakes are found in the report that are discernible upon a casual reading.

Mr. SPENCER. The Senator will bear me out that the Senator from Missouri was there part of two days, though the Senator from Montana is quite right that unfortunately he could not attend all the sessions.

Mr. WALSH of Montana. However, the facts are as I have stated them; that the committee spent two days in going over the report and in making corrections wherever mistakes could be discovered.

In that situation of affairs, the effort to discredit the report by a general declaration that many mistakes have appeared, seems to me hardly in accordance with the practice of the Senate, to say the least. Mr. President, I shall ask consideration of this matter by the Senate to-morrow morning.

Mr. SPENCER. Mr. President, so far as the allegations of the statement are concerned, except with regard to mistakes, the Senator from Montana has substantiated them, and I thank him.

So far as the mistakes of the report are concerned, these are the facts: When the report first came into my hands, on the 4th day of June, it was a report on its face that had to do

with thousands of pages of testimony. It was physically impossible to go over that report within a day or two with any completeness or fairness. I went over it with what care I could give to it, and I found in it many mistakes both of fact and, as I thought, of law; and mistakes that were inadvertent mistakes. Some of them I called to the attention of the Senator from Montana at the first session when the committee were considering the report while I was present. Corrections of those mistakes were made. They were obviously mistakes which were inadvertent.

Further examination of the report indicates that there are precisely what this statement says, many mistakes and statements which when those who signed the statement have the opportunity will be called to the attention of the Senate in a report.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. SPENCER. I yield.

Mr. WALSH of Montana. The Senator from Missouri, of course, will have every opportunity to point out in any kind of a report which he may make any mistakes there are in this report. No one wants to deny him that opportunity.

Mr. SPENCER. The Senator from Missouri has no doubt of that right.

Mr. WALSH of Montana. And I suppose he will enjoy it and exercise it.

Mr. SPENCER. He will not enjoy it; he very much regrets it.

Mr. PITTMAN. Mr. President, the minority report in this case has been read, and therefore appears in the RECORD. It was read by the Senator from Montana [Mr. WALSH], as I understand.

Mr. SHEPPARD. I think permission was given to have the minority report printed in the RECORD.

The PRESIDING OFFICER. Such permission was granted.

Mr. PITTMAN. The majority report, which has been criticized by the minority report, contains references to the pages of the hearings which are relied on for sustaining various portions of the report. In order that the Senate may have before it to-morrow morning both the minority report and the majority report and the references to the hearings, I ask unanimous consent that the majority report may also be published in the CONGRESSIONAL RECORD.

The PRESIDING OFFICER. Without objection, consent is granted.

The report and views of the majority are as follows:

[Senate Report No. 794, Sixty-eighth Congress, first session]

LEASES UPON NAVAL OIL RESERVES

Mr. WALSH, from the Committee on Public Lands and Surveys, submitted the following report, pursuant to S. Res. 147:

The Committee on Public Lands and Surveys submits the following report on the investigation conducted by it under and by virtue of the resolution of the Senate hereinafter set out.

On April 29, 1922, the Senate adopted the following resolution:

"*Resolved*, That the Secretary of the Interior is directed to send to the Senate:

"(a) Copies of all oil leases made by the Department of the Interior within naval oil reserve No. 1, and, separately, naval oil reserve No. 2, both in the State of California, and naval oil reserve No. 3 in the State of Wyoming, showing as to each the claim upon which the lease was based or issued; the name of the lessee; the date of the lease; the area of the leased property; the amount of the rent, royalty, bonus, and all other compensation paid and to be paid to the United States.

"(b) All Executive orders and other papers in the files of the Department of the Interior and its bureaus, or copies thereof if the originals are not in the files, authorizing or regulating such leases, including correspondence or memoranda embodying or concerning all agreements, instructions, and requests by the President or the Navy Department as to the making of such leases and the terms thereof.

"(c) All correspondence, papers, and files showing and concerning the applications for such leases and the action of the Department of the Interior and its bureaus thereon and upon all the several claims upon which such leases were based or issued, all in said naval reserves.

"(d) And all contracts for drilling wells on naval oil reserves, date and terms of same, reasons therefor, and the number and date of the drilling of wells on private lands adjacent to oil reserves.

"*Resolved further*, That the Committee on Public Lands and Surveys be authorized to investigate this entire subject of leases upon naval oil reserves, with particular reference to the protection of the rights and equities of the Government of the United States and the preservation of its natural resources, and to report its findings and recommendations to the Senate."

Thereafter, on the 5th day of June, 1922, it supplemented the foregoing by the following resolution:

"*Resolved*, That Senate Resolution 282 is hereby amended by adding at the end of said resolution the following:

"That the said committee is hereby authorized to sit and perform its duties at such times and places as it deems necessary or proper and to require the attendance of witnesses by subpœna or otherwise; to require the production of books, papers, and documents; and to employ counsel, experts, and other assistants, and stenographers, at a cost not exceeding $1.25 per printed page. The chairman of the committee, or any member thereof, may administer oaths to witnesses and sign subpœnas for witnesses; and every person duly summoned before said committee, or any subcommittee thereof, who refuses or fails to obey the process of said committee or appears and refuses to answer questions pertinent to said investigation shall be punished as prescribed by law. The expenses of said investigation shall be paid from the contingent fund of the Senate on vouchers of the committee or subcommittee, signed by the chairman and approved by the Committee to Audit and Control the Contingent Expenses of the Senate."

The committee was, in form at least, authorized to continue the work devolving upon it under the foregoing, notwithstanding the expiration of the Sixty-seventh Congress, by the following resolution:

"*Resolved*, That Senate Resolution 282, agreed to April 21, 1922, and Senate Resolution 292, agreed to May 15, 1922, authorizing and directing the Committee on Public Lands and Surveys to investigate the entire subject pertaining to leases upon naval oil reserves, with particular reference to the protection of the rights and equities of the Government of the United States and the preservation of its natural resources, and to report it findings and recommendations to the Senate, and providing that the expenses of such investigation be paid from the contingent fund of the Senate, be, and the same are, continued in full force and effect until the end of the Sixty-eighth Congress.

"The committee or any subcommittee thereof is authorized to sit during the sessions or the recesses of the Senate, and after the expiration of the present Congress until the assembling of the Sixty-eighth Congress, and until otherwise ordered by the Senate."

The authority of the committee to proceed with the investigation after March 4, 1923, having been challenged (Rec. pt. 7, p. 1961), under circumstances hereinafter to be detailed, the Senate, on the 7th day of February, 1924, confirmed the authority theretofore conferred by the following resolution:

"*Resolved*, That the Secretary of the Interior is directed to send to the Senate:

"(a) Copies of all oil leases made by the Department of Interior within naval oil reserve No. 1, and, separately, naval oil reserve No. 2, both in the State of California, and naval oil reserve No. 3, in the State of Wyoming, showing as to each the claim upon which the lease was based or issued; the name of the lessee; the date of the lease; the area of the leased property; the amount of the rent, royalty, bonus, and all other compensation paid and to be paid to the United States.

"(b) All Executive orders and other papers in the files of the Department of the Interior and its bureaus, or copies thereof, if the originals are not in the files, authorizing or regulating such leases, including correspondence or memoranda embodying or concerning all agreements, instructions, and requests by the President or the Navy Department as to the making of such leases and the terms thereof.

"(c) All correspondence, papers, and files showing and concerning the applications for such leases and the action of the Department of the Interior and its bureaus therein and upon all the several claims upon which such leases were based or issued, all in said naval reserves.

"(d) And all contracts for drilling wells on naval oil reserves, date and terms of same, reasons therefor, and the number and date of the drilling of wells on private lands adjacent to oil reserves.

"*Resolved further*, That the Committee on Public Lands and Surveys be authorized to investigate this entire subject of leases upon naval oil reserves, with particular reference to the protection of the rights and equities of the Government of the United States and the preservation of its natural resources, and to ascertain what, if any, other or additional legislation may be advisable, and to report its findings and recommendations to the Senate.

"*Resolved further*, That the said committee is hereby authorized to sit and perform its duties at such times and places as it deems necessary or proper and to require the attendance of witnesses by subpœnas or otherwise; to require the production of books, papers, and documents; and to employ counsel, experts, and other assistants, and stenographers, at a cost not exceeding 25 cents per hundred words, to report such hearings. The chairman of the committee, or any member thereof, may administer oaths to witnesses and sign subpœnas for witnesses; and every person duly summoned before said committee, or any subcommittee thereof, who refuses or fails to obey the process of said committee or appears and refuses to answer questions pertinent to said investigation shall be punished as prescribed by law. The expenses of said investigation shall be paid from the contingent fund of the Senate on vouchers of the committee or subcommittee, signed

by the chairman and approved by the Committee to Audit and Control the Contingent Expenses of the Senate."

The naval reserves referred to in the resolutions are naval reserve No. 1 and naval reserve No. 2 in the State of California and naval reserve No. 3 in the State of Wyoming, popularly referred to as the Teapot Dome by reason of the local designation of the principal geological structure within the reserve, these areas embracing, respectively, naval reserve No. 1, 38,969 acres; naval reserve No. 2, 29,341 acres; and naval reserve No. 3, 9,481 acres.

During the administration of President Roosevelt, after conference with representatives of the Geological Survey, he directed that organization to institute an inquiry with a view to locating areas within the public domain believed to be rich in deposits of petroleum, having in mind the use of the same as fuel for the Navy, it having become apparent that oil was destined to become the main reliance of the navies of the world as fuel. The survey thus ordered was not completed during the term of the President who directed it, but as a result of the inquiry made, his successor, President Taft, on the 27th day of September, 1909, and July 2, 1910, issued orders withdrawing from all forms of entry the areas which subsequently became the reserves in question.

Doubt having been expressed as to the authority of the President, without specific authorization from Congress thus to withhold from disposition portions of the public lands as was the case with reference to the first order, Congress in the following year passed an act authorizing such withdrawal, and in conformity with its terms the later order of withdrawal was promulgated. The Supreme Court, however, afterwards held that the original withdrawal order was valid.

Though these lands were thus withdrawn it was not until later they were specifically set aside for the use of the Navy, President Taft designating the two California areas as naval reserves in 1912 and President Wilson the third, in Wyoming, as such in the year 1915. (Rec., pt. 5, p. 1226.)

It was not intended at any time that the store of oil thus assured should be drawn upon for current use or for use at any time when the requirements of the Navy could be met by purchases in the open market. The policy of the Government, as repeatedly expressed in official documents, contemplated the preservation of this supply for use only at some time in the more or less remote future when, by reason of the depletion of the world's supply or some other exigency like the prevalence or immediate prospect of a war, an adequate supply of oil could not or might not be procurable at a reasonable cost. (Rec., pt. 1, p. 161.)

From the time the areas in question were first withdrawn controversies have been waged between the Government on the one hand, desirous of keeping the reserves intact so far as possible, and private individuals and corporations, insisting upon rights, legal or equitable, to a portion of the lands embraced within them, or urging the wisdom, on one ground or another, of the policy of taking the oil out of the reserves, on the other hand.

While the areas in question remained a part of the open public domain they became subject to appropriation under the placer mining law, by which one who discovered mineral became entitled to a patent to a limited area embracing his discovery. Though discovery is the foundation of any such title, it was quite customary, in regions believed to be oil bearing, for the claimant or claimants to mark off the territory in which they asserted a right within the limit prescribed by the statute, recording notice of the claim pursuant to the statute of the State within which it was situated, and thereafter to prosecute the work leading to the discovery of oil. Claims of that character covered a great portion of the areas eventually set apart as naval reserves and included within the withdrawal orders. The claimants or their successors in interest insisted that it was through their efforts and expenditures that the territory came to be known as oil bearing, and that though they had not made discovery at the time the withdrawal order took effect they were entitled to consideration.

Many of these claims were unsupported by any impelling equitable considerations and others were undoubtedly fraudulent in fact. Others unquestionably had some merit. At the same time it was very generally recognized that the placer mining law was inappropriate to the disposition of oil-bearing public lands, and, accordingly, practically all lands believed to be valuable for the oil contained in them were withdrawn from entry to await the enactment of appropriate legislation by Congress. There was, of course, an insistent demand that legislation of that character should be enacted that the development of the States in which such lands were situated might not be indefinitely arrested. Efforts extending through years were made to secure legislation of that character, applicable not to the areas within the reserves but to those without. Little controversy arose concerning the general features of the legislation proposed, but its enactment was delayed for years by reason of the insistence of the claimants referred to asserting rights to lands both within and without the reserves that the so-called equitable rights should be safeguarded. The contest over this legislation continued throughout the administration of President Wilson and until the passage of what is known as the general leasing law, approved February 25, 1920.

Not a little of the testimony taken on the hearings in connection with that legislation related to the imminence of the danger of drainage of the reserves through wells on lands owned privately either within the exterior bounds of the reserves or immediately beyond them. In the course of that controversy a marked difference of opinion developed as between the Navy Department on the one hand and the Interior Department on the other, the former being charged with being unduly insistent upon disregarding the claims asserted against the Government, the latter with being unwarrantedly indulgent toward the parties asking recognition of rights claimed by them within the reserves. Generally speaking, those who were attached to and supported what has been known as the conservation policy indorsed the attitude taken by the Navy Department; those who were opposed to that policy inclined to what was understood to be the position of the Interior Department.

The act in question was by its terms made inapplicable to the naval reserves, except as therein specifically set forth. It, however, authorized the Secretary of the Interior to lease any producing wells within the reserves and further authorized the President to lease all or any part of any claim—that is, placer mining claims—within which there should be any such producing wells (Rec. pt. 3, p. 440). The history of the legislation leaves no doubt that Congress intended that the Secretary of the Interior should exercise no authority over the reserves, except as above indicated. It developed in the hearings, however, and was otherwise revealed that drainage was taking place, particularly in naval reserve No. 2 and perhaps at the eastern extremity of naval reserve No. 1, to arrest or minimize the effect of which it was desirable to clothe some one with the authority to provide for the drilling of offset or line wells or otherwise to meet the situation. It was likewise necessary, in order to carry out the policy of Congress with reference to these reserves, to authorize some one to take the oil from them whenever the contingency should arise to meet which they were created. Considering this situation, Secretary Daniels transmitted to the chairman of the House Committee on Naval Affairs an amendment to the naval appropriation bill of 1920, which with slight amendments became a part thereof as it was approved June 4 of that year (Rec. pt. 2, p. 213). The amendment in question reads as follows:

"That the Secretary of the Navy is directed to take possession of all properties within the naval petroleum reserves as are or may become subject to the control and use by the United States for naval purposes, and on which there are no pending claims or applications for permits or leases under the provisions of an act of Congress approved February 25, 1920, entitled "An act to provide for the mining of coal, phosphate, oil, oil shale, and sodium on the public domain," or pending applications for United States patents under that law; to conserve, develop, use, and operate the same in his discretion, directly or by contract, lease, or otherwise, and to use, store, exchange, or sell the oil and gas products thereof, and those from all royalty oil from lands in the naval reserves, for the benefit of the United States: *And provided further*, That rights of any claimant under said act of February 25, 1920, are not affected adversely thereby: *And provided further*, That such sums as have been or may be turned into the Treasury of the United States from royalties on lands within the naval petroleum reserves prior to July 1, 1921, not to exceed $500,000, are hereby made available for this purpose until July 1, 1922: *Provided further*, That this appropriation shall be reimbursed from the proper appropriations on account of the oil and gas products from said properties used by the United States at such rate, not in excess of the market value of the oil, as the Secretary of the Navy may direct."

The amendment as proposed gave rise to no debate in either House, though in the Senate amendments thereto were adopted on the motion of Senator SMOOT, chairman of the Committee on Public Lands and Surveys, one of which eliminated a provision under which the Secretary of the Navy would be authorized to refine the crude oil accruing to the Government. Other provisions were inserted in the original draft the purpose of which was to make clear that the Secretary of the Navy should exercise no authority whatever over portions of the reserves to which claims were asserted, the validity of which remained consequently for the determination of the Secretary of the Interior (Rec. pt. 3, p. 214). The authority to exchange was granted by reason of the fact that the use of crude oil for fuel is not economical, the ordinary fuel oil being the crude product from which has been extracted the most volatile and valuable constituents, like gasoline, kerosene, and lubricating oil. It will be noted that the Secretary was given the authority to use, store, exchange, or sell the oil and gas products of the reserve which might be secured by lease or otherwise, carrying out the authority vested in him by the act to "conserve, develop, use, and operate the same in his discretion." Note particularly that the act provided that for the purpose of accomplishing anything the Secretary was directed by the act to do, he was authorized to utilize at any time prior to July 1, 1922, any sum which had

been or might be turned into the Treasury of the United States from royalties on lands within the naval reserves accruing prior to July 1, 1921, not to exceed $500,000.

EXECUTION OF THE TEAPOT DOME LEASE

In the spring of the year 1922 rumors were current that a lease of the naval reserve No. 3 had been executed. Early in April of that year, importunate requests for information being sent to Senator KENDRICK by citizens of his State deeply interested in the future of the reserves, he caused inquiry to be made at the department without being able to secure any satisfactory answer, though his efforts continued until he introduced in the Senate on April 16, 1922, a resolution, forthwith passed, calling upon the Secretary of the Interior for information as to whether a lease of naval reserve No. 3 had been executed or whether the leasing of the same was in contemplation. Inquiry by representatives of the public press had likewise been diligently prosecuted along the same line without eliciting any definite information. On April 21, 1922, the Assistant Secretary of the Interior transmitted to the Senate in response to the resolution referred to a letter apprising it of the fact that a lease of the entire reserve had been, under date of April 7, 1922, executed to the Mammoth Oil Co. (Rec. pt. 1, p. 3.) A definite statement to the effect that the lease had been made emanated from the Interior Department, however, on April 18, and the Wall Street Journal of the 14th of the same month gave to its readers notice of the same facts. The resolution of inquiry of April 20, 1922, introduced by Senator LA FOLLETTE, followed. Pursuant to this resolution the Secretary of the Interior, under date of June 3, 1922, transmitted to the President a letter which was, by the latter, sent to the Senate, in which were set out at length the conditions deemed by him to require or justify the execution of the lease in question with a recital of some of the circumstances attending its execution and other matters believed to be important in connection with the same. (Rec., pt. 1, p. 23.) At the same time he submitted to the committee photostatic copies of a vast number of documents relating more or less directly to the subject of inquiry and asserted to be in response to one of the paragraphs of the resolution of April 29.

In the letter of Secretary Fall referred to the view is advanced with fullness of argument that the leasing of the reserve was rendered necessary by reason of the fact that it was being drained by the wells in the adjacent Salt Creek field. This contention, advanced in statements made public at or near the time information concerning the lease became rife, being stoutly controverted by public men of the State of Wyoming and others more or less qualified to speak, the committee selected and appointed two geologists to make a survey of the ground with a view to acquaint it with the facts in relation thereto and to its further information concerning geological conditions having more or less importance in connection with the execution of the lease. The reports of the geologists confirmed the view that drainage was actually taking place and that loss was being suffered not only by the actual migration of the oil but by the reduction of the gas pressure within the reserve area, affecting the amount of oil which could eventually be recovered. There seems never to have been any very sound reason for the contention that it was geologically impossible to drain the reserve, to some extent at least, through the wells in the Salt Creek field. From the beginning the relation between the Salt Creek structure and the Teapot Dome structure, if they can be considered as separate, was regarded as so intimate that in setting apart the reserve an area in what was believed to be the Salt Creek structure was included within the reserve in order to forestall any likelihood of drainage of the area of oil contained in the adjacent region which it was proposed should be preserved for the Navy (Rec. pt. 3, p. 489). Reference will hereafter be made to this subject.

THE EXECUTIVE ORDER

A study of the attendant circumstances revealed, and the hearings which were begun October 22, 1923, early disclosed, that on May 31, 1921, an order was signed by President Harding transferring the administration of the reserves from the Navy Department to the Interior Department, the order being as follows:

"EXECUTIVE ORDER

"Under the provisions of the act of Congress approved February 25, 1920 (41 Stat. 437), authorizing the Secretary of the Interior to lease producing oil wells within any naval petroleum reserve; authorizing the President to permit the drilling of additional wells or to lease the remainder or any part of a claim upon which such wells have been drilled, and under authority of the act of Congress approved June 2, 1920 (41 Stat. 912), directing the Secretary of the Navy to conserve, develop, use, and operate, directly or by contract, lease, or otherwise, unappropriated lands in naval reserves, the administration, and conservation of all oil and gas bearing lands in naval petroleum reserves Nos. 1 and 2, California, and naval petroleum reserve No. 3, in Wyoming, and naval shale reserves in Colorado and Utah are hereby committed to the Secretary of the Interior, subject to the supervision of the President, but no general policy as to drilling or reserving lands located in a naval reserve shall be changed or adopted except upon consultation and in cooperation with the Secretary or Acting Secretary of the Navy. The Secretary of the Interior is authorized and directed to perform any and all acts necessary for the protection, conservation, and administration of the said reserves, subject to the conditions and limitations contained in this order and the existing laws or such laws as may hereafter be enacted by Congress pertaining thereto.

"WARREN G. HARDING.

"THE WHITE HOUSE, *May 31, 1921.*"

Copy sent: Mr. Mendenhall, Survey. Comr. G. L. O. Director Mines. (Rec. pt. 2, p. 177.)

This order, running counter as it did to the well-understood policy of Congress as manifested in the legislation referred to, merits more than a passing notice. Its illegality ought to have been recognized by everyone concerned in its promulgation. The idea that the President may, by his fiat, transfer powers reposed in or duties imposed upon one Cabinet officer to another is intolerable and indefensible. Doubts having been expressed concerning the validity of this order in communications addressed to the President by two Senators (Rec., pt. 2, p. 265; pt. 3, p. 791; pt. 5, p. 1289), Secretary Fall undertook to justify it upon the so-called Overman Act and the acts of February 25, 1920, and June 4, 1920, above referred to, but upon the hearings which began with the examination of Secretary Fall, he admitted that by its plain language the Overman Act was restricted in its operation to legislation enacted during the war for its progress and that there was nothing in the other acts referred to which in any wise justified the order (Rec., pt. 2, p. 181). He then attempted to defend it upon some vague power springing from the presidential office and the general scheme of our Government. (Rec., pt. 2, p. 182.) No information was sought from any of the law officers of the Government on the power of the President to make this extraordinary order. It was resolved upon as early as the 1st of April, 1921.

About that time the Secretary of the Navy announced to Admiral Griffin his purpose to surrender control of the reserves. (Rec., pt. 2, p. 348.) Griffin was Chief of the Bureau of Engineering, to which had been committed the important custody of these properties. His advice as to the wisdom of making the transfer was not sought. He was told that the policy had been determined upon. None of the officers of the Navy, nor even those who, by virtue of their service, had become familiar with the subject, were consulted. Secretary Denby told the committee that he had been advised that the reserves were being drained. He was unable to recall who told him so; but maps, he said, were laid before him in connection with the imparting of the information. (Rec., pt. 2, p. 300.) He assumed full responsibility for the policy, saying that the idea originated with him and that he resolved upon the course which was followed because the Navy Department was not equipped to handle the situation, while the Department of the Interior with its Bureau of Mines and the Geological Survey was able to do so. (Rec., pt. 2, p. 284.) Prior thereto these two bureaus had worked in conjunction with the Navy Department in its handling of the reserves without friction or embarrassment. (Rec., pt. 3, p. 769.) About the time that Denby announced to Griffin his purpose he also communicated it to Assistant Secretary Roosevelt, the latter saying that the Secretary had just come from a Cabinet meeting. (Rec., pt. 2, p. 394.)

The original draft of the Executive order was made by Secretary Fall, who transmitted it to Secretary Denby with a draft of a letter to be signed by the latter and transmitted to the President explaining the occasion and necessity for the order. (Rec., pt. 2, p. 283.) Amendments to it, drafted by Admiral Griffin, intended to necessitate the sanction of the Navy Department of any lease which might be made (Rec., pt. 2, p. 349; pt. 5, p. 1287) were taken by Colonel Roosevelt to Secretary Fall, who declined to adopt them, but some alterations were made in the draft which did not materially change its significance. Colonel Roosevelt explaining to Admiral Griffin upon his return that he had done the best he could with Fall (Rec., pt. 2, p. 349; pt. 2, p. 395). The draft thus being perfected it was taken to the Executive Office by Colonel Roosevelt and subsequently signed by the President. The original draft of the letter of transmittal prepared by Fall also went to the White House unsigned (Rec., pt. 2, p. 283). Testifying before the committee Secretary Denby read a letter purporting to have been signed by him and which he said he transmitted to the President, explaining at some considerable length the reasons which made the order desirable in his opinion. In this letter it was stated that the policy represented by the order was not approved by all the officers of the Navy conversant with the subject, and that in particular Admiral Griffin was opposed to it, his views being expressed in a formal protest which the letter recited would be found accompanying it. (Rec., pt. 2, pp. 286–287.) As a matter of fact, neither the letter nor the protest of Admiral Griffin (Rec., pt. 5, p. 1288) ever was sent to the President, and the order was signed without documentary support of any kind. (Rec., pt. 2, p. 284; pt. 5, p. 1317.)

NEGOTIATIONS FOR THE TEAPOT DOME LEASE

Near the close of the year 1921, Harry F. Sinclair traveled in his private car to Three Rivers, N. Mex., a railroad station adjacent to the ranch of Secretary Fall, where he remained for some days, visits being exchanged between the family of Secretary Fall at the ranch and that of Mr. Sinclair at his private car. In the letter of Secretary Fall to the President of June 3, 1922, it is stated that Sinclair having come to see him in connection with certain leases of Indian lands in Oklahoma, and that that business being discharged, he took up with him the subject of leasing the Teapot Dome. (Rec., pt. 1, pp. 49, 50.) From Sinclair's testimony it seems quite apparent that the trip was made for the express purpose of opening up negotiations for a lease of that property. (Rec., pt. 4, p. 1086.) Such negotiations were entered upon, culminating in the lease which was signed by Secretary Fall on April 7, 1922, as heretofore stated.

While at the ranch arrangements were made for the shipment from the farm of Sinclair in the State of New Jersey to the foreman of the ranch of a blooded horse and to Secretary Fall of a few head of blooded Holstein cattle. (Rec. pt. 4, p. 1017.) These were shipped some time in February or early in March at an expense to Sinclair of $1,105. (Rec. pt. 5, p. 1362.) There was no discussion of any price to be paid for the animals, but about the 1st of May some one, believed to be the son-in-law of Fall, appeared at the office of Sinclair in New York to make payment. The auditor thereupon called up the foreman of the Sinclair ranch, from whom he procured a bill for the cattle and some hogs shipped with them amounting to $1,100, which sum was paid by the stranger. (Rec. pt. 4, p. 1021.)

The negotiations leading to the lease were conducted in secret. There was no competition. Secretary Fall stated in his letter to the President (Rec. pt. 1, p. 49) and on the witness stand that he had consulted, before executing the lease, with leading oil men, but he omitted to specify in the letter, and declined to disclose on the stand, with whom he had talked on the subject (Rec. pt. 2, p. 223). It appeared, however, that rumors of an impending lease reached a representative of the Texas Co., who sought out Secretary Fall with a view to offering a proposal, but was deterred by a rather unsatisfactory interview. (Rec. pt. 3, p. 733.) He encountered what seemed an insuperable difficulty, the nature of which requires a somewhat extended explanation.

It will be recalled that the authority of the Secretary of the Navy by the act of June 4, 1920, was not to extend to any portion of the reserves on which there should be "pending claims or applications for permits or leases under" the so-called leasing law. Now the entire naval reserve No. 3, save about 400 acres, was covered by "claims" more or less shadowy, to be sure, but claims nevertheless, evidenced by notices of placer locations on file in the appropriate local recording office. On three of these claims wells had been drilled to the first shallow Shannon sands, yielding, it was claimed at the time they were first brought in, from 3 to 8 barrels of oil per day. One of these wells was begun December 4, 1917, and reached the oil sands December 20, 1917, at a cost of $960. The second was begun December 22, 1917, and finished January 7, 1918, at a cost of $962.50. And the third was begun January, 1918, and finished January 17, 1918, at a cost of $1,176.68. (Rec. pt. 3, p. 546.) Applications had been made for leases of these wells as "producing wells" under the provisions of the act of February 25, 1920, and had been denied by Secretary of the Interior Payne on March 1, 1921, who held that the proof did not show that the wells were commercially producing wells, as he insisted the statute contemplated. (Rec. pt. 4, p. 1197.)

A motion for a rehearing was then filed and denied by Assistant Secretary Finney on April 28, 1921. Under the practice of the Department of the Interior in relation to these matters this decision was final and became a conclusive determination that the applicants were not entitled to the lease. (Rec. pt. 8, p. 2332.) Their application for a lease was undeniably an admission that they were not entitled to patents for the land for, obviously, they would not have contented themselves with a lease of one well if, under the facts of the case, they were entitled to a patent for the entire 160 acres embraced in the claim. Indisputably, they were not entitled to patents because, as heretofore stated, the right of placer mining claims depends upon a discovery within lands open to appropriation, and these lands had been withdrawn from appropriation since the year 1909. The only basis upon which a right to any of the land could be founded is a discovery; that is, a discovery of oil antedating the withdrawal order of 1909. None of the claims were so supported. The drilling of the wells referred to was carried on in defiance of the withdrawal order, the parties prosecuting it being mere trespassers. Notwithstanding the final disposition of the applications for leases referred to, the applicants filed an application for the exercise of supervisory control of the Secretary of the Interior over the officers charged with the disposition of public lands. (Rec. pt. 8, p. 2311.) Secretary Fall, in his letter to the President, treats this action seriously (Rec. pt. 1, p. 47), but Assistant Secretary Finney, intimately familiar with the practice of the department and with all of the laws in relation to the disposition of the public domain from an experience of over 20 years in the department, asserts that no such proceeding is recognized by the rules of practice of the department. (Rec. pt. 8, p. 2332.) A careful study of all the so-called claims within naval reserve No. 3 had been made by the Department of the Interior by an experienced investigator of legal attainments, who reported that they were, as obviously they were, utterly baseless. (Rec. pt. 3, p. 454.)

Under some arrangement or understanding between Sinclair and Fall the former acquired all of the so-called claims within naval reserve No. 3 (Rec. pt. 1, p. 68), which, as a condition of his securing the lease, were to be conveyed to the United States. In his consultation with the oil men he named, and with the representative of the Texas Co., Secretary Fall "particularly stressed the fact that Mr. Sinclair stated that if his proposition was considered favorably he would deliver the outstanding titles to the Government of the United States," and that if they "were not able to make better bids" than Sinclair "equitable consideration would be given to him." (Rec. pt. 1, p. 50.)

Thus even those to whom in one way or another an opportunity had come to bid, if there were any such outside of the Texas Co., were at a disadvantage in the competition.

The facts are that all of the claims were held or controlled by the Pioneer Oil Co., a subsidiary of the Midwest Co., which in turn is a subsidiary of the Standard Oil. One or more of these companies had, at least since 1919, been endeavoring to secure a lease of naval reserve No. 3, or some portion of it. They were all amply able to undertake the development of the territory and were potential competitors for the lease. Sinclair paid, or agreed to pay, to the Pioneer Oil Co. some short time before the execution of the lease a million dollars nominally for the claims so reported, as above stated, to be worthless. Though that construction of the transaction is denied by Sinclair, your committee is of the opinion that the payment was not made in fact for the transfer of the title of these claims, but to remove from the field a formidable competitor for the lease and that the true nature of the transaction was thoroughly understood by Secretary Fall.

Another feature of it may as well be told in this connection. One Leo Stack, toward the close of the year 1920, associated himself with E. L. Doheny in an effort to secure from Secretary Daniels a lease of a double row of offset wells along the boundary line between naval reserve No. 3 and the Salt Creek field. (Rec. pt. 7, p. 1980.) The effort was fruitless, and an arrangement was entered into under which the Pioneer Oil Co. became substituted for Doheny. It thereupon entered into some kind of an agreement with Stack under which he was to assist, presumably in Washington, in securing a lease of the reserve or some portion of it for the Pioneer Oil Co., Stack having been active at the Capital in some form of lobbying, in return for which service so to be rendered by Stack he was to have an interest in any lease which might be secured by the Pioneer Oil Co. (Rec. pt. 7, p. 1982.) Notwithstanding this, Stack was not called upon for assistance. The Pioneer Oil Co. entered into the agreement referred to with Sinclair and retired from the field as a suitor for the lease. (Rec. pt. 7, p. 2315.) Stack then enlisted the interest of the owners of a newspaper in Denver, Colo. (Rec., pt. 7, p. 1983), which immediately upon the execution of the lease began the publication of articles denouncing it as corrupt and contrary to public policy. (Rec., pt. 7, p. 2039.) They caused an investigation to be made in the State of New Mexico touching the matter of Fall's finances, hereafter to be referred to, and secured a report of a damaging character, detailing facts also to be referred to later. (Rec. pt. 7, p. 1976.) Stack and the newspaper proprietors entered into an agreement by which the latter acquired an interest in his claim against the Pioneer Oil Co. (Rec. pt. 7, p. 1983; pt. 8, p. 2177.) Suit was started in the State court of the State of Colorado in the name of Stack against that company and Sinclair, alleging a conspiracy against Stack.

The complaint was never filed, but summons was issued pursuant to the procedure of that State. (Rec. pt. 7, p. 1995.) After some negotiations in New York and Kansas City, Sinclair settled this suit by an agreement under which he paid $250,000 and agreed to pay $750,000 more. The attacks of the newspaper thereupon ceased. (Rec. pt. 7, p. 1984.) The proprietor of a rival newspaper, upon a claim even more shadowy, if, indeed, it can be called a claim at all, got $92,500 out of the Pioneer Oil Co. as his share of the moneys yielded up by Sinclair. (Rec. pt. 8, p. 2206.) These sums are less staggering when it is borne in mind that Sinclair testified before another committee of the Senate that he expected to make $100,000,000 from the lease, though in the hearing he expressed the view that he has erred on his estimate. (Rec. pt. 3, p. 431.)

To recur to the claims asserted to the lands within the reserve. As intimated above, there were but about 400 acres over which, by virtue of the act of June 4, 1920, the Secretary of the Navy or the Secretary of the Interior, by his delegated authority, could exercise any away. In order to carry out the plan of leasing the entire reserve it became necessary in some way to extend the field of operations open under the act referred to by the extinction of these claims. Undoubtedly the

statute contemplated that as their validity should be determined one by one before the Interior Department in favor of the Government the authority of the Secretary of the Navy over the area embraced in each should be to that extent enlarged. The alleged title was not extinguished, however, in any such way. In effect, the Secretary of the Interior compromised and settled these outstanding claims by the payment or the agreement to pay a million dollars for them. This was not done by him directly, of course, but through Sinclair, the result, so far as the Government is concerned, being exactly the same. The Government, in effect, paid a million dollars for these worthless claims; that is, Sinclair could without loss to himself have offered a bonus of a million dollars for the lease if the "claims" had been extinguished in the regular way or wholly disregarded. (Rec. pt. 2, p. 248.)

The execution of the lease without competitive bidding was effected in apparent disregard of statutes applicable to contracts let by the Navy Department enacted for the purpose of forestalling collusion with the officers of the Navy and securing to the Government the advantage of competitive bids. Consideration of that feature requires attention to the general provisions of the lease contract.

THE LEASE ANALYZED

It gave to the Mammoth Oil Co. the right to occupy the territory embraced in it for the period of 20 years and so much longer as oil should be produced from it in commercial quantities; that is, it was leased for as long as there remained within the ground oil in recoverable quantities. The lessee agreed to pay to the Government royalty depending upon the productivity of the wells ranging from 12½ per cent in the case of wells producing less than 50 barrels per day to 50 per cent in the case of wells producing more than 1,000 barrels per day. The average royalty from the operations thus far is between 16 and 17 per cent. The Government did not become entitled, however, to the royalty mentioned in the lease in kind. It sold its royalty oil by another provision to the lessee under an arrangement by which it was to receive oil certificates reciting the amount of oil sold and the value of the same, calculated on the basis of the "highest posted market price offered or paid" either "(1) in the Salt Creek oil field in Wyoming for a majority of the oil purchased in said field, or (2) in the mid-continent oil field by the Sinclair Crude Oil Purchasing Co., or (3) * * * by the Prairie Oil & Gas Co." (Rec. pt. 1, pp. 6–21.)

It might be here explained that the Sinclair Crude Oil Purchasing Co. is owned in equal undivided interests by the Sinclair Consolidated Co., controlled by Sinclair, and the Standard Oil Co., or one of its subsidiaries, and that the Prarie Oil & Gas Co. is a Standard company, and that the Midwest, as heretofore stated, a subsidiary of the Standard, controls the output of the Salt Creek field. (Rec. pt. 1, p. 227.)

The certificates above referred to might be utilized by the Government: (1) In the purchase of fuel oil from the Mammoth Oil Co. on the basis of one barrel of fuel oil for each barrel of crude oil represented by the certificate, if such oil should register 34° Baumé or higher, or 63 per cent of one barrel of fuel oil should it fall below 34° Baumé, the fuel oil to be delivered at the seaboard; (2) in the purchase from the lessee of gasoline, kerosene, lubricating oil, and other petroleum products at a price to be agreed upon between the parties; (3) the lessee might redeem in cash; (4) the Government might tender certificates in payment for oil-storage tanks to be constructed by the lessee at the direction of the Government in which to hold the fuel oil acquired by it on the surrender of the certificates to the amount of the cost of construction. (Rec. pt. 1, p. 13.)

Your committee is of the opinion in the first place that the law provides that the lease itself could not be legally executed except upon competitive bidding. Section 3709 of the Revised Statutes is as follows:

"All purchases and contracts for supplies and services in any of the departments of the Government, except for personal services, shall be made by advertisement a sufficient time previously for proposals respecting the same, when the public exigencies do not require the immediate delivery of the articles or performance of the service. When immediate delivery or performance is required by the public exigency, the articles or service required may be procured by open purchase or contract at the places and in the manner in which such articles are usually bought and sold or such service is engaged between individuals."

No such contract as that here in question was in contemplation perhaps in the enactment of this statute, but every consideration which prompted the lawmakers in framing it is here present. The instrument, while taking the form of a lease, is to all intents and purposes a contract under which Sinclair undertakes to perform certain services for the Government, namely, the extraction of the oil from the ground within the reserve. Questioned about the matter on the stand, Secretary Fall repudiated with much scorn the idea that the statute was applicable (Rec. pt. 2, p. 188), but he could assign no reason for his view except that the statute excluded from its operation personal services, which, he ventured to assert, the contract called for. Obviously, this is unsound. "Personal services" unquestionably refers to services such as are to be performed by the contractor himself. The phrase can not apply to services to be rendered by a corporation that can act only through agents, nor to a contract to be performed by anyone other than the person whose services are engaged.

The expression was used so as to permit the employment of clerks, attorneys, and other like employees without competitive bidding, but whether the statute is or is not a positive inhibition of the course taken in the letting of this all-important contract, no valid reason has been or can be assigned why in the public interest the spirit of the law should have been disregarded. No explanation whatever is found in the record for pursuing the course that was followed.

There are other like statutes which are circumvented by this contract. Following its provisions the Secretary of the Navy purchases ad libitum from the Mammoth Oil Co. fuel oil, gasoline, kerosene, lubricating oil, and other oil and gas products, paying for them with oil certificates, without going through the formality of calling for competitive bids, as seems to be required by section 3718 of the Revised Statutes, as follows:

"All provisions, clothing, hemp, and other materials of every name and nature, for the use of the Navy and the transportation thereof, when time will permit shall be furnished by contract by the lowest bidder, as follows: In the case of provisions, clothing, hemp, and other materials, the Secretary of the Navy shall advertise once a week for at least four weeks in one or more of the principal papers published in the place where such articles are to be furnished, for sealed proposals for furnishing the same, or the whole of any particular class thereof, specifying the classes of materials and referring bidders to the several chiefs of bureaus, who will furnish them with printed schedules, giving a full description of each and every article, with dates of delivery, etc. In the case of transportation of such articles, he shall advertise for a period of not less than five days. All such proposals shall be kept sealed until the day specified in such advertisement for opening the same, when they shall be opened by or under the direction of the officer making such advertisement, in the presence of at least two persons. The person offering to furnish any class of such articles, on giving satisfactory security for the performance thereof, under a forfeiture not exceeding twice the contract price in case of failure, shall receive a contract for furnishing the same."

Competitive bidding is excused in the case of certain supplies for the Navy by the provisions of section 3721 of the Revised Statutes, but not supplies of the character indicated above. These supplies are to be secured from the lessee at the market price, but it is quite likely that many corporations would be delighted to be able to secure a contract to provide the Government with all supplies needed by it at the market price. The Assistant Secretary of the Interior advised the committee that under the system of competitive bidding the Government secures a large part at least of what it requires in the nature of supplies at a price at least 10 per cent below the market. (Transcript, May 13, 1924, p. 7332.) Two other sections of the law are pertinent in this connection, section 3714 reading as follows:

"All purchases and contracts for supplies or services for the military and naval service shall be made by or under the direction of the chief officers of the Departments of War and of the Navy, respectively."

And section 3733 reading as follows:

"No contract shall be entered into for the erection, repair, or furnishing of any public building or any public improvement which shall bind the Government to pay a larger sum of money than the amount in the Treasury appropriated for the specific purpose."

The section last above quoted clearly contemplates that such public works as the steel storage tanks should be constructed only upon a contract calling for the payment of money, the amount to be appropriated by Congress for that specific purpose.

But there is another and more serious infirmity in this contract. Though the contract itself provides for the sale of the royalty oil to the lessee and the subsequent purchase from it by the Government of fuel oil and other supplies, the transaction may be viewed as an exchange, as indeed it is claimed it is, the contention being made that it is justified by the use of the word "exchange" in the act of June 4, 1920. (Rec. pt. 2, p. 210.) It may well be admitted that the act authorizes, as undoubtedly it does authorize, the exchange of crude oil for fuel oil or for oil products, but in order to justify this contract it is necessary to go further and maintain that the word "exchange" authorizes that essential part of the contract under which the oil certificates may be utilized to pay for the cost of construction of the tanks, or as it is expressed by those upholding the contract that crude oil may be exchanged for tanks. The soundness of this view may be tested by what has actually transpired in connection with the disposition of these great properties of the Government. Contemporaneously with the negotiations resulting in the leasing of the Teapot Dome, others were carried on, culminating in the contract with the Pan American Petroleum & Transport Co., of which E. L. Doheny, heretofore mentioned, is the controlling spirit, for the construction of tanks at Pearl Harbor, Hawaii, to hold 1,500,000 barrels of fuel oil, payment for the construction to be made in oil under the authority of the

statute giving to the word "exchange" the liberal construction referred to. The contract in question contemplated not only the construction of the tanks themselves but of docks and wharves at which ships loading and unloading might moor; of the installation of contrivances for loading and unloading, and for the dredging of a somewhat lengthy channel to permit ships of considerable draft to approach the tanks, all these appurtenant improvements to cost in the neighborhood of $400,000. (Rec., vol. 3, p. 559.) Furthermore, the Navy Department has elaborated a program of tank construction involving subsidiary works such as those last above referred to, the whole to cost, if paid for in cash, approximately $102,000,000, the expense to be met by the delivery of royalty oil accruing to the Government under its leases of the various oil reserves. (Rec. pt. 3, p. 638.)

Though no one having an intimate knowledge of the transaction seems to have been troubled with any doubts concerning the validity of the Executive order, some misgivings were felt in regard to stretching the word "exchange" so as to embrace transactions such as that evidenced by the lease under consideration. In the letter of Secretary Fall of June 3, 1922, to the President it is said that that subject was referred to in a casual way in a number of meetings of the Cabinet, and that the authority to enter into a contract of that character had been vindicated in an opinion of the Judge Advocate General of the Navy. (Rec. pt. 2, p. 209.) The Judge Advocate General of the Navy is a line officer. He is not a lawyer, and did not write the opinion. It was prepared by a clerk in his office who commands a salary of $2,640 a year. He ventured the opinion on the witness stand that Congress never intended to grant powers so extensive to the Secretary of the Navy (Rec. vol. 3, p. 713), but that it had actually done so, the substance of the opinion being that inasmuch as the word "exchange" was in nowise limited, the Secretary was authorized to exchange oil for anything—a battleship, ordnance, or an addition to the State, War, and Navy Building. He took no notice whatever of the provision of the statute to the effect that for the purpose, among other things, of providing storage for the oil issuing from the reserves as royalty or otherwise, prior to July 1, 1921, the Secretary of the Navy was authorized to use until July 1, 1922, not to exceed $500,000. It was contemplated that it would be necessary to provide storage for the oil accruing to the Government, and provision was made to meet the expense of such storage as well as other expenses which might be incurred by the Secretary in carrying out the act. (Rec. pt. 3, p. 782.)

Some of the strongest companies in the country declined to bid on the contract for the construction of the storage at Pearl Harbor upon the ground that the statute did not authorize payment of work of that character in oil. (Rec. vol. 8, p. 2201.) Notwithstanding their reluctance upon the advice of counsel and of an intimation to Secretary Fall that it would be wise on his part to do so, no opinion concerning the validity of such a contract was sought from the Department of Justice, nor from the Solicitor of the Interior Department, nor any of the law officers of the Government except as above stated. (Rec. pt. 8, p. 2205.)

While the terms of the lease are under consideration attention may properly be paid to one or two other features that merit it. Under the contract the Mammoth Oil Co. was required whenever the production should amount to as much as 20,000 barrels per day to construct a pipe line to connect the leased area and necessarily the adjacent Salt Creek field with a pipe line extending from the mid-continent field to the city of Chicago, owned in equal parts by the Sinclair interests and the Standard Oil, an enterprise contemplating an expenditure of approximately $15,000,000. Though the production from the reserve has never exceeded seven or eight thousand barrels daily, the construction of the pipe line by the Sinclair Crude Oil Purchasing is in progress, that company having assumed whatever obligation in that regard was due from the Mammoth Oil Co. under the lease. The daily production of the Salt Creek field may reach 175,000 barrels, but by agreement between the operators the output was limited to 40,000 barrels, that amount being all that could be handled by the local refineries.

As heretofore stated, the Standard Oil Co. controls in large part the output of the Salt Creek field. The Government was entitled to royalties from leases of areas in that field amounting to about 17,000 barrels a day. On the 20th day of December, 1922, there was awarded to the Sinclair Crude Oil Purchasing Co. upon competitive bidding a contract, under which that company became the purchaser of the Government's royalty oil. It has been heretofore stated that the Standard Oil Co. is the owner, as is Sinclair, of an undivided one-half interest in the company so securing that contract, so that both Sinclair and the Standard are vitally interested in having a pipe-line conduit for the output from the Salt Creek field not locally refined. It remains an open question as to whether the Teapot Dome lease is a factor at all in the construction of the pipe line. It is contended that in view of its construction the Government has been able to secure a much better price for the royalty oil accruing to it under its leases of areas in the Salt Creek field. For some time that oil was delivered to the Shipping Board under a provision of the act of February 25, 1920. (Rec. pt. 2, p. 229.) Upon payment by that organization into the fund created by the act of the market price, it then delivered the crude oil to which it was entitled under the contract to the Midwest Co., which in turn delivered to the Shipping Board at the seaboard an equivalent quantity of fuel oil. The contract of the Sinclair Crude Oil Purchasing Co. was let at a decided advance upon the price which the Shipping Board had theretofore paid for the same, but whether that advance is to be attributed to the prospective construction of the pipe line or not is a disputed question. A number of companies entered into the competition, offering prices in advance of that theretofore prevailing, intending to take the oil by pipe line or rail north to a connection with the Northern Pacific or the Milwaukee, and not transport it through the pipe line to the Southeast. In that connection Secretary Fall in several letters took credit to himself for having stipulated in the lease that the pipe line to be constructed should be a common carrier, entitling any producer to transport his oil through it, a perfectly futile provision inasmuch as the interstate commerce act makes such a pipe line a common carrier.

In the letter of June 3, 1922, the author asserted that there were features of the contract or considerations in it intimately connected with the national defense which he declared under no circumstances would be disclosed except by order of the President. A similar assertion was made by him on the stand, carrying an evident implication that curiosity in relation to the same necessarily indicated a deficient patriotism. The necessity for guarding military secrets was offered as a reason for not promptly disclosing the making of the lease and its essential features. (Rec. pt. 1, p. 263; pt. 8, p. 2247.)

When on the stand Admiral Robison, who succeeded Admiral Griffin and represented the Navy Department in connection with the contracts, insisted that considerations connected with the national defense were influential in the course pursued with relation to them, which he asked an opportunity to present at an executive session. (Rec. pt. 4, p. 906.) No information was conveyed to the committee which in its opinion had not in substance been made public, nor has the committee been able to appreciate how the public interest would be subserved or the common defense promoted by secrecy with reference to any feature of the contracts. (Rec. pt. 4, p. 963.)

DRAINAGE

A more detailed recital is necessary to a full understanding of the subject of drainage. The two areas, the Salt Creek field and Teapot Dome, constitute in reality but a single geological structure. Within them, at varying depths, are oil-bearing sands known in their order as the Shannon sands, the first Wall Creek sands, the second Wall Creek sands, the third Wall Creek sands, and the Lakota sands. A fold in these sands, commonly referred to as the "saddle," marks the limit of the two fields, if they may be regarded as separate. It was at one time believed and the theory was advanced that water would be found in this "saddle," so that it would be impossible for the oil to migrate from one field to the other, but this view was found to be erroneous, and, as stated above, drainage may take place from either area into the other. On this point there is no difference of opinion among the geological experts. They differ only as to the extent and seriousness of the drainage and the appropriate means of meeting the situation. As to this it is easily discernible that those wedded to the policy of keeping the oil in the ground minimize the importance and the effect of the drainage that may take place, while those who advocate or are tolerant of the policy of extracting the oil and storing it magnify the loss that has ensued or that many ensue. Generally speaking, the experts of the Geological Survey belong to the former class and those of the Bureau of Mines to the latter.

One set of experts boldly advances that any opening in what is sometimes referred to, inaccurately, as an oil pool will, in time, permit the escape of gas in such quantities as to reduce materially the yield of the entire field as it would have produced had other wells been drilled at appropriate intervals. The other set maintains that analogies drawn from the amount of water in a lake are altogether misleading, seeing that the oil which occupies the interstices in sandstone, often a very compact structure, is more or less viscous in its nature, retarding the flow, and that on the escape of the gas through a well, paraffin or asphalt carried as a base is precipitated and gums up the passage leading to the orifice, effectually shutting off eventually the exit of oil through it or the escape of gas. (Rec. pt. 12, p. 3019.) The advocates of the one theory insist, accordingly, that wells having been opened in the Salt Creek field, a wise policy requires that the oil be extracted from the naval reserve No. 3 as speedily as possible. Their antagonists maintain that the situation could be effectually met by the drilling of a line of offset wells along the narrow boundary between the naval reserve and the Salt Creek field. The conclusions of Mr. Fred G. Clapp, one of the experts employed by the committee, are believed by the committee to be a safe guide.

He estimates that the oil in naval reserve No. 3 will be somewhere between 12,000,000 and 26,000,000 barrels instead of 135,000,000, as estimated by the Bureau of Mines prior to the time the lease was executed. (Rec. pt. 3, p. 755.) It should be said in explanation that the first Wall Creek sands found to be highly productive in the Salt Creek field are barren in the Teapot Dome, a phenomenon no one seems to be able to explain.

The estimate of Mr. Clapp does not include either anything that may be yielded by the sands below the second Wall Creek sands, one of which has been penetrated at a depth of about 3,000 feet and found to be oil bearing. (Transcript, May 8, 1924, p. 7168.) There is a fault cutting the Teapot Dome transversely, the existence of which is generally recognized and which he asserts effectually shuts off all drainage from the region south thereof through the wells in the Salt Creek field to the north, 10,000,000 barrels of the 26,000,000 being south of the fault and safe. Of the 16,000,000 barrels north of the fault he estimates that of the recoverable oil, if there were no line of offset wells drilled along the boundary between the reserve and the Salt Creek field, a loss of 25 per cent might ensue, either through actual drainage or through the reduction of the gas pressure in that area; that is to say, 4,000,000 barrels of the 16,000,000 barrels therein. The total yield of the field would, accordingly, be 22,000,000 barrels, or, rather, there would remain in the ground recoverable oil to the extent of 22,000,000 barrels. As heretofore stated, the average royalty under the Mammoth lease is between 16 and 17 per cent; let us say 20 per cent for convenience of calculation, and for a like reason let the total content of the field be figured at 25,000,000 barrels instead of 26,000,000. If the Government royalty is 20 per cent it will be entitled to 5,000,000 barrels, but it is in evidence that it takes about 2 barrels of oil to pay for the construction of 1 barrel of tankage or, rather, that the tankage costs at the rate of 2 barrels of oil for each barrel of capacity in the tanks, so that the Government would have fuel oil in the tanks only to the amount of one-third of 5,000,000 or 1,666,666 barrels. The crucial inquiry accordingly is as to whether it is better for the Government to have 22,000,000 barrels of oil in the ground or 1,666,666 barrels in tanks at the seaboard. The Government actually realizes for use as fuel but 6 per cent of the total content of the reserves under the plan being followed.

THE DOHENY LEASES

The fact that drainage to an appreciable extent and, indeed, to a serious extent, was taking place in naval reserve No. 1 and naval reserve No. 2 was recognized by Secretary Daniels, who resolutely, and perhaps obdurately, resisted every suggestion of drilling within the reserves, even to protect them from drainage, until the seriousness of the situation was realized even by him. It is represented by the Bureau of Mines that the failure to drill all necessary offset wells prior to March 4, 1921, resulted in the loss to the Government of 6,800,000 barrels of royalty of the value of $8,800,000. (Rec. pt. 1, p. 56.) The accuracy of this contention is disputed, and it is conceded at the drainage which had actually taken place and the damage done in naval reserve No. 3 prior to the execution of the lease thereof was inconsequential. However, in 1920 highly productive wells were brought in in territory immediately outside the southeasternmost extremity of naval reserve No. 1, and Secretary Daniels, prior to his retirement on March 4, 1921, had called for bids for the drilling of 22 offset wells within that reserve. The proposals were not submitted, however, until after the new administration came in, and the contract was awarded to Doheny by Fall on July 12, 1921, acting under the pretended authority of the Executive order of May 31, 1921. This contract appears to have been otherwise unexceptionable. It was awarded upon open competitive bidding to the highest and best bidder.

The policy thus having been evolved of utilizing a part—and, as it transpired, the larger part—of the royalty oil accruing to the Government for the construction of tanks, bids were solicited for the construction of tanks at Pearl Harbor, as heretofore stated, payment to be made in oil. A number of companies, including the Pan American Petroleum & Transport Co., a Doheny organization, bid upon the contract, others being deterred, as heretofore stated, by doubt as to the legality of a contract of that character. Doheny submitted two bids, one of which was in strict conformity with the proposals and the other offering to do the work at a less cost, but securing to him a preference right to a lease of practically the eastern half of the reserve. (Rec. pt. 4, p. 1003.) His alternate proposal was accepted and the contract entered into accordingly under date of April 25, 1922. The negotiations for this contract were carried on simultaneously with those culminating in the lease of naval reserve No. 3. Some of the reluctance to give to the public information concerning the execution of that lease was attributed to a desire to make it and the Doheny contract above referred to public at the same time. Whether this was due to an appreciation that disapproval of the new policy might make it impracticable to complete the Doheny contract is a matter of speculation. On December 11, 1922, in the same secret manner as characterized the execution of the lease of naval reserve No. 3, a lease of the entire naval reserve No. 1 was executed to the Pan American Petroleum Co., another Doheny organization, under which it agreed to pay royalties ranging from 12½ to 35 per cent. (Rec. pt. 4, p. 1184.) A supplemental contract provided for the construction of tankage by the lessee company, to be paid for out of the royalty oil accruing under the Doheny lease, identical in its essential features in that respect with the provisions of the Sinclair lease.

Under this lease the lessee became entitled at will to drill all that portion of the reserve to which Doheny had acquired the preference right by his contract of April 25, 1922, and as well all sections adjacent to section 36, hereafter to be referred to in some detail, in the very heart of naval reserve No. 1. The remainder of the reserve—that is, the western portion—he could drill only upon request to the Navy Department, the effect of this provision being that if the department should, 25, 50, or 100 years hence, deem it advisable to take the oil out, the Doheny company or its successor must perform the task, the Government receiving only such royalty as is provided in the lease, a return that may or may not be adequate when the extraction actually takes place.

The conditions giving rise to this lease are of such supreme importance as to require detailed attention. There was here no impending loss from drainage. That situation had been taken care of by the lease of July 12, 1921, under which the 22 offset wells had been drilled, and by other leases of relatively small tracts upon which offset wells had been or would be drilled to meet operations that had been conducted or were being conducted outside the reserve and by an agreement which had been entered into with parties owning lands within the exterior boundaries of the reserve for a suspension of drilling operations to be renewed only upon six months' notice. It is frankly admitted that the lease in question was executed because the Navy Department had evolved an entirely new policy, concluding that the wiser plan would be to take the oil out of the ground and store it in tanks at the seaboard. (Rec. pt. 4, p. 928.) Carrying out this plan, which included the construction of the storage works at Pearl Harbor, it transpired that the royalty oil coming to the Government was not sufficient to meet the current expenditures incident to the prosecution of the construction program, and the Doheny lease was executed, the committee was told by Admiral Robison, in order that there might be available a more abundant quantity of royalty oil with which to meet the accruing obligations. (Rec. pt. 4, pp. 928, 972.) Two circumstances disclosed by the testimony have an important bearing upon the good faith back of the reason thus assigned:

First. During the war Robison was in command of a ship at Pensacola, Fla., of which the son of Doheny was a junior officer. The elder Doheny visited his son while the ship was at that port and in that connection he became acquainted with Robison. In the intimacy bred by this association, the naval oil reserves became the subject of conversation, in the course of which Doheny expatiated upon the unwisdom of the policy which had been pursued by Secretary Daniels with such effect that Robison, who theretofore had no connection whatever with the reserves nor any special information about oil matters, entered upon the discharge of his duties as Chief of the Bureau of Engineering with a settled conviction that the policy which had been pursued was unwise and that the oil should be taken out of the ground as speedily as possible and stored in tanks at the seaboard. (Rec. pt. 4, pp. 925, 949.)

Second. There has been no substantial production under the lease of December 11, 1922, and only three wells have been drilled within the territory covered by it, all of the production under any of the Doheny leases coming from the territory covered by the relatively small leases. The wells which are drilled penetrate the ground in the remote southeastern part of the reserve, the rich character of which was demonstrated by wells immediately beyond. The first of these leases, that of July 12, 1921, pays a royalty of 55 per cent, the average royalty under these leases covering an area of 1,108 acres, being about 28 per cent. (Rec. pt. 4, p. 1154.) In view of the lack of development of the area covered by the lease of December 11, 1922, embracing the greater portion of the reserve, it is impossible to estimate with any degree of accuracy the average royalty which would be yielded by the entire reserve under the lease. (Transcript May 8, 1924, p. 7174.)

It should be stated in this connection that neither the Secretary of the Navy (Rec. pt. 2, pp. 299, 307) nor the Assistant Secretary (Rec. pt. 2, p. 401; pt. 3, p. 419; pt. 5, p. 1300) had any part whatever in the negotiations resulting in the execution of the leases here being canvassed, or, for that matter, in those culminating in the Sinclair lease. Neither of them, when on the stand, was able to give the committee any information concerning the leases of naval reserve No. 1 or of the conditions leading up to the execution of them or of the circumstances and conditions inducing them. The Secretary had no knowledge, when on the stand, that any lease of naval reserve No. 1 had been executed, though the instrument itself bears his signature. (Rec. pt. 5, p. 1283.)

FALL'S FINANCIAL TRANSACTIONS

The taking of testimony began with the examination of Secretary Fall, who was subjected to a somewhat searching inquiry extending over a period of two days. It was disclosed in his examination that shortly after quitting the office of Secretary of the Interior on March 4, 1923, he made a trip to Europe with Sinclair as counsel for him and associates interested in securing oil concessions from the Russian Government (Rec. pt. 2, p. 271), and that he had also, after leaving office, acted in an advisory capacity for Doheny. (Rec. pt. 2, p. 274.) The circumstances of the employment of Fall for the European trip were peculiar (Rec. pt. 6, p. 1831). One J. W. Zevely, an attorney with offices in Washington, D. C., and a home on Long Island, N. Y., costing in the neighborhood of $100,000, acquired through funds loaned to him by Sinclair, had acted for some years as a kind of confidential man and attorney for Sinclair and had been associated with him as such in all of the transactions here narrated. Zevely made a trip from New York to Three Rivers, N. Mex., to convey to Fall Sinclair's desire that the late Secretary should accompany him on his Russian quest as counsel. Fall acceded and was paid $10,000 to cover his expenses on the trip. While at Three Rivers he confided to Zevely that he needed $25,000 or $30,000 for some purpose not disclosed, and on his return to New York, the fact being communicated to Sinclair, he directed that Liberty bonds or the proceeds of them to the amount of $25,000 should be loaned to Fall. They were, accordingly, sent by express, the loan being evidenced by a note to Zevely. (Rec. vol. 6, p. 1831.)

Fall left the stand without having disclosed that after his letter of June 3, 1922, had been written the whole of naval reserve No. 1 had been leased to E. L. Doheny as heretofore stated. The facts came to the attention of the committee quite accidentally upon its request of the Interior Department for maps of the reserves in question showing the leases which had been executed of the areas within them. About the same time there came to the knowledge of one of the members of the committee the fact that an enterprising newspaper had, in the summer of 1922, sent to New Mexico a reporter to investigate the alleged rise of Secretary Fall from a condition of financial embarrassment to relative affluence. The investigator came to Washington at the invitation of the committee and brought with him the report of his investigation made to his paper at the time but which, for some reason, was never published.

In consequence of information secured through him and the report, witnesses were brought before the committee from New Mexico who, with official documents, brought to light that, whereas Senator Fall, who was engaged in the ranching and cattle business, had been in straitened circumstances and had not paid his local taxes for 10 years, he had during the latter part of the year 1921 and the early part of 1922 purchased property in his neighborhood and made improvements in his holdings involving an expenditure of from $175,000 to $200,000, and that in particular he had purchased the property adjacent to his own, known as the Harris Ranch, for which, with the cattle and equipment appurtenant thereto, he had paid $91,500, the initial payment of $10,000 taking place in El Paso, Tex., having been made in bills taken by him from a tin box in which there was other currency.

This testimony was presented to the committee on the 3d day of November, 1923, at which time Fall was in New Mexico. He sent word to the committee that his son-in-law, one C. C. Chase, who was entirely familiar with his business affairs, would shortly appear and explain the transaction satisfactorily. (Rec. vol. 6, p. 1701.) Chase did not present himself, and Fall reached Washington some time after the middle of December, coming by way of Chicago, New York, and Atlantic City, explaining his delay in appearing by the representation that he was ill. On December 27 he sent a communication to the committee pleading illness as an excuse for not appearing in person, in which communication he informed the committee that the money with which he purchased the Harris Ranch had been loaned to him to the extent of $100,000 by one Edward B. McLean, of Washington, D. C., and referring to banking connections at Pueblo, Colo., intimating, without definitely asserting, that he had secured further funds to meet the additional expenditures proven to have been by him made from that source. (Rec. pt. 5, p. 1429.) Thereupon Mr. McLean, who was at that time in Palm Beach, Fla., made repeated requests to the committee to be excused from appearing as a witness on account of his ill health and illness in his family, and asserted that he had, in the latter part of November, 1921, loaned Fall $100,000. (Rec. pt. 5, p. 1453.) His testimony was taken by a member of the committee at Palm Beach on the 11th of January, 1924, when he repudiated his former statement and admitted that he had not made the loan or any loan to Fall, asserting in that connection that Fall having applied to him for a loan he gave to Fall his checks for the sum named, but that the latter a few days later returned them, saying that he had arranged to secure the money elsewhere. (Rec. pt. 6, p. 1694.) Fall, who was at that time himself in Palm Beach, a guest of McLean's, in a letter to the examining member of the committee, confirmed the testimony given by Mr. McLean. (Rec. vol. 6, p. 1699.)

Thereafter, on the 24th day of January, 1924, E. L. Doheny appeared before the committee and testified that he had, on November 30, 1921, loaned to Fall $100,000. (Rec., pt. 6, p. 1771.) Your committee ventures no opinion as to whether the transaction was in fact a loan or whether it might more appropriately be otherwise denominated. Fall and Doheny were friends, or at least acquaintances, in the mining camps of the Southwest many years ago. The latter had prospered to such an extent that he was able to say, and perhaps truthfully, that such a sum as $100,000 was in the nature of a bagatelle to him. He insisted that he let Fall have the money in consideration of old associations and commiseration for the reverses financially which had befallen his friend of other days. The money was delivered to Fall in cash by the son of Doheny, who brought it from New York, where is the main office of Doheny's companies, to Washington in a satchel, the money having been secured from the bank upon the check of the younger Doheny under an arrangement with his father. (Rec., pt. 6, p. 1779; pt. 7, p. 1923.)

It appeared that two days before the money was delivered Doheny had written a letter to Fall in which the contract for the construction of the tanks at Pearl Harbor was discussed, and Doheny signified his desire and purpose to bid on the contract. (Rec., vol. 7, p. 1914.) Doheny stated that he expected the loan to Fall would eventually be paid by legal services. (Rec., pt. 6, p. 1807.)

Though the committee refrains, as indicated, from characterizing the transactions referred to, it does not hesitate to condemn it as, in the last degree, reprehensible on the part of all concerned in it. The essentially corrupt character of a loan made under such circumstances requires no comment. It would be impossible for an officer to accept a loan of such an amount, or perhaps of any amount, under the circumstances without a sense of obligation to the lender, which, unless his character was cast in heroic mold, would be revealed in subsequent official transactions with him. Its sinister import is appreciated when it is borne in mind that, without competitive bidding, as heretofore explained, Doheny got from Fall, in the month of April following, the contract for the construction of the tanks at Pearl Harbor, and with it a preference right to a lease of a large share of naval reserve No. 1, to be followed, without competitive bidding, by a lease of the entire reserve, comprising over 30,000 acres, estimated to contain 250,000,000 barrels of oil, out of which, Doheny told the committee, he would be in bad luck if he did not make $100,000,000 profit. (Rec., vol. 4, p. 1013.) It should be added here that Fall's son-in-law, C. C. Chase, then collector of customs at the port of El Paso, Tex., did come to Washington, as Fall said he would, stopping on the way at Cleveland, Ohio, to persuade another old friend of Fall to testify before the committee to the effect that he had loaned to the latter the money with which to buy the Harris ranch, conformably to a request made in a letter by Fall to the gentleman in question, with which the latter promptly declined to comply, as he told the committee on the stand. (Rec., vol. 11, p. 2762.) It was further disclosed that on the invitation of Fall, Mr. McLean, above referred to, met him at Atlantic City, and that it was there agreed upon between them, at the instigation of Fall, that McLean and he should both advise the committee as they did, that McLean had made the loan which enabled Fall to buy the Harris ranch. (Rec., vol. 11, p. 2684.)

Having heard the testimony of Mr. Doheny concerning the alleged loan of $100,000 to Fall, the latter was again called by the committee. Pleading illness, he sent his physicians to inform the committee of his inability to attend, whereupon it sent three others of its own choice to inquire into his condition. These reporting that he was physically able to appear, he was required to attend and, appearing, challenged the right of the committee to proceed because, among other reasons assigned, its authority was derived from a Congress which had expired, and at the same time he claimed immunity from testifying upon the ground that any evidence he might give might tend to incriminate him. The confirmatory resolution of the Senate before referred to was then adopted, and upon the witness being recalled he stood upon his constitutional right and was excused.

SECTIONS 16 AND 36

In the very heart of naval reserve No. 1 is section 36, township 30 south, range 23 east. Along the northern boundary line is section 16, in the same township and range, both of which, were they nonmineral, would have passed at the time they were surveyed to the State of California by virtue of an act of Congress granting to that State for educational purposes, if nonmineral, sections 16 and 36 in each township within its boundaries. The peril of drainage of naval reserve No. 1 springs in very large part from the existence of wells on section 36, referred to, claimed by the Standard Oil Co. of California, which has extracted oil from it of the value, as reported by a representative of the Interior Department, of at least $10,000,000. If the areas mentioned were, at the time the survey of them was approved by the Department of the Interior, known or at least generally recognized to be mineral in character, they remained the property of the United States. If they were not then so known or recognized, they passed to the State of California. The survey was approved January 26, 1903. Prior thereto,

in the year 1900, it being represented to the department that lands were being appropriated in that section of California as agricultural in character when, as a matter of fact, they were valuable for the oil in them, an order was issued pursuant to the authorized practice of the Land Office withdrawing from agricultural entry very extensive areas embracing all of what afterwards became naval reserve No. 1, with a view to the classification of the same as mineral or agricultural, as the facts warranted. (Rec. pt. 5, p. 1470.)

The surveyor who undertook to lay out the township and section lines in view of the representations that had been made, gave more than ordinary attention to the character of the land. (Rec. pt. 5, p. 1470.) He noted upon his plats and reported in his field notes that section 36 was mineral in character. (Rec. pt. 5, p. 1470.) Meanwhile an agent of the department, one Ryan, was sent into the field to examine into the character of the land. On the 22d day of March, 1904, he filed a report that a considerable area theretofore withdrawn from entry, as stated, including section 36 and adjacent territory, was nonmineral in character. Whereupon, on the 5th day of April, 1904, the order of withdrawal was recalled as to the area so reported to be nonmineral. (Rec. pt. 5, p. 1517.) The State of California, apparently relying upon the return of the surveyor and the mention of the character of the land appearing on the plats prepared by him, alleging that section 36 was mineral in character, filed an application in the Land Office asking to be permitted to select other lands in lieu of said section 36, a right it was entitled to exercise under the granting act, if that section was indeed mineral in character. (Rec. pt. 5, pp. 1475–1477.) This application was denied upon the ground that the lands applied for had already been appropriated and the motion was amended so as to be directed to other tracts, section 36 as a base having been withdrawn by an amended application filed in 1905. (Rec. pt. 5, p. 1481.)

No action seems ever to have been taken on the amended application, but in the year 1908 the State, assuming to be the owner of the section, issued certificates of purchase for it to certain parties believed to represent the Standard Oil Co. of California. (Rec. pt. 5, p. 1481.) However the fact may be as to their representative capacity, their interests were shortly thereafter transferred to that company to which a deed of patent of the section was issued by the State on the 20th day of January, 1910. (Rec. pt. 5, pp. 1336, 1481.) Subsequently action was begun by the Government against the Southern Pacific Railroad Co. which had secured patents of all or nearly all the odd-numbered sections within the reserve under its grants from the Government upon its representation that the lands were nonmineral in character, to annul such patents and recover the land, the Government charging that at the time the patents were issued, or rather at the time the lands were surveyed, the lands were mineral in character and known to be such by the railroad company. (Rec. pt. 5, p. 1258.) A representative of the Government investigated the facts upon which such statements were predicated, and particularly the geological facts equally applicable to section 36. If they warranted a recovery of the lands patented to the Southern Pacific Railway Co. adjacent to section 36, they equally warranted proceedings for the recovery of section 36. An elaborate report of the facts was transmitted from the office of the chief of the field service at San Francisco to the Commissioner of the General Land Office setting out the facts and recommending that appropriate proceedings be instituted. (Rec. pt. 5, p. 1481.) Promptly the department sent directions to the local officers at Visalia, Calif., within whose district the lands in question are situated, to notify the State of California and the claimants under it to appear at a hearing ordered to determine whether the lands were, in fact, known to be mineral at the time the survey was approved. (Rec. pt. 5, p. 1482.)

The chief of the field service at San Francisco was likewise directed to attend and take charge of the hearing on the part of the Government. This order issuing under date of January 14, 1914, under the rules of the department it became the duty of the land officers at Visalia and of the chief of the field service at San Francisco to report every six months to the General Land Office the status of all proceedings of the nature of that above referred to and the progress made therein. It was the duty of an officer of the General Land Office to keep a record of such proceedings and to note thereon the status of the same, checking up every six months. Notwithstanding this, the whole affair was overlooked for a period of seven years (Rec. pt. 5, p. 1322), until, on the 2d day of February, 1921, the chief of the field service at San Francisco wrote the Commissioner of the General Land Office to the effect that the papers in the case had been accidentally found in the "closed files" where they had been inadvertently placed instead of being deposited among the "open files." Thereupon the subject was considered by the Commissioner of the General Land Office, Clay Tallman; the Secretary of the Interior, John Barton Payne, and the Assistant Secretary, E. C. Finney, with the result that instructions were issued to the local officers to proceed with the hearing as theretofore directed. (Rec. pt. 5, pp. 1324, 1488.) At the same time the Standard Oil Co. was withdrawing oil from the tract through its wells, and the entire record of the case was transmitted to the Department of Justice for consideration, with the suggestion that it might be advisable, in the interest of the Government, to secure an injunction restraining a further depletion of the property pending the determination of the question of title. (Rec. pt. 5, p. 1249.) This communication came to the Department of Justice toward the middle of the month of February, 1921, and was referred to one of the Assistant Attorneys General charged with duties in connection with the disposition of the public lands. (Rec. pt. 5, p. 1322.)

He, on March 30, 1921, submitted to his chief a memorandum reciting the salient facts and recommending the institution of proceedings for the procurement of the necessary injunction, but was directed by the Attorney General not to proceed therein until he, the Attorney General, could find an opportunity to confer with his assistant. (Rec. pt. 5, p. 1251.) At that time the demands on the Attorney General incident to his assumption of the duties of the office were heavy. It may or may not be of significance that the desire of the Attorney General in the matter was carried to his assistant by an officer or attorney of the Standard Oil. (Rec. pt. 5, p. 1251.) At this juncture the attorney for that company filed a motion before the Secretary of the Interior to dismiss the entire proceedings. This motion was argued before Secretary Fall on the 8th day of June, 1921, by the attorney for the Standard Oil, representatives of the Navy and of the Department of Justice attending upon notification by the Secretary. (Transcript, April 24, 1924, p. 6814.) Upon the conclusion of the argument for the motion, the Secretary inquired of those present whether the facts were as stated by Mr. Sutro, the attorney making the argument for the Standard Oil. The response came to the effect that the facts were substantially as represented, whereupon the Secretary announced that the motion was granted. (Transcript, April 24, 1924, p. 6842.) The facts, however, as stated by the attorney, were such only as were relevant to two legal propositions advanced by him in support of his motion: (1) That the Ryan report and the action taken by the department thereon in canceling the order of withdrawal, so far as section 36 was affected thereby, was a conclusive determination by the department that the lands were nonmineral in character; (2) that no discovery having been made within the bounds of section 36, it could not be held to be mineral in character, however persuasive might be the evidence concerning the geological conditions and the discovery of oil within the structure, but without the limits of the section in question. (Rec. pt. 5, p. 1329.)

No argument of the law was asked by the Secretary from any one representing the Government, and the committee was told by Mr. Finney (Rec. pt. 8, p. 2258), who was present and who, as above stated, is as familiar with the law in relation to the disposition of public lands as any man in America, that, in the first place, such an extraordinary exercise of the supervisory power of the Secretary is wholly unknown in the practice of the Land Department (Rec. pt. 8, p. 2261); no precedent for it was known by any one so far as the committee was able to learn; and, second, that both legal propositions upon which the argument of Mr. Sutro was founded are controverted by Mr. Finney. Your committee believe both to be unsound. (Rec. pt. 8, p. 2257.)

The inquiry into this feature of the history of the reserve developed some related facts of importance in connection with it and of very great public interest. Reference was made above to the institution of suits against the Southern Pacific Railroad Co. to cancel patents for lands adjacent to section 36 and within the exterior boundaries of the reserve. The important question in the suits named was identical with that which is determinative of title to section 36, namely, was the land in question known to be mineral in character at the time of the approval of the survey? One of these suits relative to lands west of a range line cutting the reserve near its middle (parts of secs. 17 and 19, and all of secs. 15, 21, 23, 25, 27, 29, 33, and 35, T. 30 S., R. 23 E.), was tried in the United States District Court for the Southern District of California, Judge Bean presiding, and was decided in favor of the Government (Rec. pt. 16, p. 1857). An appeal was taken to the circuit court of appeals (249 Fed. 785; Rec. pt. 5, p. 1566), where the judgment was reversed and the title of the Southern Pacific affirmed, the conclusion being reached by that tribunal that the evidence did not establish the mineral character of the land at the time of the survey.

An appeal was then taken to the Supreme Court of the United States (251 U. S. 1; Rec. pt. 5, p. 1587), where the judgment of the circuit court of appeals was reversed, the judgment of the district court affirmed, the patents were ordered canceled, and the land reverted to the United States and now forms an integral part of the reserve. In the other suit (260 Fed. 511; Rec. pt. 5, p. 1581) similar relief was sought as to three sections of land (secs. 29, 31, and 33, T. 30 S., R. 24 E.), within the reserve east of the range line, the survey of which was approved about the same time as the survey of the lands which were the subject of the other suit. (Rec. pt. 5, p. 1533.) Suit No. 2 was directed toward lands outside the reserve as well as to the three sections above mentioned, the lands outside having been

surveyed a number of years before, while those within the reserve were platted at or about the same time as the tracts involved in suit No. 1. That suit came on for hearing before Judge Bledsoe after the decision in suit No. 1 by the circuit court of appeals, but before the decision by the Supreme Court of the United States. Upon the authority of the decision of the circuit court of appeals, which was binding upon Judge Bledsoe, he decided the case tried before him against the Government, denying relief as to the three sections within the reserve as well as to the tracts without. No appeal was taken from that decision, though the time for appeal had not expired when the decision of the Supreme Court was rendered in suit No. 1, and the facts as to the tracts within the reserve involved in suit No. 2 were substantially identical with the facts upon which the Supreme Court ruled that the lands involved in suit No. 1 belonged to the United States.

The Bean decision was rendered on the 9th day of June, 1915, the circuit court of appeals decision was rendered on the 6th day of May, 1918, and the case ultimately decided by the Supreme Court on the 17th day of November, 1919. (Rec. pt. 5, p. 1587.) The Bledsoe opinion was filed on the 28th day of August, 1919 (Rec. pt. 5, p. 1581), so that there remained approximately nine months after the decision of the Supreme Court of the United States in suit No. 1 within which an appeal might have been taken by the Government from the adverse decision in suit No. 2. It is the opinion of your committee that had such an appeal been taken there would have been preserved to the United States and to the Navy these three sections believed to be of very great value. Had these three sections been so preserved and the title of the Government to section 36 been diligently asserted and maintained, the problem of drainage, so far as naval reserve No. 1 is concerned, would be relatively simple. For a more complete understanding of the matters here discussed there is appended a map of naval reserve No. 1.

NAVAL RESERVE NO. 2

Naval reserve No. 2 is a checkerboard; that is to say, every alternate section within it passed by the grant to the Southern Pacific Railway Co., patents having issued some years, if not many years, before the mineral character of the land was generally known; at least it was so held by the courts after protracted litigation. The areas, title to which had passed from the Government, were being constantly drilled, and the advisability of securing as much oil as possible as speedily as possible from the lands still held by the Government was recognized on all hands. Leases of producing wells and of claims asserted under the placer mining law, embracing areas within the sections to which the Government retained title, were freely awarded after the passage of the act of February 25, 1920, by the Wilson administration, and the policy thus inaugurated was continued under the administration of President Harding until all the lands within that reserve were leased. The following is a list of the leases awarded, with the names of the present holder and the royalty paid under each lease:

| Lease No. | Present holder | Acres | Royalty |
|---|---|---|---|
| VISALIA | | | Per cent |
| 09174(b) | Boston-Pacific Oil Co | 160 | 12½–25 |
| 09175 | do | (1) | 25 |
| 09208 | Honolulu Consolidated Oil Co | 3,057.27 | 12½–25 |
| 09233 | Union Oil Co. of California | (1) | 12½–25 |
| 09233(b) | do | 320 | 12½–25 |
| 09296(b) | General Petroleum Corporation | 80 | 12½–25 |
| 09305 | Buena Vista Oil Co | (1) | 12½–25 |
| 09312(c) | Consolidated Mutual Oil Co | 280 | 12½–25 |
| 09313(c) | United Oil Co | 80 | 12½–25 |
| 09314(b) | Caribou Oil Mining Co | 80 | 12½–25 |
| 09315(b) | Record Oil Co | 40 | 12½–25 |
| 09334(b)–010177–78–79–80 | North American Oil Consolidated. | 1,385.62 | 12½–25 |
| 09495(a) | Buena Vista Oil Co. and Union Oil Co. | 40 | 12½–25 |
| 09495(b) | Boston-Pacific Oil Co | 40 | 12½–25 |
| 010026 | Associated Oil Co | 1,080 | 12½–25 |
| 010026(a) | do | 160 | 12½–25 |
| 010037 | Murvale Oil Co | 1,281.38 | 12½–25 |
| 010092 | United Oil Co | 320 | 12½–25 |
| 010181 | North American Oil Consolidated | 320 | 12½–25 |
| N. R. 21 | Naval Reserve Oil Co | 320 | 12½–61 |
| N. R. 22 | Equitable Petroleum Co | 640 | 12½–56 |
| N. R. 23 | A. H. Heller | 480 | 25–30 |

[1] Well lease.
(Rec., vol. 4, p. 1155.)

No information has come to the committee suggestive of any impropriety in any of these leases, save as hereinafter stated.

The Honolulu company has been awarded leases within the reserve aggregating 3,057 acres. That company, some years prior to the termination of the Wilson administration, applied for patent to 17 mining claims. (Transcript, May 1, 1924, p. 7113.) This application was approved by the then Commissioner of the General Land Office, Clay Tallman, as to 13 of the claims embraced in the application and denied as to 4. (Transcript, May 1, 1924, p. 7113.) His conclusion was approved by the then Secretary of the Interior, Franklin K. Lane (Transcript, May 1, 1924, p. 7114), but before the patents were issued President Wilson directed that the case be reheard. (Transcript, May 1, 1924, p. 7115.) Testimony was again taken before the local land officers, who advised against the issuance of patents, but their decision was reversed by the Commissioner of the General Land Office, whose decision came before Secretary Payne for review. He reversed the decision of the commissioner and denied the application. (Transcript, May 1, 1924, p. 7116.) A petition for rehearing was filed agreeable to the practice of the land office, which appeal was pending when Secretary Fall took office. He filed an opinion in which he asserted that were the matter one of first impression he would grant the application for patents as ruled by the Commissioner of the General Land Office, but that he would not disturb the decision of his predecessor. He accordingly denied the petition for a rehearing, but directed that leases be granted to the Honolulu company under the provisions of the act of February 25, 1920. (Transcript, May 1, 1924, p. 7117.) The leases signed by Secretary Fall were accordingly executed. The Secretary of the Navy did not participate in the execution of these leases.

It will be recalled that the only power reposed in the Secretary of the Interior under the act referred to was to grant leases of producing wells. (Rec. pt. 2, p. 440.) The Honolulu company leases were not of that character; they were of areas. The act mentioned authorized the President, indeed, to grant leases of claims within which leases of producing wells had been awarded, but, as stated, no leases of producing wells had been made to the Honolulu company, and the leases were neither signed by President Harding nor authorized by him, so far as the record discloses. (Transcript, May 1, 1924, pp. 7120–7122.) There is no written evidence that he had any knowledge of the leases. They seem to have been awarded without any authority of law; but the members of the committee have been informed, as perhaps the fact is, that the right of possession to the lands in question having been asserted by the Honolulu company in litigation pending in the State of California, to which the Government was a party, a decree was entered adjudicating that the Honolulu company is entitled to the possession of the property under the lease mentioned.

The committee contented itself, as to the leases of the Honolulu company, with an inquiry simply into the facts of record, it being directed by a separate resolution of the Senate to prosecute a full inquiry into the circumstances attending the execution of the leases mentioned.

The utter disregard of the law with unwarranted assumption of authority on the part of the Secretary of the Interior in connection with the leases referred to was not peculiar. Throughout the transactions here reviewed a seeming contempt for the restrictions placed by Congress upon the disposition of the great properties involved and what was generally regarded as fundamentals of the law is manifested. In no particular was there a graver abuse than in the incident now to be narrated.

EMPLOYMENT OF THE MARINES

The lease of the Teapot Dome having been executed, the Mammoth Oil Co. having taken possession of the property acquired by it under its lease and having entered upon its drilling operations, parties asserting title to 160 acres within the reserve, under one of the flagrantly baseless mining claims hereinbefore referred to, entered into an operating agreement with the Mutual Oil Co., which entered upon the tract in question, set up a drilling rig, and penetrated the ground to a distance approaching the oil-bearing sands. (Rec., vol. 11, p. 2799.) In that situation Secretary Fall instigated Assistant Secretary Roosevelt, Secretary Denby then being in the Orient, to direct Major General Lejeune, commandant of the Marine Corps, to send a squad of his command from the city of Washington to naval reserve No. 3 in the State of Wyoming to eject the Mutual Oil Co. as a trespasser. (Rec., pt. 11, p. 2723.) The story was first related to the committee by the officer to whom the job was intrusted, Maj. George K. Shuler, at present treasurer of the State of New York. (Rec., pt. 4, p. 1054.) He was directed by Lejeune to see Fall for instructions. Having been told by the latter what it was he was expected to do, Fall inquired of him what he would do if an injunction issued out of the United States court for Wyoming were served upon him. Like a true soldier he answered that he would obey the instructions of his superior officer and execute his command. (Rec., vol. 4, p. 1056.) This reply commended him to the Secretary, who grew communicative and told him that he had found it difficult to persuade the President to authorize the course that was to be pursued, but he had that morning yielded. (Rec., vol. 4, p. 1055.)

Shuler proceeded to the reserve with four privates, and though there was some mild protest on the part of the officers of the State of Wyoming and naturally some reluctance exhibited on the part of the company engaged in drilling, he succeeded by a mere display of force in bringing about a suspension of the operations of the intruding company. (Rec., vol. 4, p. 1057.)

Your committee does not hesitate to denounce this proceeding as a perfectly outrageous use of the armed forces of the United States. The civil arm of the Government was unquestionably equal to the

emergency. The United States District Court for Wyoming was open to the Government. Immediately upon the institution of proceedings in ejectment against the intruders, the court would have awarded an injunction restraining them from extracting any oil from the ground until, in due course, the question of their right could be determined. What the decision must necessarily have been could not have been doubtful. The United States marshal was unquestionably able to enforce any decree which the court might render. It is perfectly obvious that the procedure followed was pursued to avoid a judicial inquiry into the validity of the Sinclair lease. If suit were filed by Sinclair, claiming the right to the possession of the property under his lease, the validity of that lease would be immediately brought into question, inasmuch as every litigant must recover upon the strength of his own title, not upon the weakness of that of his adversary. For the same reason if the intruders could be ejected from the premises and forced thus to institute suit to regain possession their title would first come into question, and, as they had none which could be sustained, the validity of the Sinclair lease would not be passed upon.

In some correspondence between the Secretary and the President on this subject (Rec. pt. 11, p. 2935) an attempt is made to defend the proceedings or to justify them upon the ground that the situation is quite like the case of one who intrudes upon a navy yard or an Army post, or even an outsider who attempts to occupy a room in the State, War, and Navy Building, but even the writer of the letter could not have been deceived by any such supposed analogy. The navy yard, for instance, is actually occupied by officers and men of the Navy and by buildings within which the operations under their direction are carried on. The department building is occupied throughout by representatives of the Government, including watchmen and caretakers. No representative of the Government, certainly no representative of either the Army or the Navy, was in actual occupancy of naval reserve No. 3, or any part of it. Except for the operations being carried on by Sinclair, it was like any similar portion of the vast public domain—unfenced, no buildings on it, nothing whatever to indicate its occupancy by the Government. In substance, the armed forces of the United States were placed at the disposal of Mr. Sinclair to avoid the embarrassment which might come to him through a lawsuit to eject trespassers upon property leased to him by the Government.

THE LEASES AS GOOD BARGAINS

A disposition is evinced in some quarters to dismiss or overlook the very suggestive circumstances shown in the hearings indicating corruption in connection with the Sinclair and Doheny leases, the flagrant disregard of the law and the unwarranted assumption of authority that attended their execution, the abandonment of the settled policy of the Government evidenced by them, to inquire as to whether they are or are not excellent bargains viewed from the standpoint of the Government. These efforts invariably arriving at or pointing to the conclusion that they are such are obviously designed to divert attention from or to overcome the effect upon the public mind of the features of the transactions above referred to.

Your committee can not believe that a lease under which the Government receives 6 per cent of the oil in the ground and the lessee gets 94 including what it receives on account of the construction of tankage can possibly be in the interest of or just to the former. Had the leases been awarded upon competitive bidding, there would have been no occasion to inquire whether they are or are not fair or just to the Government. Such a test would have conclusively established the fact. The omission to invite competition casts a suspicion on the transaction as being in the interest of the Government. Even if the law does not require that such a contract be let upon competitive bids, business prudence would dictate that such a course be followed, as it was followed in the case of some of the minor leases of areas within the two California reserves.

If the Secretary of the Interior consulted with anyone competent from experience in affairs of such magnitude to advise him concerning the terms of the lease, viewed as a business proposition, the fact was not divulged. Evidently he conceived himself quite competent unaided to negotiate with such veterans in the oil business as Sinclair and Doheny. It is true he conferred with officials of the Bureau of Mines, technical men not chosen by reason of their skill or success in business.

Not only was the Teapot Dome lease awarded to Sinclair without competition, but he paid a fabulous price to procure the elimination of a potential rival. One seeking only a fair contract from the Government does not buy off his competitors; neither does he, when he secures it ordinarily, submit to blackmail in connection with it; nor does he, while negotiations are pending, accommodate the awarding officer with loans or gifts.

It is of little consequence that the royalty mentioned in the leases is approximately or even that it may be higher than that stipulated in leases between private individuals or companies. Not to mention other considerations under the Sinclair lease, he purchases without competition the royalty oil of the Government, paying the current price. Upon competitive bidding the royalty oil accruing to the Government from leases of areas in the adjacent Salt Creek field was sold at a price greatly in excess of the current market price. Sinclair likewise secures the opportunity, should the Secretary of the Navy choose to exercise an option accorded him by the contract, to supply the Navy with oil products, of which it requires great quantities, at the market price. Considering the reasonableness of the royalties in his lease stipulated, it is just to institute a comparison with those paid to the Government under leases covering the immediately adjacent territory in the Salt Creek field. They were awarded June 15, 1921, upon competitive bidding, the royalty being fixed at either 25 per cent or 33⅓ per cent flat, the bidders offering bonuses, in one instance as high as $1,412.50 per acre and bringing the Government an aggregate above the royalty of $1,687,000 for 6,400 acres in all. (Rec., pt. 4, p. 1112.)

There were, furthermore, 22 of such leases, embracing 40 tracts of limited areas, not permitting the economies resulting from unified control and mass production capable of being exercised under the Sinclair lease. It is doubtful whether a lease of an area of proven territory equal to that covered thereby or by the Doheny lease is known in the history of oil production, and comparison with the terms of leases of relatively small tracts is likely to be deceptive.

Notwithstanding better terms can ordinarily be secured for leases of larger areas, Congress has deemed it wise to limit the acreage of oil land which may be leased to any individual or corporation at least as one transaction, fixing 4,800 acres in the case of Indian lands and 640 acres under the act of February 25, 1920.

The act of June 4, 1920, placed no limitation upon the area that might be embraced in a lease or upon the area that might be leased to a single individual, but the policy of Congress was clearly evinced in the acts referred to.

It is pertinent to remark in this connection that whatever drainage might take place from naval reserve No. 3, had it not been leased or protected by offset wells, would have swelled the production of the wells on the tracts to the north so leased. In other words, the Government would be entitled to, and would have received, a royalty of 25 or 33⅓ per cent instead of 16-odd, which it receives under the Sinclair lease. It is true that the royalty would not accrue to the benefit of the Navy but would be deposited in the fund established by the act of February 25, 1920, to be distributed as therein provided, in part to the General Treasury, the reclamation fund, and the State of Wyoming, but Congress would have full power at any time to provide that an equitable portion of the royalty paid on leases, the production of which was enhanced by drainage, should inure to the benefit of the Navy.

But the entire discussion to which reference has been made proceeds upon a false basis. It might be admitted that were the property in question owned by an individual or individuals, personally or as stockholders of a corporation, the lease would be fair. The individual owner has no object in view except to get the most money he can out of the property and to get it as soon as he can. In the course of nature he must die, and dying he may never enjoy any benefit from the property.

The Government, unlike the individual, never acquired or rather reserved the property in question with a view to make money out of it. The Government is not impelled to realize on it in anticipation of death. It was reserved with a view to its exhaustion at some time in the future when, by reason of the inability to meet the demands of the Navy from other sources, the price should soar to a prohibitive level. It is in view of that idea that the subject of the business sagacity manifested in these leases must be considered.

It is said that it is better for the Government to get even 6 per cent than to have the whole deposit lost by drainage. Quite true, but no one has ventured to say that the whole treasure would be lost. Reference has been made to the testimony of Mr. Clapp to the effect that a loss of 4,000,000 barrels of the 26,000,000 in the Teapot Dome might be anticipated. (Rec. pt. 3, p. 755.) Might not that loss be better suffered than to be content with only 1,666,666 barrels of fuel oil in tanks at the seaboard to be held there for an indefinite time and, so far as human foresight may go, may remain stored for a century? It is to be borne in mind that the storage tanks are frightfully expensive works. The money invested in them will double itself at 4 per cent compound interest, payable semiannually, three and a half times in 25 years, and in a century would reach a fabulous sum. The private owner of oil lands assumes no such burden when he disposes of his property reserving a royalty in kind. He contemplates the immediate disposition of his oil, not to hold it for perhaps a century.

It is a question of the utmost gravity whether, under the circumstances, it would not be the wiser policy to suffer some depletion of the reserves through drainage than to realize but 16 per cent of their content, two-thirds of which is paid out for containers in which to store the other one-third. That is a question of policy which should have been determined by Congress. It may be the wiser course, as advocated by Admiral Robison, to take the oil out of the ground

and store it in tanks at the seaboard where it will be available for immediate use in an emergency, but Congress is the agency to say so. Should Congress decide it to be the part of wisdom to abandon the policy of maintaining a reserve in the earth, it would then be confronted with the question as to whether the cost of constructing containers should be met through appropriations out of the General Treasury or through the utilization to that end of two-thirds of the oil that might be secured as royalty from leases of the reserves. Congress is the proper governmental agency to solve these serious problems of state, and it never delegated its duty in that regard to either Albert B. Fall or Edwin Denby, or both of them. Obviously, if either course was believed by them, or either of them, to be that which wisdom would suggest, Congress should have been appealed to for the necessary legislation. It is scarcely concealed that Congress was not asked either to make the necessary appropriation for the construction of the tanks or for authority to use the royalty oil for that purpose, because it was realized that Congress would do neither the one thing nor the other. There is disclosed some evidence of glee that Congress was outwitted in the course pursued.

Your committee is of the opinion that to utilize two-thirds of the royalty oil received by the Government from leases it may find it advisable to make of portions of the reserves is not only indefensibly wasteful but would leave it without an adequate supply of fuel oil to meet such an emergency as was contemplated in the creation of them. The policy which was followed in that regard was entered upon without any serious consideration of the question as to whether thus utilizing two-thirds of the royalty oil to pay for tankage there would be secured enough fuel oil to meet the needs of the Navy should occasion arise to resort to the reserves. No one concerned in the transaction or in the adoption of the policy pursued was able to give the committee an approximate estimate of the quantity which the reserves would produce or the quantity reasonably necessary as a reserve.

INCIDENTAL INQUIRIES

In the prosecution of the investigation with which it was charged by the Senate your committee felt called upon to follow some lines of inquiry that yielded nothing.

The rumor was current, particularly after evidence that the transactions to which attention had been given were tainted, that public officers had been concerned in dealings in the stocks of the companies to which the leases had been awarded or of companies bearing close relation to them, presumably upon information referable to official sources. Diligent inquiry into the foundation of the rumor revealed no facts of sufficient importance to report. In like manner the rumor persisted that the appointment of Secretary Fall was brought about or was made pursuant to a conspiracy which was entered into between certain prominent oil operators and others at or prior to the Republican National Convention of 1920 which, in its general scope, contemplated the exploitation of the public-land resources by those concerned in it.

The remarkable circumstances attending the promulgation of the Executive order of May 31, 1921, and the leases of the naval reserves gave color to the rumor and a searching inquiry seemed warranted. The committee was appointed to investigate and it proceeded to investigate. The evidence failed to establish the existence of any such conspiracy. It was revealed, however, that Mr. Sinclair contributed $10,000 to the campaign fund raised by the Republican National Committee in connection with the election of 1920, and that he subsequently contributed $75,000 to make up the deficit carried over that election by it (Rec. pt. 12, p. 2909); and further that E. L. Doheny contributed $75,000, as he testified, or $32,500, as testified by the chairman thereof, to the Democratic National Committee in the same contest (Rec. pt. 12, p. 3070), and that he likewise contributed $25,000 to the Republican committee. (Rec. pt. 4, p. 997.)

CONCLUSION

As the Senate has heretofore been advised, H. F. Sinclair being recalled before the committee to testify, among other things, concerning features of the transactions under investigation developed since he was last on the stand, declined to testify upon various grounds, among others, that the Senate has no power, under the Constitution, to require an unwilling witness either to attend or testify before it or any of its committees. Proceedings are now pending in the courts to secure an adjudication of the right to the immunity so claimed. Should the authority of the committee, as the representative of the Senate, be vindicated, it will desire further to interrogate Mr. Sinclair. It accordingly reports that it has not finished its labors under the resolutions of the Senate and will resume them at some appropriate and convenient season unless otherwise ordered.

It is unnecessary to say that pursuant to the directions of Congress the validity of the leases canvassed of naval reserves No. 1 and No. 3 is under inquiry by the courts in suits to recover the lands involved. The committee accordingly reserves to a later date such recommendations as it may deem advisable to make touching legislation affecting the reserves.

Respectfully submitted.

By the committee:

R. F. LADD, *Chairman.*
PETER NORBECK.
A. A. JONES.
ALVA B. ADAMS.
JOHN B. KENDRICK.
C. C. DILL.
T. J. WALSH.
KEY PITTMAN.

Mr. WALSH of Montana, from the Committee on Public Lands and Surveys, submitted a report (No. 794) pursuant to sundry Senate resolutions relative to investigation of leases upon naval oil lands, which was ordered to lie on the table and to be printed; and it was also ordered that 10,000 additional copies be printed, with illustrations.

Mr. SPENCER, from the Committee on Public Lands and Surveys, submitted the views of the minority pursuant to sundry Senate resolutions relative to investigations of leases upon naval oil lands (Rept. No. 794), which was ordered to be printed in the RECORD, as follows:

The undersigned members of the Committee on Public Lands and Surveys submit to the Senate the following statement with regard to the report on the lease upon naval oil reserves as presented by the committee:

No adequate opportunity has been given them to examine the report which has been submitted. The final hearings are not yet returned from the printer.

A casual reading of the report indicates many mistakes and conclusions and inferences of facts and law which, in the judgment of the undersigned, are unwarranted by the testimony.

On May 14, when the hearings were discontinued for this session, request was made, of record, that an opportunity of at least a few days be afforded in order to examine the report which the senior Senator from Montana [Mr. WALSH] indicated he intended to prepare, and that such opportunity be given before the report was submitted to the committee for final action. No such opportunity was afforded.

The report was printed and presented June 4 to the committee for immediate consideration and action. It was on that date first presented to the undersigned. It has been physically impossible to examine, in any fair or adequate manner, the statements of the report which deals with such voluminous testimony and which attempts to pass judgment on disputed questions of law and upon controverted facts.

The report indicates that the hearings before the committee are not yet concluded, and are to be resumed in case "the authority of the committee as the representative of the Senate be vindicated" in its attempt to further interrogate Mr. H. F. Sinclair.

The undersigned will prepare and submit to the Senate such matters as may, in their judgment, have been overlooked by the report as presented, and such corrections and changes as, in their judgment, should be brought to the attention of the Senate before any final action is taken.

SELDEN P. SPENCER.
REED SMOOT.
ROBT. N. STANFIELD.
RALPH H. CAMERON.
H. O. BURSUM.

RED RIVER TOLL BRIDGE, NEAR ILLINOIS BEND, TEX.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 9517) granting the consent of Congress to the North Texas Co., of St. Jo, Tex., a corporation organized under the laws of the State of Texas, to construct a toll bridge across the Red River in the vicinity of Illinois Bend, Tex., and I submit a report thereon. I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the North Texas Co., of St. Jo, Tex., to construct a bridge across the Red River in the vicinity of Illinois Bend, Tex., under specifications complying with all laws, rules, and regulations governing such, and their successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Red River at a point suitable to the interests of navigation, at or near Illinois Bend, Tex., in the county of Montague, in the State of Texas, in accordance with the

provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

STATUE OF SEQUOYAH

Mr. MOSES. From the Committee on Printing I report back favorably without amendment House Concurrent Resolution No. 28, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the concurrent resolution was read, considered by unanimous consent, and agreed to, as follows:

*Resolved by the House of Representatives (the Senate concurring)*, That there be printed and bound the proceedings in Congress, together with the proceedings at the unveiling in Statuary Hall, upon the acceptance of the statue of Sequoyah, presented by the State of Oklahoma, 5,000 copies, of which 1,000 shall be for the use of the Senate and 2,500 for the use of the House of Representatives, and the remaining 1,500 copies shall be for the use and distribution of the Senators and Representatives in Congress from the State of Oklahoma.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer, who shall provide suitable illustrations to be bound with the proceedings.

FORT MACARTHUR MILITARY RESERVATION, CALIF.

Mr. WADSWORTH. From the Committee on Military Affairs I report back favorably, without amendment, the bill (H. R. 6652) to authorize the city of Los Angeles, in the State of California, to construct and operate a line of railroad across the Fort MacArthur Military Reservation, in the State of California.

I ask unanimous consent for the immediate consideration of the bill. It is a very simple and unobjectionable measure.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ROBINSON. Mr. President, I wish to ask the Senator if the bill has been submitted to the Senate committee and considered by it?

Mr. WADSWORTH. The bill came over from the House yesterday, and the individual members of the Senate committee considered it this morning. The bill has the approval of the War Department, and merely authorizes the city of Los Angeles to run a street through a portion of the military reservation.

Mr. ROBINSON. I see no objection to its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That the Secretary of War is hereby authorized to grant to the city of Los Angeles, in the State of California, a municipal corporation, its successors and assigns, a permit to locate, construct, maintain, and operate a line of railroad and a permit to construct and maintain a public highway across the tidelands, ceded by the State of California to the United States, fronting on the lower military reservation at Fort MacArthur, in the State of California, upon such location and under such regulations and conditions as shall be approved by the Secretary of War: *Provided*, That nothing contained in this act shall be held to authorize any infringement on the water-front rights held by the United States on this reservation.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

FEDERAL JUDICIAL DISTRICTS IN NORTH CAROLINA

Mr. OVERMAN. From the Committee on the Judiciary I report back favorably, without amendment, the bill (H. R. 9314) to amend section 98 of the Judicial Code. The bill merely provides for the holding of court in one town in my State. There is no objection to it; it is recommended by the Attorney General and by the court. I ask unanimous consent for the immediate consideration of the bill.

There being no objection, the Senate, as in the Committee of the Whole, proceeded to consider the bill, which was read as follows:

*Be it enacted, etc.*, That section 98 of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, as amended, is hereby amended to read as follows:

"SEC. 98. The State of North Carolina is divided into two districts, to be known as the eastern and western districts of North Carolina. The eastern district shall include the territory embraced on the 1st day of July, 1910, in the counties of Beaufort, Bertie, Bladen, Brunswick, Camden, Chatham, Cumberland, Currituck, Craven, Columbus, Chowan, Carteret, Dare, Duplin, Durham, Edgecombe, Franklin, Gates, Granville, Greene, Halifax, Harnett, Hertford, Hyde, Johnston, Jones, Lenoir, Lee, Martin, Moore, Nash, New Hanover, Northampton, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Person, Pitt, Robeson, Richmond, Sampson, Scotland, Tyrrell, Vance, Wake, Warren, Washington, Wayne, and Wilson. Terms of the district court for the eastern district shall be held at Fayetteville on the Monday before the last Mondays in March and September; at Wilson on the first Mondays in April and October; at Elizabeth City on the second Mondays in April and October; at Washington on the third Mondays in April and October; at Newbern on the fourth Mondays in April and October; at Wilmington on the second Monday after the fourth Mondays in April and October; and at Raleigh on the fourth Monday after the fourth Mondays in April and October; and in addition for the trial of civil cases on the first Mondays in March and September: *Provided*, That the city of Fayetteville and the city of Wilson shall each provide and furnish at its own expense a suitable and convenient place for holding the district court at Fayetteville and at Wilson until a courthouse shall be constructed by the United States. The clerk of the court for the eastern district shall maintain an office in charge of himself or a deputy at Raleigh, at Wilmington, at Newbern, at Elizabeth City, at Washington, at Fayetteville, and at Wilson, which shall be kept open at all times for the transaction of the business of the court.

"The western district shall include the territory embraced on the 1st day of July, 1910, in the counties of Alamance, Alexander, Ashe, Alleghany, Anson, Buncombe, Burke, Caswell, Cabarrus, Catawba, Cleveland, Caldwell, Clay, Cherokee, Davidson, Davie, Forsyth, Guilford, Gaston, Graham, Henderson, Haywood, Iredell, Jackson, Lincoln, Montgomery, Mecklenburg, Mitchell, McDowell, Madison, Macon, Orange, Polk, Randolph, Rockingham, Rowan, Rutherford, Stanly, Stokes, Surry, Swain, Transylvania, Union, Wilkes, Watauga, Yadkin, and Yancey. Terms of the district court for the western district shall be held in Greensboro on the first Mondays in June and December; at Statesville on the third Mondays in April and October; at Salisbury on the fourth Mondays in April and October; at Asheville on the first Mondays in May and November; at Charlotte on the first Mondays in April and October; and at Wilkesboro on the fourth Mondays in May and November. The clerk of the court for the western district shall maintain an office in charge of himself or a deputy at Greensboro, at Asheville, at Statesville, and at Wilkesboro, which shall be kept open at all times for the transaction of the business of the court."

SEC. 2 That the act entitled "An act providing for the establishment of two additional terms of the District Court for the Eastern District of North Carolina at Raleigh, N. C.," approved April 27, 1916, is hereby repealed.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. SMOOT. Mr. President, we are on the order of business of reports of committees now. Let us have the regular order.

CHARLES T. NORMAN

Mr. BAYARD. From the Committee on Claims I report back favorably, without amendment, the bill (H. R. 1830) for the relief of Charles T. Norman, and I submit a report (No. 778) thereon. I ask unanimous consent for the immediate consideration of the bill.

Mr. SMOOT. Let the bill be read. We do not know what it is.

The PRESIDING OFFICER. The Secretary will read the bill.

The bill was read, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles T. Norman, of Richmond, Va., the sum of $882.24, the same being a refund of income tax erroneously collected.

Mr. BAYARD. Mr. President, may I say a word of explanation of the bill to the Senator from Utah?

Mr. SMOOT. I shall be glad to hear it.

Mr. BAYARD. The facts are these: This man paid his Federal income tax for the years 1916 and up to 1922, but in spite of protests and requests he could get no adjudication of his tax returns until 1922. Then it was found that he had made an error in the amount, as appears in the papers, consisting of an overpayment to the Government; but inasmuch as the four-year period of the statute of limitations had expired, the Secretary said he could not give him any remedy.

In his letter, however, the Secretary says:

While the department is on record as opposing any extension of the statute of limitations, this case seems to be so unusual and the equity so strongly in favor of the taxpayer that the department feels

that an exception should be made in this case and the pending bill approved.

It is merely to pay back to him what he overpaid to the Government. The bill passed the House unanimously.

Mr. SMOOT. In the first place, I think the bill ought to have been considered and reported by the Committee on Finance. As the Senator will remember, in connection with the revenue bill which has recently been passed the question involved in this bill came up because of several amendments which were offered to the bill to take care of cases similar to this, but the Senate almost unanimously objected to such amendments. I do not know how far this is going or where it is going to lead. I am afraid there will be no end to it at all.

Mr. UNDERWOOD. Will the Senator allow me to ask him a question?

Mr. SMOOT. Yes.

Mr. UNDERWOOD. I merely wish to find out for information the attitude of the other side of the Chamber as to legislation of this character. The Senator represents his side of the Chamber on questions affecting the finances of the Government. Here is a case where a taxpayer has made a mistake and has paid too much money to the Government. He makes protest; the Government admits that he overpaid his taxes; the Government has the money and recommends that he be paid back the taxes which he overpaid. There is no issue of fact. It is a small amount, but no matter how much it might take I assume the Government of the United States is not going to occupy the position that it will not refund money which has been paid in error by a citizen and, at the same time, make the citizen pay money if the error is in favor of the Government.

Mr. BAYARD. Not only that, but, if the Senator from Alabama will permit me to say a word further, this man tried to discover the error, but the Government would not assist him until after the period of the statute had run against him.

Mr. SMOOT. I do not understand the report in the case to be as the Senator just stated it. If the Senator will let the bill go over for the present or withdraw it, I should like to read the report.

Mr. BAYARD. The bill is not on the calendar, if the Senator please. I have asked that it may be considered by unanimous consent.

Mr. SMOOT. I know that.

Mr. BAYARD. If it goes to the calendar, I am afraid we will never get to it to-night. It is a House bill, not a Senate bill.

Mr. SMOOT. But the Senator can bring it up later and in the meantime file the report. If the report is all right, I shall not object.

Mr. SWANSON. The committee has reported in favor of it——

The PRESIDING OFFICER. Objection is made.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. SWANSON. The department itself recommends that this money be repaid to the taxpayer, because the Government itself found out in 1922 that he had overpaid his taxes.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. SHIPSTEAD. I yield to the Senator from Virginia.

Mr. SWANSON. The Government itself found out in 1922 that this money was paid in error. The department is anxious to refund it to the taxpayer. The statute of limitations was allowed to run on account of the fault of the Government in not auditing the taxpayers' accounts. If that had been done the mistake could have been found earlier. The department will be very glad to refund the amount on account of the fault being theirs.

Mr. GLASS. Mr. President, whether it was the Government's fault or not, the Government has money that it has no business with. It resolves itself into a question of plain, common honesty upon the part of the Government of the United States. That is all there is to it.

Mr. SMOOT. Yes, if that is the case; but I notice in the report——

Mr. GLASS. To refuse to refund this money would be a species of immorality.

Mr. SMOOT. Nobody is opposing anything that is right, and I do not intend to do so myself, but in the report this statement is made:

| | |
|---|---|
| Gross income | $43,600.00 |
| General deductions | 1,252.00 |
| Total net income | 42,348.00 |
| Exemption | $4,000.00 |
| Income subject to normal tax | 38,348.00 |
| Normal tax | 766.96 |
| Additional tax | 246.96 |
| Total tax liability | 1,013.92 |
| Tax previously assessed | 882.44 |
| Further tax due | 131.48 |

Mr. BAYARD. The Senator is merely reading a part of the report.

Mr. SMOOT. I am reading a statement made in the report. If the statement is not correct, and that does not cover it all, I have no objection.

Mr. GLASS. The Treasury Department has examined the proposition, and the Secretary of the Treasury has certified that this money is due this man, and does not belong to the Government.

Mr. SMOOT. Well, Mr. President, we will see what the report says about it.

The PRESIDING OFFICER. Does the Senator from Utah object?

Mr. SMOOT. Mr. President, just as soon as I can find out whether the amount is $882.24 or $131.48——

Mr. SWANSON. Read the letter of the Secretary of the Treasury.

The PRESIDING OFFICER. Objection is made.

Mr. BAYARD subsequently said: Mr. President, a moment ago the senior Senator from Utah [Mr. SMOOT] objected and then withheld his objection until he could examine the report submitted with House bill 1830. The Senator from Utah has since withdrawn his objection, and I desire to ask for the present consideration of the bill.

The PRESIDENT pro tempore. The Senator from Delaware asks unanimous consent for the present consideration of House bill 1830. Is there objection?

Mr. SMOOT. I have no objection to the consideration of the bill.

There being no objection, the Senate, as Committee of the Whole, proceeded to consider the bill (H. R. 1830) for the relief of Charles T. Norman.

Mr. SMOOT. Mr. President, I simply want to say that in one place it is stated that there is $131 and some odd cents due, and the report from the Treasury Department shows that the amount due is $882.24. I am quite sure that the report of the Treasury Department is right, and therefore I shall not object.

Mr. BAYARD. Undoubtedly.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

## GOVERNMENT OF NORWAY

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent for the immediate consideration of Senate bill 2718, Order of Business 594.

The PRESIDING OFFICER. The Chair lays before the Senate a bill from the House of Representatives dealing with the same subject.

The bill (H. R. 7558), to authorize the payment of an indemnity to the Government of Norway on account of losses sustained by the owners of the Norwegian steamship *Hassel* as the result of a collision between that steamship and the American steamship *Ausable*, was read twice by its title.

Mr. SHIPSTEAD. I move that the House bill be substituted for Senate bill 2718, Order of Business 594, and that it be given immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. SMOOT. What is the request?

The PRESIDING OFFICER. To substitute a House bill for a Senate bill and give it immediate consideration.

Mr. ROBINSON. Mr. President, I understand that the bill is to reimburse the Norwegian Government for damages done to a ship by a vessel operated under the control of the United States Government?

Mr. LODGE. Yes; a transport.

Mr. ROBINSON. The facts are that the Norwegian vessel injured was at anchor in a French port, and the American vessel, by reason of some failure on the part of its steering machinery to function properly, struck the Norwegian vessel amidships and damaged it in a very large sum. An action for libel was brought in the court of admiralty, and was dismissed at the instance of the Department of Justice on some more or less technical ground.

There appears to be in the facts submitted by the State Department no reason why the bill should not pass. The amount

of the claim carried in the bill is very much less than the facts seem to justify in a claim for damages. I think the request of the Senator from Minnesota should be granted.

The PRESIDING OFFICER. Is there objection?

Mr. FLETCHER. Mr. President, I should like to inquire just what order we are under. Are we taking up the calendar, or just taking up bills as requested by various Senators?

The PRESIDING OFFICER. We are still on reports of committees, the morning hour having been extended one hour.

Mr. FLETCHER. This is not a report of a committee.

Mr. LODGE. This comes up under the order.

Mr. FLETCHER. Is it reported by the committee?

Mr. LODGE. No; it is called up. It came in yesterday. An identical bill came over from the House which has not yet gone on the calendar, and the Senator from Minnesota moves to substitute it for the Senate bill. It is an important bill and ought to be passed.

Mr. SHIELDS. Mr. President, I wish to ask the chairman of the committee in charge of the bill——

Mr. LODGE. The Senator from Minnesota [Mr. SHIPSTEAD] is in charge of the bill.

Mr. SHIELDS. I wish to ask the chairman of the committee, the Senator from Massachusetts, a question. This is a claim of the Norwegian Government against the United States of America, is it not?

Mr. LODGE. Yes. It is one of those claims—and it is undoubtedly a good one—where payment is made as an act of comity and good faith, without admitting any legal wrong. They are frequently made in that way as an act of comity to a friendly government.

Mr. SHIELDS. Is it not a fact that several citizens of the United States have claims of somewhat the same nature against the Norwegian Government?

Mr. LODGE. Those were all settled by the claims convention.

Mr. SHIELDS. No; I will refresh the Senator's recollection. There is a claim of a Mr. Jones.

Mr. LODGE. That is the claim of a constituent of the Senator from New Hampshire [Mr. MOSES]. That is a question of money deposited in insurance, as I understand.

Mr. SHIELDS. Still, it is a claim of a citizen of the United States against the Norwegian Government.

Mr. MOSES. Mr. President, that does not change the fact that the Norwegian Government, by its interference in court proceedings, has prevented my constituent for some three years from getting the money due him. If this disclosure will cause them to "come through," it will be worth while; and I think, Mr. President, in order to induce some kind of action, that I shall have to object.

Mr. SHIELDS. That is exactly what I wish to do—to object to the consideration of this claim until Norway does equity to the citizens of the United States in similar claims.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER. Objection is made, and the bill will go to the calendar.

Mr. SHIPSTEAD. If I still have the floor, I simply want to make this statement:

I asked unanimous consent for the immediate consideration of this bill at the request of Mr. Porter, of the State Department. I thought the Senate ought to be informed of that fact. Mr. Porter informed me last night that the State Department are very anxious that this bill be passed, because if the matter goes to The Hague they are quite confident that it will cost the American Government at least $100,000 more. The State Department consider that they made a very good settlement, and it is simply on that account that I asked for immediate consideration; and if I am not out of order I will now move consideration of the bill.

Mr. MOSES. That can not be done.

The PRESIDENT pro tempore. The Chair is of opinion that the Senator has the right to move to take up the bill.

Mr. SMOOT. Mr. President, by unanimous consent the morning hour was extended for one hour.

The PRESIDENT pro tempore. The Chair understands that the morning hour was extended one hour. It is, however, in order to move to take up any bill after 1 o'clock.

Mr. LODGE. The point is that morning business is not concluded. Of course, when we have concluded morning business, the motion will be in order.

Mr. FLETCHER. I understand that the Chair holds the motion to be in order. If it is in order, the Senator can make his motion.

Mr. LODGE. The morning business has not yet been closed, as I understand.

Mr. FLETCHER. The Chair holds it is in order.

Mr. NORRIS. I hope, even if the Chair holds that the motion can be made, that the Senator will let us finish the routine morning business. We have been trying for three hours to do that.

Mr. SHIPSTEAD. Very well.

Mr. NORRIS. Senators will all have an opportunity to present other matters afterwards, but this is the last morning hour we shall have. I am waiting patiently until the Chair gets down to Senate resolutions, because I have one which, as I said before, will have to be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. ROBINSON. I call for the regular order.

### AMENDMENT OF NATIONAL PROHIBITION ACT

Mr. STERLING. From the Committee on the Judiciary I report back favorably, without amendment, House bill 6645, to amend the national prohibition act, to provide for a bureau of prohibition in the Treasury Department, and to define its powers and duties. I desire to give notice that at the earliest opportunity I shall ask for the consideration of the bill.

Mr. BAYARD. Mr. President, what is the request?

Mr. ROBINSON. Mr. President——

The PRESIDENT pro tempore. The Senator from South Dakota simply reports the bill, and gives notice that at the first opportunity he will ask for its consideration.

### WILLIAM H. NELSON

Mr. GEORGE. From the Committee on Military Affairs I report back favorably, without amendment, House bill 6972, for the relief of William H. Nelson, and I call the attention of the senior Senator from Tennessee [Mr. SHIELDS] to it.

Mr. SHIELDS. Mr. President, this is a matter that I think will not provoke debate. It will take very little time to dispose of the bill, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

### EMPLOYEES OF THE BUREAU OF PRINTING AND ENGRAVING

Mr. CARAWAY. From the Committee on the Judiciary I report back favorably, without amendment, Senate bill 3221, for the relief of employees of the Bureau of Printing and Engraving who were removed by Executive order of the President, dated March 31, 1922. I ask unanimous consent for the immediate consideration of the bill.

Mr. SMOOT. Let it be read.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the employees who were removed from the Bureau of Engraving and Printing by Executive order of the President, dated March 31, 1922, the salaries they were receiving at the time of their removal until the date of their restoration to their former positions in the Bureau of Engraving and Printing, less any earnings they may have made by other employment during that time.

That the legal heirs of those who died after their removal shall receive a sum equivalent to their salaries from the time of their removal to the date of their death, less amount of earnings during that time.

That to those who were not restored to their employment a salary shall be paid equivalent to the one they were receiving at the date of their discharge by Executive order, up to the 31st day of March, 1924, less any earnings they may have had by reason of other employment.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

### ST. MARYS RIVER BRIDGE

The PRESIDENT pro tempore. The Chair lays before the Senate a bill from the House of Representatives.

The bill (H. R. 9434) granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River, was read twice by its title.

Mr. GEORGE. Mr. President, a bill identical in form was passed by the Senate yesterday. I ask for the immediate consideration of the House bill. It is merely a bridge bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed Senate bills of the following titles:

S. 1376. An act to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia; and

S. 3434. An act for the protection of the northern Pacific halibut fishery.

The message also announced that the House had passed the joint resolution (S. J. Res. 107) declaring agriculture to be the basic industry of the country, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a bill (H. R. 1468) to increase the salary of the warden of the United States penitentiary at McNeil Island, Wash., in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker of the House had signed enrolled bills of the following titles, and they were thereupon signed by the President pro tempore:

S. 966. An act for the continuance of construction work on the San Carlos Federal irrigation project in Arizona, and for other purposes;

H. R. 192. An act to provide for a girls' dormitory at the Fort Lapwai Sanatorium, Lapwai, Idaho;

H. R. 1438. An act for the relief of D. H. MacAdam;

H. R. 2123. An act for the relief of the Thompson-Vache Boat Co., of Bonnots Mill, Mo.;

H. R. 2647. An act for the relief of Lena Garagnon Owens;

H. R. 2821. An act authorizing the erection of a sanitary fireproof hospital at the National Home for Disabled Volunteer Soldiers at Santa Monica, Calif.;

H. R. 4012. An act to reimburse William H. Flagg and others for property destroyed by mail airplane *No. 73*, operated by the Post Office Department;

H. R. 4442. An act to extend the insurance and collect-on-delivery service to third-class mail, and for other purposes;

H. R. 5541. An act for the relief of Hubert Reynolds; and

H. R. 8237. An act for the relief of Bruusgaard Kiosteruds Dampskibs Aktieselskab, a Norwegian corporation of Drammen, Norway.

TRICOUNTY IRRIGATION PROJECT, NEBRASKA

Mr. NORRIS. Mr. President, I present a Senate resolution and ask that it be read by the Secretary for the information of the Senate, and then that it be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDENT pro tempore. The resolution will be read.

The resolution (S. Res. 251) was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Whereas in the Sixty-seventh Congress a Senate joint resolution (S. J. Res. 215) was approved September 22, 1922, as follows:

"*Resolved, etc.*, That the Secretary of the Interior, upon the payment to him in advance of the necessary funds to defray the expenses thereof, be, and he is hereby, authorized to make an additional investigation of the tricounty project in Nebraska, comprising the counties of Gosper, Phelps, and Kearney in said State, and to extend said investigation into Adams County, Nebr., with a view of ascertaining whether it is practicable to convey for irrigation purposes flood waters from the Platte River onto lands in said counties"; and

Whereas in accordance with such resolution a survey of said tricounty project in Nebraska has been made by the Bureau of Reclamation, and the expenses of such survey and investigation, amounting to more than $15,000, have been paid for by the State of Nebraska and the citizens living in the vicinity of said project: Now, therefore, be it

*Resolved*, That the Committee on Irrigation and Reclamation be authorized to appoint a subcommittee to visit the tricounty project in Nebraska during the recess of Congress and report to the full committee on the practicability of said project and the advisability of installing the same. There is hereby appropriated out of the contingent fund of the Senate the sum of $300 for the purpose of defraying the expenses of said investigation.

SHIPMENTS AND SALES OF COTTON

Mr. SMITH submitted the following resolution (S. Res. 252), which was read, considered by unanimous consent, and agreed to,

*Resolved*, That for the purpose of providing the Congress with information to serve as a basis for such legislation as may in its opinion be found necessary for the regulation of the shipment or sale of cotton in interstate and foreign commerce, the Federal Trade Commission is authorized and directed to investigate (in pursuance of the powers conferred upon it by subdivision (d) of section 6 of the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, as amended, and in pursuance of any other power conferred upon it by such act) the facts relating to alleged shipments and sales in interstate or foreign commerce by cotton factors or shippers of cotton held by them as security for advances, or otherwise, and to report to the Senate, not later than December 1, 1924, its findings thereon together with such recommendations as it may deem advisable.

MRS. EMMA B. WOODS

Mr. WARREN submitted the following resolution (S. Res. 250) which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate is authorized and directed to pay out of the contingent fund of the Senate the sum of $6,000 to Mrs. Emma B. Woods, widow of the late Elliott Woods, Architect of the Capitol, said sum being the amount of one year's salary received by him at the time of his death.

PURCHASE OF TEXTILE CLOTH FROM FOREIGN CONCERNS

Mr. WALSH of Massachusetts. I present a letter in the nature of a memorial from the Textile Council of Fall River, Mass., protesting against the purchase by the Shipping Board of cotton goods and other textile fabrics from foreign countries. I ask unanimous consent that the communication may be referred to the Committee on Commerce and be printed in the RECORD.

There being no objection, the communication was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

FALL RIVER TEXTILE COUNCIL,
*Fall River, Mass., June 2, 1924.*

Hon. DAVID I. WALSH,
*Washington, D. C.*

MY DEAR SENATOR: I am instructed to call to your attention by the Fall River Textile Council a report of recent date in the daily press to the effect that the United States Shipping Board has bought abroad outfits of cotton goods and other textile fabrics for American ships, amounting in the aggregate to hundreds of thousands of dollars; when such goods can be supplied by New England cotton mills.

We, the members of the above-named council, protest against and condemn such action by the United States Shipping Board, when many of our cotton mills are and have been closed down completely for several months, and mills that are running doing but a few days per week, and thousands of our operatives out of employment.

We believe that all such contracts of this nature for outfitting American ships at all times, and particularly under present conditions, should be made in this country and confined to goods manufactured in the cotton mills of this country. We therefore respectfully request your assistance in preventing in future the awarding of such contracts by the Shipping Board to other than American manufacturers. Any assistance you can render will be fully appreciated.

Yours very truly,

JAMES TANSEY, *President.*
THOMAS GOODWIN, *Secretary.*

PURCHASES BY THE GOVERNMENT OF FOREIGN GOODS

Mr. WALSH of Massachusetts. I present a letter in the nature of a memorial from the Marsh Corner Community Men's Club, of Methuen, Mass., protesting against the recent awarding of a contract for Army cloth to a foreign concern. I ask unanimous consent that the communication may be referred to the Committee on Military Affairs and printed in the RECORD.

There being no objection, the communication was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

METHUEN, MASS., *June 4, 1924.*

Hon. DAVID I. WALSH.

DEAR SIR: At the regular meeting of the Marsh Corner Community Men's Club the members unanimously voted to protest the recent awarding of a contract for Army cloth to a foreign concern, as an injustice to the people of this country, when an award to a concern in this country would have been of such great benefit to a large number of people, especially during a time when there is so much part-

time employment and so many of our citizens are without employment of any kind.

If the newspapers of our country keep us informed correctly, it would seem that a further injustice had been done us in making the award as they did, as the process of manufacture was different than the specifications called for, while the concerns of our country quoted their prices per Government specifications.

We hope that you will be able to protest this award strongly enough that the citizens of the United States may benefit through your action.

Furthermore we feel that the power in the present Government is allowing too much foreign-made goods to come in to the detriment of business and the welfare of its citizens.

Hoping that you can do something to help out conditions in New England, we remain

Respectfully yours,

MARBLE CORNER COMMUNITY MEN'S CLUB,
Per JAS. H. HAZLEHURST, *Secretary.*

SALE OF CARLISLE BARRACKS RESERVATION

Mr. WADSWORTH. Mr. President, I submit a favorable report from the Committee on Military Affairs on House bill 7731, authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation.

I am about to ask consent for the immediate consideration of this bill, and in doing so I remind the Senate that the Senate already has passed a bill covering exactly the same topic. This is a House bill which has crossed the Senate bill in the process of legislation.

Mr. ROBINSON. Mr. President, when did the Senate bill pass?

Mr. WADSWORTH. I do not know exactly, but several days ago.

Mr. ROBINSON. Did the bill pass before the bill passed the body at the other end of the Capitol? I ask the Secretary to read the indorsement.

The READING CLERK. The bill passed the House June 4, 1924.

Mr. ROBINSON. Evidently the House bill passed after the Senate bill had passed this body.

Mr. WADSWORTH. I think the House bill was reported by the House Committee on Military Affairs to the House quite a time ago.

Mr. ROBINSON. I am curious to know why they did not pursue the course that we usually pursue here. When an identical House bill is on our calendar and a Senate bill is favorably reported, we take up the House bill and pass it and indefinitely postpone our own bill. I shall not object to the request of the Senator from New York.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.,* That the transfer from the Department of the Interior to the War Department of the control and jurisdiction over the parcels known as farm No. 1, farm No. 2, and the Sanno tract, now constituting a part of the Government reservation at Carlisle Barracks, Pa., is ratified and confirmed.

SEC. 2. The Secretary the War is authorized to sell at public sale, upon terms and conditions deemed advisable by him, the land lying north of the Carlisle-Harrisburg Highway, being part of the tract of land known as farm No. 2, constituting a part of the Carlisle Barracks Reservation, the land to be sold as a whole or in parcels as the Secretary of War may determine, and to execute and deliver in the name of the United States and in its behalf any and all deeds or other instruments necessary to effect such sale.

SEC. 3. The Secretary of War is authorized to acquire by negotiation or appropriate condemnation proceedings additional land needed at the post of Carlisle Barracks for the use of the Medical Field Service School, to wit: The so-called Alexander tract, being a triangular parcel of ground lying to the southeastward of the original reservation and between said original reservation, the said farm No. 1, and the Cumberland Valley Railway, comprising 19.6 acres, more or less; and the so-called Henderson tract, being an irregular parcel of ground lying northwestward of the original reservation and the said farm No. 1, and southeastward of the Carlisle-Harrisburg Highway, comprising 34 acres, more or less: *Provided,* That the proceeds realized from the sale authorized by section 2 of this act of the part of farm No. 2 therein described may be applied toward the acquisition of the said Alexander and Henderson tracts: *And provided further,* That any residue of the proceeds of the said sale not required to pay for the acquisition of the said tracts under the provisions of this act shall be deposited in the Treasury as miscellaneous receipts.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

OHIO RIVER BRIDGES

Mr. LADD. Mr. President, I report favorably from the Committee on Commerce House bill 9345, granting the consent of Congress for the construction of a bridge across the Ohio River between Vanderburgh County, Ind., and Henderson County, Ky., and I ask for its immediate consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.,* That the consent of Congress is hereby granted to the Commonwealth of Kentucky and the State of Indiana, by and through their respective highway commissions or such other agencies as may be selected, to construct, maintain, and operate a bridge and approaches thereto across the Ohio River at a point suitable to the interests of navigation between the county of Henderson, Ky., and the county of Vanderburgh, Ind., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. LADD. Mr. President, I also report favorably from the Committee on Commerce House bill 9402, granting the consent of Congress to the Fullerton & Portsmouth Bridge Co. to construct a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky. I ask for the immediate consideration of this bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.,* That the consent of Congress is hereby granted to the Fullerton & Portsmouth Bridge Co., a corporation organized and existing under the laws of the State of Kentucky, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Ohio River, at a point suitable to the interests of navigation, to a point in Greenup County, Ky., near the village of Fullerton, from a point near the central portion of the city of Portsmouth, county of Scioto, in the State of Ohio, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

INVESTIGATION OF NORTHERN PACIFIC LAND GRANTS (S. DOC. NO. 143)

The PRESIDING OFFICER (Mr. JONES of Washington in the chair) laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Interior Department, fiscal year 1925, to provide for the expenses of the joint committee of Congress created by House Joint Resolution 237, to make investigation of the land grants of the Northern Pacific Railroad Co. and its successor, the Northern Pacific Railway Co., etc., approved June 5, 1924, in amount $50,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SYSTEM OF REFORESTATION

Mr. McNARY. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1182, to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor.

Mr. ROBINSON. Mr. President, in so far as I am familiar with the provisions of this bill, I know that it deserves approval. I think the Senator from Oregon should make a statement explanatory of the bill in order that the Senate may become acquainted with its purposes and effects. There appears to be no report accompanying the bill.

Mr. McNARY. There is a very large report, covering about 40 pages.

I have prepared some remarks covering the purposes of the bill. Preliminary thereto I will state that this bill is intended to fashion a plan for a system of reforestation. The bill passed the House almost unanimously. It is the product of a long study and survey made by a special committee on reforestation appointed last year. The favorable report was also supplemented by the Committee on Agriculture and Forestry,

and I do not know of any bill on the calendar equal to this one in importance in defining a comprehensive plan for the reforestation of our denuded lands and the protection of our virgin forests.

I move that we proceed to the consideration of the bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That the Secretary of Agriculture is hereby authorized and directed, in cooperation with appropriate officials of the various States or other suitable agencies, to recommend for each forest region of the United States such systems of forest-fire prevention and suppression as will adequately protect the timbered and cut-over lands therein, with a view to the protection of forest and water resources and the continuous production of timber on lands chiefly suitable therefor.

SEC. 2. That if the Secretary of Agriculture shall find that the system and practice of forest-fire prevention and suppression provided by any State substantially promotes the objects described in the foregoing section, he is hereby authorized and directed, under such conditions as he may determine to be fair and equitable in each State, to cooperate with appropriate officials of such State, and through them with private and other agencies therein, in the protection of timbered and forest-producing lands from fire. In no case other than for preliminary investigations shall the amount expended by the Federal Government in any State during any fiscal year under this section exceed the amount expended by the State for the same purpose during the same fiscal year, including the expenditures of forest owners or operators which are required by State law or which are made in pursuance of the forest-protection system of the State under State supervision and for which in all cases the State renders satisfactory accounting. In the cooperation extended to the several States due consideration shall be given to the protection of watersheds of navigable streams, but such cooperation may, in the discretion of the Secretary of Agriculture, be extended to any timbered or forest-producing lands within the cooperating States.

SEC. 3. That the Secretary of Agriculture shall expend such portions of the appropriations authorized herein as he deems advisable to study the effects of tax laws, methods, and practices upon forest perpetuation, to cooperate with appropriate officials of the various States or other suitable agencies in such investigations and in devising tax laws designed to encourage the conservation and growing of timber, and to investigate and promote practical methods of insuring standing timber on growing forests from losses by fire and other causes. There is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, $2,500,000 to enable the Secretary of Agriculture to carry out the provisions of sections 1, 2, and 3 of this act.

SEC. 4. That the Secretary of Agriculture is hereby authorized and directed to cooperate with the various States in the procurement, production, and distribution of forest-tree seeds and plants, for the purpose of establishing forests upon denuded or nonforested lands within such cooperating States, under such conditions and requirements as he may prescribe, to the end that forest-tree seeds or plants so procured, produced, or distributed shall be used effectively for planting denuded or nonforested lands in the cooperating States and growing timber thereon: *Provided*, That the amount expended by the Federal Government in cooperation with any State during any fiscal year for such purposes shall not exceed the amount expended by the State for the same purposes during the same fiscal year. There is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, $100,000 to enable the Secretary of Agriculture to carry out the provisions of this section.

SEC. 5. That the Secretary of Agriculture is hereby authorized and directed, in cooperation with appropriate officials of the various States or, in his discretion, with other suitable agencies, to advise and assist the owners of farms or of lands suitable chiefly for timber production, in establishing, improving, and renewing wood lots, shelter belts, windbreaks, and other valuable forest growth, and in growing and renewing useful timber crops: *Provided*, That except for preliminary investigations, the amount expended by the Federal Government under this section in cooperation with any State or other cooperating agency during any fiscal year shall not exceed the amount expended by the State or other cooperating agency for the same purpose during the same fiscal year. There is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, $100,000 to enable the Secretary of Agriculture to carry out the provisions of this section.

SEC. 6. That section 6 of the act of March 1, 1911 (36 Stat. p. 961), is hereby amended to authorize and direct the Secretary of Agriculture to examine, locate, and recommend for purchase such forested, cut-over, or denuded lands within the watersheds of navigable streams as in his judgment may be necessary to the regulation of the flow of navigable streams or for the production of timber and to report to the National Forest Reservation Commission the results of such examination; but before any lands are purchased by the commission said lands shall be examined by competent examiners employed by the Secretary of Agriculture, and a report made to him showing that the control of such lands by the Federal Government will promote or protect the navigation of streams or will promote the production of timber thereon.

SEC. 7. That to enable owners of lands chiefly valuable for the growing of timber crops to donate or devise such lands to the United States in order to assure future timber supplies for the agricultural and other industries of the State or for other national forest purposes, the Secretary of Agriculture is hereby authorized, in his discretion, to accept on behalf of the United States title to any such land so donated or devised, subject to such reservations by the donor of the present stand of merchantable timber or of mineral, grazing, or other rights as the Secretary of Agriculture may find to be reasonable and not detrimental to the purposes of this section, and to pay out of any moneys appropriated for the general expenses of the Forest Service the cost of recording deeds or other expenses incident to the examination and acceptance of title. Any lands to which title is so accepted shall be in units of such size or so located as to be capable of economical administration as national forests either separately or jointly with other lands acquired under this section or jointly with an existing national forest. All lands to which title is accepted under this section shall, upon acceptance of title, become national forest lands, subject to all laws applicable to lands acquired under the act of March 1, 1911 (36 Stat. p. 961), and amendments thereto. In the sale of timber from national forest lands acquired under this section preference shall be given to applicants who will furnish the products desired therefrom to meet the necessities of citizens of the United States engaged in agriculture in the State in which such national forest is situated.

SEC. 8. That the Secretary of Agriculture is hereby authorized to ascertain and determine the location of public lands chiefly valuable for stream-flow protection or for timber production which can be economically administered as parts of national forests and to report his findings to the National Forest Reservation Commission established under the act of March 1, 1911 (36 Stat., p. 961), and if the commission shall determine that the administration of said lands by the Federal Government will protect the flow of streams used for navigation or for irrigation or will promote a future timber supply, the President is hereby authorized, in his discretion, to add said lands to existing national forests, thereby making them subject to all laws and regulations applicable to national forests.

SEC. 9. That the President, in his discretion, is hereby authorized to establish as national forests, or parts thereof, any lands within the boundaries of Government reservations other than national parks, national monuments, and Indian reservations, which, in the opinion of the Secretary of the department now administering the area and the Secretary of Agriculture, are suitable for the production of timber, to be administered by the Secretary of Agriculture under such rules and regulations and in accordance with such general plans as may be jointly approved by the Secretary of Agriculture and the Secretary formerly administering the area, for the use and occupation of such lands and for the sale of products therefrom. That where such national forest is established on lands previously reserved for the Army or Navy for purposes of national defense the land shall remain subject to the unhampered use of the War or Navy Department for said purposes and nothing in this section shall be construed to relinquish the authority over such lands for purposes of national defense now vested in the department for which the lands were formerly reserved. Any money available for the maintenance, improvement, protection, construction of highways, and general administration of the national forests shall be available for expenditure on the national forests created under this section. All receipts from the sale of products from or for the use of lands in such national forests shall be covered into the Treasury as miscellaneous receipts, forest reserve fund, and shall be disposed of in like manner as the receipts from other national forests as provided by existing law. Any person who shall violate any rule or regulation promulgated under this section shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $500 or imprisoned for not more than one year, or both.

Mr. McNARY. Mr. President, on the 22d of January, 1923, agreeable to Senate Resolution 308, a select committee on reforestation was appointed to investigate problems relating to reforestation, with a view to establishing a comprehensive national policy for lands chiefly suited to timber production, in order to secure a perpetual supply of timber for the use and necessities of the citizens of the United States.

The committee made a nation-wide survey of the situation, holding 24 hearings in 16 States and the District of Columbia. Beyond that, it went out into the forests and investigated logging operations, observed forest practices, and studied the various physical aspects of the problem.

On the 10th day of January of the present year the committee submitted its report and proposed legislation which is em-

bodied in Senate bill 1182. Thereafter the report was referred to the Committee on Agriculture and Forestry, which has general jurisdiction over the subject matter, and on the calendar day of April 15, 1924, this committee reported favorably Senate bill 1182 and recommended that it do pass.

The report of the select committee is as brief a one as could be expected from the magnitude of the subject, though perhaps too comprehensive to permit of careful study by the Members of this body who are abundantly engrossed by public service and who realize the necessity of studying a wide range of public questions. Mr. President, in view of this situation, I shall attempt briefly to review the subject matter and present some of the main features of the proposed legislation.

It is estimated that within the States of the Union originally there were in excess of 800,000,000 acres of forested land, but, by reason of the demands for cultivated areas and the expansion of settlement, this area has been reduced to 138,000,000 acres of virgin forest. Of the original stand, about 250,000,000 acres have been cut over and now are covered with second-growth stumpage in various stages of a complete stand, and about 81,000,000 acres consist of logged-off and denuded land. Roughly, this resource has been reduced about 40 per cent of its original stand in quantity, and even greater reduction must be made in considering the factor of quality on account of the considerable percentage of second growth. One of the most important features of the situation is the unfortunate geographical distribution of the remaining stand of timber. Only one-fourth of the forest land lies east of the Great Plains, wherein live the great population of America, while three-fourths of the forested area lies west and, on account thereof, involves heavy costs in transportation to reach the primary markets of consumption. The movement of lumber in 1920 exceeded 1,600,000 carloads, and cost in freight and charters over $250,000,000. Thirty-four per cent of the lumber manufactured during that year was cut in the Southern States, and 31 per cent in the far Pacific Coast States, making the average carload haul 45 miles. To a considerable extent increasing transportation costs underlie the rise in transportation prices, each increase in freight tending to carry with it added cost in retail distribution. The price paid by the consumer of construction lumber has doubled within the last decade; indeed, the freight itself is even more than the delivered price of the finished product of lumber a quarter of a century ago.

The annual draft upon the American forests is tremendous; approximately 10,000,000 acres of forest land are cut over each year, about half of which is virgin stumpage and half is second growth. America has an amazing appetite for wood.

We use two-fifths of the total world consumption. Our annual ration is about 60,000,000,000 board feet, of which 53,000,000,000 are utilized and 7,000,000,000 feet are destroyed by fire, insects, and disease. The committee, from a careful study of the most reliable data available, reported that the remaining saw timber of softwood species is disappearing approximately eight times as fast as it is being replaced by new growth, and that our hardwood saw timber is disappearing approximately three and one-half times as fast as it is being replaced. In other words, Mr. President, our timber resources are being consumed about five times faster than they are being replaced by nature. If this depletion continues, any normal imagination can approximate the time when we shall experience a complete exhaustion of our timberlands.

It may be profitless to attempt to make any estimate of the amount of wood which will be needed by this country in the future, but it is hardly likely that the annual consumption will grow less, even though substitutes for wood are coming more and more into use. While wood is being replaced by other materials in one field or another, new uses for wood constantly arise in other fields. The growth in population and industrial progress will fully absorb the vacuum made by the use of wood substitutes. Not only is there an increasing use for pulp wood for paper products of various kinds, but also for fiber containers, wallboard, and now even for making actual artificial board. The chemical use of wood for making various by-products is still in its infancy. The next few years may see the forest products used in form and for purposes now beyond the thought of man. The demands made upon the forests for commercial purposes can well be cared for by a wise policy of reforestation, but the assaults by fire are wasteful and to a large degree preventable. During 1922 there occurred approximately 50,000 forest fires, burning over a total of 8,000,000 acres of forest lands and causing a damage of $17,000,000. Not only is this destructive force assisting in the depletion of the forests, but it is an ugly feature which deters landowners from undertaking commercial reforestation.

The foremost need in the forest policy is an adequate fire protection. This can be brought about by a more generous participation by the Federal Government in cooperation with the States and private agencies. For the fiscal year 1923 the Government appropriated $400,000 to be expended for fire protection under the Weeks law. The 27 States cooperating with the Government expended $1,800,000, while the private agencies expended approximately $1,000,000. The area receiving protection consisted of 170,000,000 acres, the average expenditure being 2½ cents per acre. Col. W. B. Greeley, Chief Forester, stated in substance that to protect all the private forest lands effectively would require an annual expenditure of 3 cents per acre, and this would involve extending protection over 150,000,000 acres which now receive no protection and would require a total expenditure from all sources of approximately $9,000,000, which is a little more than three times the sum now available. By many it is thought the Government should recognize it has a real obligation in this matter, and that its contribution would be reflected in a vast commercial saving. The committee was advised by many students of the subject that a fair assumption of the cost for fire protection would be about one-fourth for the Federal Government, an equal liability by the States, and the remaining one-half to the owners of the forest lands. This assumption is carried out in section 3 of the proposed bill, where $2,500,000 is authorized to be appropriated annually. However, it is thought at the present time that not more than $1,000,000 should be made available, because many States and private agencies have not been brought to the point of cooperation. However, it is believed that ultimately, when complete coordination has been effected, that the authorized sum could be used in a 100 per cent effort toward fire detection and suppression.

Further, Mr. President, the burdensome effect of annual taxes is commonly cited by forest owners as an insurmountable handicap to the growing of timber. The investigation conducted by the committee disclosed a great diversity in the plan of taxation of merchantable timber and cut-over lands. In most regions the exhaustion of merchantable timber has resulted in taxes upon cut-over lands so heavy as to preclude private timber growing. We realize this is a problem which can not be immediately solved, but we believe it wise that there should be a legislative direction authorizing the Secretary of Agriculture to study the effect of tax laws, methods, and practices upon forest perpetuation in cooperation with appropriate officials of the various States and other suitable agencies. Within the last decade 10 States have enacted forest tax laws, which usually embody the principle of a low annual tax upon the lumber combined with a yield tax upon the timber at the time of the harvest. These laws have been based upon dedication of land for the growing of timber, while in one or two States good progress is being made in applying such special tax provisions to forest property. The aggregate results are still inconclusive.

Another proposal is the forest growing land to be taxed on the market value of the land alone, exempting the growing timber from current taxation, but levying thereon, at the time of cutting, such yield taxes as may be in accord with the tax paid by other commercial undertakings. This scheme provides current revenue from public forest lands while treating the growth of wood as a crop.

In some States constitutional limitations prevent the adoption of these changes in taxation of forest lands, but we think the whole subject is so vital to the replacement of the forest that some Federal agency should be clothed with power to give it that study to which it is entitled by reason of its tremendous importance.

Mr. President, this bill is the product of a slow evolution in legislation appertaining to reforestation and its kindred problems and will require modifications from time to time as the subject is more thoroughly understood from the enlightenment of experience. Students of the subject are in accord that too great a delay has been indulged in the commencement of some plan national in its scope, such as that embodied in the measure in question. This bill is similar in many of its provisions to that introduced in the Sixty-seventh Congress by Representative CLARKE of New York (H. R. 14241), and to that introduced in the Sixty-seventh Congress by Representative SNELL, of New York (H. R. 129). The titles of these bills indicate that the chief purpose to be accomplished is to assure the continuous production of timber on lands chiefly suitable therefor, in order to meet the problem which confronts the Nation through the rapid depletion of its supply of virgin timber.

Section 1 of S. 1182 directly authorizes the Secretary of Agriculture to recommend for each forest region of the United States, on the basis of cooperative work with appropriate officials of the various States or other suitable agencies, such systems of forest-fire prevention and suppression as will protect adequately the timbered and cut-over lands therein, with a view to the protection of the forest and water resources and the continuous production of timber on lands chiefly adapted to that purpose.

Section 2 authorizes and directs the Secretary to cooperate with the several States in the protection of timbered and forest-producing lands from fire under certain restrictions. The restrictions are: (1) That the Secretary must first have found that the system and practice of forest-fire prevention and suppression provided by any State substantially promotes the objects mentioned in section 1, namely, the protection of forest and water resources and the continuous production of timber on lands chiefly suitable therefor; (2) the maximum expenditure by the Federal Government, other than for preliminary investigations, must not exceed the amount expended by the State for the same purpose during the same fiscal year; and (3) in computing the State expenditures those of forest owners or operators which are required by State law or which are made in pursuance of the forest-protection system of the State may be included if that system is under State supervision and if the State renders a satisfactory accounting for these expenditures.

Section 3 proposes a comprehensive investigation of forest taxation. An adjustment of the methods of taxing forest land to the long-time nature of their crops is probably only second in importance to their protection from fire as a means of encouraging private timber growing. Legislation to this end is necessarily a State function, but a thorough study of the subject by Federal agencies and cooperation with the States in the discussion and dissemination of its findings will undoubtedly be fruitful in securing progress in this direction.

In this section there is authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, $2,500,000, to enable the Secretary of Agriculture to carry out the provisions of sections 1, 2, and 3 of the act. This appropriation will not be needed in full at once, but is regarded as the ultimate Federal expenditure which the national interests at stake clearly justify. This is predicated upon the assumption of at least an equal share of the cost by the cooperating States and upon private expenditures under the joint plan, which may offset those of all public agencies combined.

Section 4 contemplates Federal cooperation with the States in providing and distributing forest-planting material. The United States contains over 81,000,000 acres of denuded and barren land, formerly forested, most of which will have to be planted if productive forests are to be restored thereon. The present scale of forest planting, however, is wholly inadequate, amounting to only 36,000 acres a year. This is indeed a pitiful showing in contrast, for example, with the more than 300,000 acres planted annually in Japan. A lack of cheap planting stock of the right species is a primary cause of the negligible amount of forest planting now being done. The plan proposed in the bill will initiate a remedy for this situation which will benefit primarily the farmers of the country, many of whom should be encouraged to plant timber upon inferior or worn-out soils as a valuable aid in diversified and profitable farming. Timber is a farm crop for which there will never be a glutted market.

Section 5 of the bill is also designed primarily to aid farm owners through the inculcation and demonstration of practicable methods of growing timber. This will include shelter belts, windbreaks, wood produced for home use, and wood lots furnishing a commercial crop. The fund proposed may be utilized either through the extension organization of the Department of Agriculture or through other forms of cooperation with suitable State agencies.

One-third of the forest land in the United States is in farm holdings. The development of timber growing as a farm activity will not only be of great benefit to American agriculture in utilizing profitably what would otherwise be idle or largely idle land, but will be a potent factor in supplying the national requirements for forest products.

Section 6 of the bill proposes to broaden the terms of the act of March 1, 1911, which authorizes the purchase of land for the creation of additional national forests. The present law limits such purchases to land on the headwaters of navigable streams where the maintenance of a forest cover exerts a clearly demonstrable benefit upon the navigability of the rivers which have their sources therein. Such purchases unquestionaly should be continued. But there is also an urgent need for extending the national forests to include seriously denuded land which will never be reforested save through public ownership and which lies on the lower reaches of navigable streams where it may have no clearly demonstrable relationship to navigation.

There are enormous areas of such land, particularly in the Lake States and the southern-pine region, whose restoration to productive forests is essential to our national economy. The establishment of even limited national forests in these denuded belts would serve as demonstration centers, greatly aiding reforestation in the surrounding regions.

The bill proposes to initiate this policy by modifying the provisions of the Weeks law so as to permit the acquisition of lands of this character. At the same time it retains the requirement that all lands purchased must be within the watersheds of navigable rivers, in harmony with the general constitutional theory upon which the Weeks law was passed. I regard this as a most essential expansion in our national policy of public-forest administration.

Section 7 of the bill proposes to supplement the purchase of forest lands by authority to accept gifts or bequests of land adapted to national-forest purposes, subject to equitable reservations. Certain offers of this nature have already been made, but their acceptance has required special legislation. It is probable that considerable bodies of potential forest land or land containing small trees may be offered to the Government from time to time. It would be desirable to authorize the Secretary of Agriculture, by general legislation, to enlarge the national forests by this means to the extent that the offered lands can be economically and effectively administered.

Section 8 of the bill provides for an extension of the national forests, which the Secretary of Agriculture has repeatedly urged in his annual reports and on other occasions. The unreserved public domain contains several million acres of land, unentered and unappropriated, which is adapted primarily to the production of timber or the protection of watersheds. The Federal Government owns this land and is responsible for its wise use in the public interest, but hitherto has not even provided adequate protection for its existing timber from destruction by fire. In seven of the States containing the principal areas of public land of this character no additions thereof to the national forests can be made without special sanction by Congress. This is an inadequate and piecemeal method of dealing with an important and urgent situation. While attempting to encourage the protection and growing of timber by private owners of land, and while proposing to enlarge the national forests by purchase, it is certainly incumbent upon the Federal Government to take adequate care of the lands adapted to timber production which it already owns. The proposed section of the bill would accomplish this as to the unreserved public domain by authorizing the appropriate executive agencies, after due study and classification of the areas concerned, to place within the national forests public lands chiefly valuable for stream-flow protection or for timber production.

Section 9 of the bill deals with a somewhat similar situation existing on considerable portions of our military reservations and possibly on other reservations coming within its terms. The military reservations contain probably 600,000 acres of land that is adapted primarily to the production of timber. Many of these areas are not intensively used for military purposes, and some of them, in line with the contraction of the Military Establishment, are not now used at all. The Secretary of War concurs that it would be in the public interest to have the portions of all military reservations adapted primarily for timber production administered as national forests for that purpose, the right of the War Department being retained to make any use of such reservations for military purposes that may be necessary either now or as future exigencies in the national defense may require.

Mr. President, this is a brief dissection of the act and indicates the general purposes of the measure. Everyone conversant with the problem attempted in part to be solved by this legislation will admit there must be laws, there must be education, and there must be public agitation if we are to save our forests, which are now rapidly disappearing, and all efforts must be coordinated in one consistent and persistent forest policy unless we are to incur the disaster of the prodigal for squandering our most cherished national possession and valuable national resource.

Mr. ROBINSON. Mr. President, the Senator from Oregon has made a very careful survey of the bill, but, on account of the confusion which invariably prevails in the Senate when the end of a session is approaching and which, unfortunately, too often characterizes our proceedings under normal conditions, it has been difficult to hear his statement. I am impressed with

the fact, however, that the bill has received very careful consideration and that it is well thought out. Let me ask the Senator from Oregon what is expected to be the total cost of the administration of this measure should it become a law?

Mr. McNARY. Mr. President, the bill does not make any governmental funds immediately available, but it authorizes——

Mr. ROBINSON. I am not so much concerned in that as to have the Senate informed as to just what additional tax is contemplated.

Mr. McNARY. I was going to complete the statement. The bill does authorize ultimately the Government to expend $2,500,000 annually in cooperation with the States and other agencies in the protection from and prevention of fires. An expenditure of $100,000 is authorized in the distribution of nursery stock, and of $100,000 in aid of farmers in selecting trees suitable for the purpose of windbreaks, hedges, and wood lots; but there is no appropriation carried in the bill. It merely outlines a national plan toward which we may build in the future, if we wish to preserve our forests.

Mr. ROBINSON. As I read the bill, it contemplates that the Federal funds shall be supplemented by at least equivalent funds contributed on the part of the States?

Mr. McNARY. Yes.

Mr. ROBINSON. So that ultimately all told $6,000,000 a year will be expended for purposes of fire prevention, forest conservation, and reforestation?

Mr. McNARY. There will be more than that expended, I will say to the Senator from Arkansas, based upon the theory that the Government shall pay one-fourth, the States one-fourth, and the owners of property two-fourths or one-half. It was stated, although perhaps the Senator did not hear the statement I made, that Mr. Greeley contends and has told the committee that if all of the forest area shall receive adequate protection from fire it will cost about $9,000,000 annually.

Mr. ROBINSON. What is the average annual loss occasioned by forest fires?

Mr. McNARY. It is from $7,000,000 to $8,000,000, and has gone as high as $10,000,000.

Mr. ROBINSON. Mr. President, the Senate has not had an opportunity of considering the details of the bill very thoroughly, but, as I previously stated, I think they are pretty well worked out, and I give the measure my support.

Mr. FLETCHER. Mr. President, the Senate has taken up Senate bill No. 1182. I inquire of the Senator from Oregon if House bill 4830 is not identical with the Senate bill, and whether he would not think it advisable to move that the Senate proceed to the consideration of the House bill?

Mr. McNARY. I will state to the Senator from Florida that I was just about to make that motion when he received the recognition of the Chair. I propose to make that motion.

Mr. FLETCHER. The Senator proposes to move that the Senate shall proceed to the consideration of the House bill in place of the Senate bill now under consideration?

Mr. McNARY. Yes.

Mr. FLETCHER. Then we may indefinitely postpone the Senate bill.

Mr. McNARY. Yes.

Mr. ROBINSON. In what respect, if any, does the House bill differ from the Senate bill?

Mr. McNARY. I will say to the Senator from Arkansas that the House bill differs from the Senate bill in very minor particulars. Under the Senate bill nursery stock is required to be furnished to all who wish to reforest, while that is limited in the House bill to farmers' wood lots. That is one particular of difference between the two bills.

Mr. SHEPPARD. Mr. President, I desire to ask the Senator from Oregon a question. I desire to move to strike out section 7 of the bill. Will that motion be in order after the Senator from Oregon shall have moved to substitute the House bill for the Senate bill and the motion shall have been agreed to?

Mr. McNARY. Mr. President, I move that the House bill——

Mr. SHEPPARD. I wish to move an amendment, and I do not want my rights to be precluded.

The PRESIDENT pro tempore. The Senator from Texas has asked the Senator from Oregon a question.

Mr. McNARY. I am sorry I did not catch the question.

Mr. SHEPPARD. I wish to move an amendment to this bill at the proper time.

Mr. McNARY. Yes; but I think the Senator had better allow the parliamentary status first to be determined, if he will.

Mr. SHEPPARD. Very well.

Mr. McNARY. I move that House bill 4830 be substituted for the Senate bill, and that the Senate bill 1182 be indefinitely postponed.

Mr. ROBINSON. It is in order, of course, to perfect the proposed substitute. The Senator from Texas desires to offer an amendment to the proposed substitute.

The PRESIDENT pro tempore. Undoubtedly he will have that right. The question is on the motion of the Senator from Oregon that the Senate proceed to the consideration of House bill 4830, being Calendar No. 812.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 4830) to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor.

The PRESIDENT pro tempore. The Senator from Oregon now moves that Senate bill 1182 be indefinitely postponed.

Mr. SHEPPARD. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Texas will state his parliamentary inquiry.

Mr. SHEPPARD. Is it in order to move the indefinite postponement of the Senate bill until we have acted on the House bill?

The PRESIDENT pro tempore. Unquestionably. The Senate can postpone the Senate bill indefinitely whenever it desires so to do.

Mr. SHEPPARD. Very well; I have no objection.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Oregon that the Senate bill 1182 be indefinitely postponed.

The motion was agreed to.

Mr. SHEPPARD. Mr. President, I move to strike out section 7. I do not believe that section 7 is essential to the general policy of the measure. Section 7 enables landowners to donate lands to the Federal Government and thereby escape local taxation, to deprive local jurisdictions of large sources of revenue; and those lands may afterwards be converted into national forests. This is not primarily a national forest bill, but a bill putting into effect a general policy of forest conservation.

In this connection I desire to read a letter from Representative Box, of my State, who represents a section of Texas in which there are wide stretches of cut-over land, land from which the timber has been largely denuded. Many counties are dependent on such lands for taxation to support the local government in large degree. Representative Box says:

> As I construe section 7, it will permit large landowners to convey their cut-over lands to the Federal Government, withholding for 20 years all beneficial interests in the land and escaping much, if not practically all, the burden of taxation. When I first discovered the provisions of section 7 I wrote to every commissioners' court of my district, stating its terms and soliciting an expression of their views. I had not had time to hear from them when the bill was again taken up on the next—last—calendar Wednesday, but being confirmed in that view, I made the fight. The courts had already begun to act, though I had not been advised of their action until the next day.
>
> The court of Jefferson County, according to press reports, were unanimous in opposition to the provisions of section 7. The judge and four commissioners of Shelby County took the same action. The county judge of Cherokee County, without advising me whether the commissioners agree with him, wrote me an emphatic protest against the proposition. The county judge of San Augustine County writes me that it will ruin his county. The county judge of Newton County advises that more than four-fifths of that county's lands and land valuation would be included.

I desire to call the attention of the Senate to a letter from Hon. L. E. King, a prominent attorney of Hemphill, Tex. Speaking of the effect of the bill in his county, Sabine County, Tex., he says:

> In this Sabine County, Tex., something like 100,000 or more acres of land are cut over, and to take this land from under taxation for 20 years will doubly burden the small landowners and farmers of this county in order to raise the required amount of taxes to support and maintain our county government. There are already outstanding bond issues against the properties of this county to the sum of about $800,000 or more for road purposes. They have already been levied and approved, and are operative as against the properties of these east Texas corporation lands as well as the lands of others. To pass this legislation into law, it seems to me, would greatly impair the rights of the small farmers and landowners of this section, and would mean almost bankruptcy to this section on account of most of the cut-over lands of this State being located and situated in the eastern part of the State.

I think the same situation prevails in a number of other States.

Mr. McNARY. Mr. President, will the Senator yield at that point?

Mr. SHEPPARD. I yield.

Mr. McNARY. Doubtless those letters were all written prior to the passage of this bill in the House. That very situation has been corrected by the proviso in section 7. Let me read it to the Senator:

*Provided*, That all property, rights, easements, and benefits authorized by this section to be retained by or reserved to owners of lands donated or devised to the United States shall be subject to the tax laws of the States where such lands are located.

That part of the bill was changed in the House to meet that very situation. I will state to the Senator from Texas that his position would be well taken if it had not been for the proviso which I have just read that has been placed in the bill by the House, and which takes care of all objection on that source.

Mr. TRAMMELL. Mr. President, will the Senator yield in order that I may propound a question to the Senator from Oregon, the chairman of the committee?

Mr. SHEPPARD. I yield.

Mr. TRAMMELL. I should like to ask the chairman of the committee if this provision in regard to taxes applies permanently or whether it applies only for the period of time for which the title is retained?

Mr. McNARY. That is all.

Mr. TRAMMELL. Do the provisions of this section mean that the title is surrendered on the part of the owner to the State for a period not exceeding 20 years, and then that the property may revert back to the owner?

Mr. McNARY. No; the reservation ends or terminates in 20 years, during which time the lands are subject to local taxation.

Mr. TRAMMELL. After a period of 20 years, then, the lands belong absolutely to the Government, as I understand. Is that the purport of the provision?

Mr. McNARY. That is correct.

Mr. SHEPPARD. Mr. President, the title may pass at once to the United States Government. I do not know of any situation in the United States where lands of the United States are subjected to State taxation, and I do not believe that a provision of this kind is constitutional, that the United States can subject its lands to taxation by the States. Therefore I think this section ought to go out. It is not essential to the bill. It is really a national forest section. If we are going into the matter of creating new national forests, let us do that in a separate bill.

Mr. FLETCHER. It is quite an important section of the bill, I think. If you are going to take care of your timber supply, you will have to look after these lands that are not suited for agriculture, and that will produce timber, but are good for nothing else. They are passed upon by the department after examination and they are found unsuited for anything else, but will produce timber; and nobody is compelled to make any gift or deed. It is only these lands that people are willing shall go to producing timber and for which they have no other use. They reserve all the mineral rights and all the timber on the land for 20 years and everything else on the land when they convey it to the Government, and it is not Government land; it is privately owned land that has been cut over, land from which the timber has been cut off. It will produce timber. It is good for nothing else.

I will say to the Senator that we found in our investigation that there are millions of acres of those lands in this country that to-day are not paying one cent of taxes, and will not pay taxes. The people will not pay taxes on them. They go off the tax books.

Mr. SHEPPARD. These lands are paying taxes in my State. They are largely owned by great corporations.

Mr. FLETCHER. If they are not valuable or good for any use, they will go off the tax books. They are doing it in every State, and they are not paying taxes now.

Mr. SHEPPARD. Great corporations are paying taxes on them in my State. They will cede these lands to the Government in order to escape taxation. Counties will suffer seriously.

Mr. FLETCHER. May I interrupt the Senator further to observe that these lands where the timber has been cut off are not suited for anything else. The private owners are refusing, in State after State all over this country, to pay taxes on them. They are going back to the State, off the tax rolls, and are not helping at all in the revenues of the State now. This proposition will enable those lands to be taken over by the Government, and then the Government will undertake to produce timber on these lands, and the forest products will be disposed of as they are in the case of national forests and in other instances, and the people will get benefits out of them.

Mr. SHEPPARD. The lands to which I refer have a distinct value. They are valuable for agricultural purposes, and under section 7 they may be donated in fee to the United States Government. If that is done, large amounts that are now being received by the counties by way of local taxation will be lost, and the counties and the small landowners will suffer.

Besides, this bill provides that the United States Government, in cooperation with the landowners, may teach them how to conserve their own forest lands. It is not necessary for the United States to take over the lands and own the lands in fee in order to develop a successful forest policy. It seems to me to be a very dangerous section, and I want to protest against it, and to warn the Senate that in my judgment a very great injustice is being imposed upon a large section of the country.

Mr. BROUSSARD. Mr. President, I should like to call the attention of the chairman of the committee to the provision which he read a while ago:

That all property, rights, easements, and benefits authorized by this section to be retained by or reserved to owners of lands donated or devised to the United States shall be subject to the tax laws of the States where such lands are located.

Who is to pay those taxes? If the title goes to the United States, is it expected that the United States Government will go into the counties and pay those taxes?

Mr. McNARY. Oh, no.

Mr. BROUSSARD. By whom is it proposed that they shall be paid?

Mr. McNARY. When land becomes part of a Government reservation or a national forest it is not subject to local taxation. That is a condition that prevails in 17 of the western States where there are large areas of the public domain. It is not essential to have this matter in the bill as a matter of national reforestation policy. I will concede that.

Mr. BROUSSARD. I am just trying to find out the meaning of this provision.

Mr. McNARY. But the lands suitable for reforestation can be turned over to the Government, with certain mineral reservations, for 20 years. During the period of these proprietary reservations the local government would receive the taxes upon the lands. After the Government acquired the title to the lands in fee simple they would be in just the same untaxable condition as the lands in the public domain and in the national forests in the West.

Mr. BROUSSARD. There is no similarity at all between these lands and the lands in the West. There is not an acre of public land in my State. If any public improvement has been voted by the people there and bonds have been issued predicated upon the assessment of these lands, if they are turned over by an owner who does not care to meet an obligation there, the State loses its right of enforcing the payment of taxes by the sale of the lands and their acquisition by the State; so that the case is not similar to one where lands have never been divested from the United States Government.

Mr. McNARY. It is similar, I will say to the Senator, only as a matter of analogy, as showing where the title rests when taxes are payable and when they are not; that is all.

Mr. BROUSSARD. Of course, where bonds have been issued in a certain drainage district or a school district or a road district predicated upon the assessment value of all properties within that district, under the existing law if taxes are not paid upon these lands they are sold, and the State acquires them, and subsequently other people come and take them up. If, however, one of these parties wants to give up this land, having cut all the timber off of the land, and does not care for the land, he just dodges the payment of that tax and deprives the State or the county or the district of the right of coming back upon this property, because the assessor can not come back on the United States Government for the payment of the tax.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the Senator from Texas [Mr. SHEPPARD].

Upon a division, the amendment was rejected.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the amendments of the Senate Nos. 1 to 5, and also to the amendment to the title to the bill (H. R. 7996) to regulate and fix

rates of pay for employees and officers of the Government Printing Office, and that the House had agreed to the amendment of the Senate No. 6, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4835) to pay tuition of Indian children in public schools.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MADDEN, Mr. ANTHONY, and Mr. BYRNS of Tennessee were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the joint resolution (S. J. Res. 127) to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild-game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture.

The message further announced that the House had adopted the following concurrent resolution (H. Con. Res. 29), in which it requested the concurrence of the Senate:

*Resolved by the House of Representatives (the Senate concurring)*, That the action of the Speaker of the House of Representatives and of the President pro tempore of the Senate in signing the enrolled bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, be rescinded, and that in the enrollment of said bill the following amendment be made, viz: In section 2, after the word "Interior," in the proviso, insert the following: "with such additional reasonable and necessary expenses for said tribal attorneys to be approved and paid from the funds of the respective tribes under the direction of the Secretary of the Interior, as may be required for the proper conduct of such litigation."

The message also announced that the House had passed bills of the following titles, in which it requested the concurrence of the Senate:

H. R. 9111. An act directing the remission of customs duties on certain property of the United States imported by the War Department; and

H. R. 9612. An act granting the consent of Congress to the State of Georgia, through its highway department, to construct a bridge across the Oconee River.

## ENROLLED BILLS SIGNED

The message further announced that the Speaker of the House had signed enrolled bills of the following titles, and they were thereupon signed by the President pro tempore:

H. R. 2126. An act for the relief of C. C. Carson; and

H. R. 4526. An act to incorporate the United States blind veterans of the World War.

## HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 9111. An act directing the remission of customs duties on certain property of the United States imported by the War Department; to the Committee on Finance.

H. R. 9612. An act granting the consent of Congress to the State of Georgia, through its highway department, to construct a bridge across the Oconee River; to the Committee on Commerce.

## CLAIMS OF CHOCTAW AND CHICKASAW INDIANS

The PRESIDENT pro tempore. The Chair lays before the Senate a concurrent resolution from the House of Representatives which will be read.

The principal clerk read the concurrent resolution (H. Con. Res. 29), as follows:

*Resolved by the House of Representatives (the Senate concurring)*, That the action of the Speaker of the House of Representatives and of the President pro tempore of the Senate in signing the enrolled bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, be rescinded and that in the enrollment of said bill the following amendment be made, viz: In section 2, after the word "Interior" in the proviso, insert the following: "with such additional reasonable and necessary expenses for said tribal attorneys to be approved and paid from the funds of the respective tribes under the direction of the Secretary of the Interior, as may be required for the proper conduct of such litigation."

Mr. ROBINSON. Mr. President, the Senator from Oklahoma [Mr. HARRELD] and the Senator from Kansas [Mr. CURTIS], who are familiar with this matter, are both absent from the Chamber. The Senator from Kansas has entered the Chamber now. This concurrent resolution is for the purpose of correcting an error in enrolling a bill, and I ask unanimous consent that it be concurred in.

Mr. CURTIS. It should be concurred in.

The PRESIDENT pro tempore. The question is on concurring in the concurrent resolution.

The concurrent resolution was concurred in.

## DEFICIENCY APPROPRIATIONS

Mr. WARREN. Mr. President, I ask that the Chair lay before the Senate the action of the House on the second deficiency appropriation bill.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives, disagreeing to the amendments of the Senate to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WARREN. I move that the Senate insist upon its amendments and agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. WARREN, Mr. CURTIS, Mr. JONES of Washington, Mr. OVERMAN, and Mr. HARRIS conferees on the part of the Senate.

## LEGISLATIVE APPROPRIATIONS

Mr. WARREN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9429) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 19, 20, 21, 22, 23, and 26; and agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert: "$150,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 18, 24, and 25.

F. E. WARREN,
REED SMOOT,
*Managers on the part of the Senate.*

L. J. DICKINSON,
WM. S. VARE,
C. D. CARTER,
*Managers on the part of the House.*

The report was agreed to.

## TUITION OF INDIAN CHILDREN IN PUBLIC SCHOOLS—CONFERENCE REPORT

Mr. LA FOLLETTE obtained the floor.

Mr. HARRELD. Mr. President, will the Senator yield to me to present a conference report?

Mr. LA FOLLETTE. I yield.

Mr. HARRELD. I present the conference report on House bill 4835, and while I do not want to trench on the Senator's time, I should be glad if the report could be considered at this time. It will take only a minute.

The PRESIDENT pro tempore. The Senator from Oklahoma presents a conference report which will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4835) to pay tuition of Indian children in public schools, hav-

ing met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments.

J. W. HARRELD,
JOHN B. KENDRICK,
CHARLES CURTIS,
*Managers on the part of the Senate.*

HOMER P. SNYDER,
FREDK. W. DALLINGER,
CARL HAYDEN,
*Managers on the part of the House.*

The PRESIDENT pro tempore. The question is upon agreeing to the conference report.

The report was agreed to.

Mr. HARRELD. I thank the Senator from Wisconsin.

INVESTIGATION OF PRESIDENTIAL CAMPAIGN EXPENDITURES

Mr. LA FOLLETTE. Mr. President, on yesterday I offered a resolution for the appointment of a committee authorized to investigate campaign expenditures. I did not conceive that any Senator upon this floor could have an objection to the proposed resolution. It was requested that it be sent to the Committee to Audit and Control the Contingent Expenses of the Senate, because that is required; but, as is well known, that is in large measure a pro forma proceeding, and I anticipated that there could not be any hesitation on the part of the committee in reporting the resolution immediately in order that it might be laid before the Senate. I am advised, however, that there has been a meeting of the committee, and that some sort of reason was presented in the committee for a postponement of consideration and report upon the resolution.

I do not think that the Committee to Audit and Control the Contingent Expenses of the Senate is in control of the policies of the Senate. I believe that Senators very generally would be in favor of the policy of establishing a committee authorized to make rigid and thorough investigation of all campaign expenditures during the progress of the campaign.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Tennessee?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. I will be glad to state to the Senator precisely what occurred in the Committee to Audit and Control the Contingent Expenses of the Senate to-day.

A meeting was held, at which the chairman of the committee, the Senator from New Hampshire [Mr. KEYES], the Senator from Rhode Island [Mr. GERRY] and myself were present. Among the resolutions considered was the resolution offered by the Senator from Wisconsin.

A resolution in language exactly the same as or similar to that of the Senator's resolution was reported four years ago and passed by the Senate. The committee appointed under that resolution was known as the Kenyon committee, as the Senator will recall.

Upon the consideration of the resolution to-day in the committee I moved that the resolution be reported favorably, which motion was put, and the Senator from Rhode Island [Mr. GERRY] and I voted for it, and the Senator from New Hampshire [Mr. KEYES], who said that he held the proxy of the Senator from Ohio [Mr. FESS], voted against it, but the Senator from New Hampshire did say that he would look into it further and consider whether or not it should be finally reported.

In justice to myself, and especially in view of the fact that I have uniformly been for the curtailment and publicity of election expenses, I feel that I should make this statement to the Senate.

Mr. REED of Missouri. Mr. President——

Mr. LA FOLLETTE. I yield.

Mr. REED of Missouri. Will the Senator permit me to inquire of the Senator from Tennessee whether the Senator from New Hampshire will be able to determine the question before the next election?

Mr. McKELLAR. I do not know. I can not fathom the purpose. I see no reason myself why the resolution should not be at once reported. It is not the function of the Committee to Audit and Control the Contingent Expenses of the Senate, as I understand the functions of that committee, to do otherwise than to say whether or not there is money enough with which to carry on the investigation.

Mr. LA FOLLETTE. Exactly.

Mr. McKELLAR. I have served on that committee for a number of years, ever since I have been in the Senate. I have uniformly taken the position I have stated, and until this year I believe that has been the uniform policy of that committee.

Mr. LA FOLLETTE. Mr. President, that is precisely my view. It is not the province of this committee to determine the policy the Senate shall adopt with reference to any of the matters referred to it, but it is the policy of that committee to safeguard the expenditures of the Senate which any proposition coming before it authorizes to be made from the contingent fund.

In view of the fact that the hour of final adjournment has been fixed, I am compelled to move at this time to discharge the Committee to Audit and Control the Contingent Expenses of the Senate from further consideration of the resolution to which I have referred.

I well understand that that motion can not be put to the Senate until another day has passed. Just whether that be a legislative day or a calendar day at this moment I am unable to say; but in order to provide against any technical construction of the rule in that respect I am going to say to all Senators who are interested in the passage of a resolution at this time such as I have introduced, that we should take an adjournment and not a recess to-night to make certain that we shall have an opportunity for the consideration of the motion I have just made.

Mr. LODGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Massachusetts?

Mr. LA FOLLETTE. Certainly.

Mr. LODGE. On that point, of course, to-day is a new day, and the motion to discharge will come to-morrow, if we adjourn to-day.

Mr. LA FOLLETTE. Is it the understanding of the Senator that it will come up to-morrow if we take a recess?

Mr. LODGE. No. It has to be another legislative day.

Mr. LA FOLLETTE. I was apprehensive that was the construction which would be put upon the rule, and for that reason I make the suggestion to Senators who are friendly to the passage of this resolution that they should stand for an adjournment and not a recess. I do not know what the plans are of those who direct the movement of legislative business, as to whether they propose that we shall have a recess to-night or shall have an adjournment, and I just forestall that by the suggestion that we have an adjournment instead of a recess, no matter what the plan is.

Mr. LODGE. In connection with what the Senator from Tennessee has said, there has been a good deal of discussion here at times as to the right of the Committee to Audit and Control the Contingent Expenses of the Senate, whether they could make any change in the text of a resolution referred to them, or whether their sole duty was to declare whether the contingent fund of the Senate was sufficient to supply the needs under the resolution. I have been looking the matter up, and I can not find that there is any restriction on the amending power of that committee. Perhaps the Senator from Tennessee knows of some. They have frequently made amendments.

Mr. McKELLAR. That is true.

Mr. LODGE. Frequently I have seen them made, and I have had doubt about their authority.

Mr. McKELLAR. I have never believed that the committee had the right to make amendments, but it has exercised the right frequently of late.

Mr. LODGE. It was just the same, I think, in the last Congress. That led me to look it up. But I can not find any restriction, either in the statute under which this committee really exists or in the rule restricting the power of the committee, whatever the committee has, to amend. That is merely a question about the power of the committee.

Mr. McKELLAR. If the Senator from Wisconsin will permit me just a moment, I think the answer to the suggestion is this, that all of the measures which are first referred to the Committee to Audit and Control the Contingent Expenses of the Senate in their very nature have to go to other committees, which fix their wording, and recommend their passage by the Senate or their rejection by the Senate. Therefore it would seem beyond doubt that the only power the Committee to Audit and Control the Contingent Expenses of the Senate has is to say whether or not there is enough money in the coffers of the Senate to pay for the investigation, and that is what is undertaken in the resolution. That has been my uniform belief all the time. I do not think there are any decisions on the matter.

Mr. LA FOLLETTE. Mr. President, it may be that the chairman and majority members of that committee purpose to prosecute some investigation with respect to the resolution, and to call another meeting of the committee during the pres-

ent legislative day, and to report the resolution so that it will be in order to take it up during this present legislative day by unanimous consent, or to take it up of right, if recognition were accorded for that purpose, to-morrow, assuming that to-morrow would be another legislative day. But I am not advised about that, and I consider this resolution so tremendously important to the electorate of this country that I can not assume anything with respect to it, and must protect the resolution. It is for that reason that I offer this motion at this time.

All of us well understand what has happened in our elections. I think the voters of the country well understand. Beginning about 1896, the corrupt expenditure of money in campaigns has grown as a tremendous evil, which menaces the very principle that should govern in our elections, and which, after all, is the very foundation of democracy.

Campaign expenditures have gone into the millions. We have had some revelations made to us during the investigations the Senate has been making in the present session, showing the appalling and indefensible growth of this enormously criminal expenditure, and the hold that those who are seeking to grasp undue power in our Government obtain through such expenditures. So, I think, it behooves each branch of Congress, the Federal Government itself, Mr. President, to lend all its power to safeguarding our elections. That is the very soul of democracy.

In order that this resolution which I introduced yesterday shall not be permitted to miscarry, I have entered this motion, and I hope that the following day—and I speak especially with reference to adjournment—will be such that the motion which I enter now will of right be heard, and that it shall not be within the province of any two or three Senators to say that we shall be denied the right to safeguard our elections at this time.

Several Senators addressed the Chair.

Mr. LA FOLLETTE. Mr. President, I have another matter to present, if Senators will bear with me for just a moment.

The PRESIDENT pro tempore. The Senator from Wisconsin will proceed.

### RELIEF OF DISTRESS IN GERMANY

Mr. LA FOLLETTE. Mr. President, on June 3 I entered a motion for the discharge of the Committee on Foreign Relations from further consideration of House Joint Resolution 180. That resolution provides for relief to the distressed and starving women and children of Germany. Now, I ask for a vote upon that resolution.

The PRESIDENT pro tempore. The question is upon agreeing to the motion made by the Senator from Wisconsin.

Mr. LA FOLLETTE. The resolution is to discharge the Committee on Foreign Relations from the further consideration of House Joint Resolution 180, known as the Fish resolution, which provides for the expenditure of $10,000,000 for the feeding and care of the women and children of Germany.

If that motion is carried, I desire to move and shall move to lay before the Senate for present consideration the joint resolution. I say now that I know the stress of business here and the desire of Senators to pass many measures of importance to them and their districts, and I do not purpose with a matter of this sort to intervene with an extended debate taking up the time of the Senate, so far as I am concerned myself, although I am prepared to discuss it. I have been on the ground, and I know something about the conditions, and yet I shall be entirely content if we can be accorded a vote upon the joint resolution.

Mr. LODGE. Mr. President, the joint resolution for the giving of $10,000,000 to Germany, the amendment to that resolution offered by the Senator from Oregon [Mr. STANFIELD] to make a similar but not so large a gift to Greece and Armenia, and the bill introduced by the Senator from Nebraska [Mr. HOWELL] proposing $25,000,000 to be lent to Germany have all been before the Committee on Foreign Relations. They came in just at the end of March, and they have been taken up repeatedly by the committee, have been thoroughly discussed, hearings have been held, witnesses have been heard, including among others, General Allen, and the matter has been very thoroughly examined and considered by the committee. I need hardly say that it is in no sense a party question. After full discussion about three days ago a vote was taken in the committee on the proposed gift to Germany, which was defeated, 11 to 6, and a vote was taken on the proposition of a loan to Germany, which was defeated, 11 to 5.

We have gone into the matter with great thoroughness. It presents many difficult questions. First is the question of the constitutionality of such gifts, which is a very important question. Second is the question of the policy of entering upon a system of relief loans to other countries, loans not asked for, but proposed for the relief of certain portions of the population of Germany, children and women who are alleged to be suffering more than anybody else. The actual conditions as presented to the committee, and there was a mass of testimony about it, were considered. The question of the relief furnished so far by the Germans themselves was also considered.

Then we were presented, through the amendment offered by the Senator from Oregon, with the question of other gifts or loans for purposes of relief. One of them was for the relief of the people of Greece. The case of Greece is a very appealing one. It has rather more than the usual appeal which children, ill fed or starving, or women, ill fed or starving, have for every right-thinking and right-feeling man or woman. There is a special feature about the situation of Greece. Greece is a very small country. It has an area of about 24,000 square miles and a population at the latest estimate of 4,500,000, and of that number 1,300,000, or 28 per cent, are refugees.

Greece can barely support her own people. In fact there is a constant emigration from Greece. There have been forced upon her these 1,300,000 refugees, chiefly from Smyrna, who have been driven out of Turkey in Asia and forced to take refuge in a country of their racial origin, the country which I am sure appeals, by its extraordinary history, to everybody. It is not the fault of Greece. They have not failed in supporting their own people, but it is a tremendous burden to put upon such a small country to care for such a vast number of refugees. Much has been done by other countries through private charities. In the resolution of the Senator from Oregon is also included the case of Armenia. I merely mention this because if we take up the matter for consideration the other appeals, equally or perhaps more moving, must also be considered.

Mr. President, I have only to say in conclusion, for I do not desire to protract the discussion at this point at all, that I think the committee has done its full duty. There was, as I have said, no party feeling in it whatever; there could be none.

I hope that the Senate will have sufficient confidence in the committee and its labors and its work not to reopen the question here at a time when it would lead to a very long discussion. Inevitably the question is a very complicated one, and I doubt very much whether we could get any satisfactory results, though we might. But it would certainly lead to a very great deal of debate. I shall be very sorry, as the Senator from Wisconsin himself has said, to interfere with the work, the bills and measures which other Senators desire to have considered, and to dispose of which they have been waiting and necessarily forced to wait for these later hours. Therefore, I hope the Senate will not decide to discharge the committee.

Mr. HARRIS. Mr. President, I received some weeks ago a letter from an able lawyer of my State, and a man of the highest character, who had been traveling for some time in Germany. He knew conditions there and protested against our country appropriating $10,000,000, which belonged to all our people, to Germany when the suffering in that country had been so exaggerated. He said there was just as much suffering in Georgia and other parts of the United States.

The people in the Northwest are suffering, as are the people in my State and other sections of the South. In one-third of the State of Georgia the farmers are in a worse condition than anywhere in the country, except in the Northwest.

In 1914 the South could not export her cotton on account of the war, and cotton went down to 4 and 5 cents a pound, less than the cost of production. Our people suffered financially as much as Belgium, though we had not entered the war. The South could not finance the cotton crop and Europe could not buy. Our Senators and Representatives appealed to Congress, not for charity, as this bill provides, but for Government loans on cotton, and you turned a deaf ear to our appeals. Only two Senators on the Republican side of the Chamber voted with us. Even some Senators on this side voted against us. How inconsistent it is that the very Senators who voted against giving relief to their distressed fellow countrymen are now urging this gift to a country which does not need help half as much as the cotton producers of the South.

The junior Senator from Nebraska [Mr. HOWELL] on yesterday offered an amendment to let Germany have $25,000,000, which they had not even asked for, and he urged this appropriation, stating that though they had not asked for the money they were not compelled to take it.

The Dawes report, issued since this bill was introduced, proves conclusively that Germany can take care of her own people if they would only half try. I can not understand how Senators will vote away millions of the people's money to a country which is not one-fourth as heavily burdened with taxation as our own.

Aside from the doubtful constitutionality of the bill to appropriate $10,000,000 for the purchase of food supplies for destitute women and children in Germany, the principle involved is, to my mind, radically wrong, and the passage of the measure by Congress would establish a most unfortunate precedent.

Heretofore relief by direct appropriation of Congress, even in our own country, has, with a few exceptions, been limited to cases of sudden and terrible suffering or threatened starvation resulting from earthquakes, storms, fires, and floods, and has been continued only until the local government and local machinery could be reestablished and the necessary outside aid furnished through the American Red Cross and other charitable and relief societies and associations. Even in such disasters appropriations by Congress have, as a rule, been restricted to sums needed to replenish Army and Navy food and other supplies issued to the destitute and starving citizen and to pay transportation and other incidental expenses.

If I remember rightly, the German relief measure was one of the first bills introduced in this Congress. It is now six months since we met here, or since this bill was first introduced, so it can not be claimed that the money is needed to provide relief from a sudden disaster, such as an earthquake, a fire, storm, or flood, neither can it be claimed that there has not been time for the German governments, general and local, to act or for relief societies to appeal to the people for contributions. As a matter of fact, we know that relief societies have been organized throughout this country; they have been and are still most active, and I am glad to say they have been most successful in their endeavors to help the suffering people in Germany, in spite of the setback resulting from the stupid insults of Germans to the memory of the late lamented Mr. Wilson, our distinguished and beloved ex-President.

In addition to the unpardonable blunder in failing to fly their flag at half-mast over the German Embassy building here in Washington, the home of Mr. Wilson, until forced to do so by denunciations and threats of an outraged and indignant public, the German newspapers launched vicious attacks upon the man whose death had cast a gloom over this great country and the world and at a time when patriotic American citizens, irrespective of party affiliations, were paying tribute to the memory of the deceased, one of our ablest and greatest statesmen.

In striking contrast to the stupid and reprehensible conduct of these German officials, newswriters, and editors, the bereaved widow of our great ex-President, Mr. Wilson, contributed money and addressed an open letter to General Allen, the head of the German relief society in America, saying that she hoped the unfortunate flag incident would not deter our people from contributing to the support of the destitute German women and children. I am glad that this has been the spirit of our people in every section.

I have said that American relief societies have been most energetic and successful in their efforts; but what has been done by the German Government, which is directly responsible for the present situation in Germany and the world? It is well known that they deliberately brought about the depreciation of their currency and partial stagnation of German industries in their efforts to escape payment of reparations to France and Belgium and to wipe out their domestic or internal debt as well as their debt to citizens of England and America payable in German marks. And I might add that their efforts so far have been crowned with success; but it is hoped that the report and recommendations of the commission of experts with General Dawes, a fearless American, as chairman, will make the German Government and the German people realize that they will not wholly escape punishment for the untold misery and suffering they brought upon the civilized world.

It is true the German Government has made some payments to our allies, but it is also true that they have received from America and England through loans, payable in worthless marks, and contributions more money than they have paid toward reparations, including deliveries in kind.

It is not claimed by the advocates of this bill that there is an actual shortage of food in Germany; in fact, it is admitted, even by the Germans themselves that they have had a good harvest. They say that while food is abundant in Germany the mass of the people, due to the collapse of the mark, are not able to purchase it. It is also admitted that the "upper classes" still lead "a life of greatest luxury," to quote from a recent article by one of the best-known German writers (Maximilian Harden). The papers of the world for the past few months have frequently commented upon the lavish expenditures of German travelers in Nice and other European pleasure resorts. If the German Government would make these idle rich and the German industrialists and profiteers pay a reasonable property and income tax, and would compel them to bring back to Germany the billions they have safely stowed away in American, English, and other foreign banks and safe-deposit vaults, there would be no need to appeal to the American Congress for appropriation or the American public for contributions.

The tax rate of Germany, compared with the United States and other countries, is so low as to be ludicrous, in fact, it may be said that Germany is virtually a tax-free nation. Yet we are asked to appropriate $10,000,000 as a gift to the Germans and tax all our people to pay it when our people are already so heavily burdened with taxes they can hardly bear it. This condition of affairs in Germany was so apparent to the commission of experts, of which General Dawes was chairman, that the commission found the whole question of reestablishment of the credit of Germany and the payment of reparations could be readily settled by compelling Germany to make her tax rate comparable with that of England, Belgium, France, or Italy, and I am glad to say that newspaper reports indicate that this will be done.

Mr. President, the industries of Germany are not disorganized, neither is the machinery nor equipment disabled or obsolete. In order to diminish or hold down the apparent profit of the Government-owned railroads, a part of which might be made available for the reparations account, huge sums have been expended in the construction and repair of tracks and rolling stock. It is said that since the war Germany has built more new locomotives than there are locomotives, new and old, in France. This is a record that must make our railway magnates green with envy, for it is well known that many of them have adopted similar tactics on a smaller scale to keep down their apparent profits, and thus escape refundment of excess profits to the Government or to claim reimbursement under the Esch-Cummins law, when the apparent earnings fall below 6 per cent.

The industrial barons of Germany, following the lead of their Government, and for a similar purpose, have installed the most modern machinery in their factories, mills, and mines, and if the German Government and the predatory industrialists so willed every idle plant could be put in operation again within less than a week. With up-to-date and new equipment in their industrial establishments, with unsurpassed transportation facilities, and with cheap labor they are in a position to flood the markets of the world with "made-in-Germany" goods, and within five years Germany will be our greatest competitor in world commerce. Germany, however, considers it more important for the time being to make the treaty of Versailles, which her representatives signed, a "scrap of paper" than to reestablish her trade and commerce, feeling assured the latter can be accomplished without delay when she frees herself from the financial obligation resulting from her defeat on the field of battle.

Mr. President, Germany alone is responsible for her unemployment, such as it is, and I am assured that it is not serious. The number of unemployed in Germany is small in comparison with the number in Great Britain, where one-sixth of the men are without work, yet Great Britain has made no appeals for help from foreign citizens or foreign governments. The difference is, Great Britain is willing to tax her industries and capitalists and Germany will not, or has not since the war.

The advocates of this bill say that the collapse of the German mark has made it impossible for the masses to buy food, of which there is, as I have shown, an ample supply in Germany itself. Mr. President, there may be Members of this body sufficiently credulous to believe this story, but I am not one of them. I spent several weeks in Germany less than two years ago, and have some personal knowledge of conditions there. President Hibben, of Princeton University, and other distinguished and fair-minded Americans, who have recently returned from visits to Germany, report that they observed no indications of destitution or starvation in that country. No doubt the collapse of the mark has been a serious inconvenience to the people of Germany, but the old mark is still in circulation together with a new currency, the unit of which is called the renten mark. With any kind of medium of exchange is it probable that women and children will starve when there is food in the market for sale? I doubt, Mr. President, if many of the advocates of this measure honestly believe that the women and children of Germany are destitute or hungry.

The real purpose of this bill is made apparent by a study of the census reports, from which it will be seen that at least

4,500,000 of our men and women of voting age are German born or of German parentage, and there are millions more whose grandparents were born in Germany.

Most of these voters converse in German, they get their news from papers printed in German, they think in German; in fact, many of them are still German to the core.

These German voters have openly threatened to prevent the reelection of any man in public office who fails to show sympathy for their fatherland, and it is not improbable that they have spotters here to-day to report the names of Senators to add to their black list.

Mr. President, I resent their attitude and condemn their methods, nevertheless I would gladly support the bill if I felt that conditions justified favorable action by the Congress, but I am not willing to appropriate the people's money to buy German votes.

Mr. President, there are other countries in Europe sorely in need of outside aid, though they are not represented in such overwhelming numbers at our polls.

The distinguished Senator from Utah [Mr. KING] has told us that fully 2,000,000 Russian men, women, and children are facing starvation or death from exposure. I myself witnessed the distressing conditions in Hungary in 1922, and I am informed there has been little improvement since that time.

When I was in Budapest there were in that city 200,000 Russian refugees dependent upon charity for their daily bread.

But the country that appeals to my sympathy, Mr. President, is the new-born Republic of Greece, our ally in the World War, and our good friend always.

There has not been in all history a more cruel or inhuman act by a nation calling itself civilized than the sudden expulsion from Turkey of the millions of Christian inhabitants, most of them of Greek descent. Following their crushing defeat of the Greek Army in September, 1922, the Turks sent all able-bodied men and half-grown boys into the interior of the Anatolia in a state of virtual slavery to work, and few of them have been heard from since. The old men and the women and children were driven at the point of the bayonet across the frontier or to the seaports. Those too sick or too weak to continue the harrowing march were left by the wayside to die, if, indeed, an end was not put to their suffering by the rifles or sabers of the cruel Turkish soldiers.

Thousands were actually driven into the sea and thousands more threw themselves into the water to escape by drowning an intolerable existence as mistresses or slaves to the inhuman Turks.

But for the assistance and the remonstrance of our representatives on the spot and of the representatives of other civilized nations few of the helpless Greeks and Armenians herded together like cattle on the beach at Smyrna would have escaped death or a life worse than death.

After weeks, and months in some cases, of untold suffering and privation about 1,200,000 emaciated and miserable refugees found themselves in Greece without food or money; in fact, with nothing except the rags on their backs. About 10 per cent of the refugees were Armenians, Hebrews, Assyrians, and Circassians, "having no claim upon Greece except the claim of human beings denied shelter elsewhere," to quote from a report of our adviser to the Greek Government.

Greece, a little nation of something over 5,000,000 inhabitants, impoverished and prostrate after the Smyrna debacle had these helpless and starving refugees, equal in numbers to one-fourth of her population, thrust upon her to support. This Congress made no appropriation to help these distressed people. Relief societies and association from all the civilized world, however, rushed to her assistance. It is said that for five months in 1922 and 1923 the American Red Cross alone cared for 868,000 refugees, and the Near East Relief for thousands of others.

For reasons, which I will not here discuss, the American Red Cross withdrew from Greece the 1st of last July. The Greek Government, assisted by the Near East Relief and other similar societies and associations, have done all that is humanly possible with the funds available. Notwithstanding their efforts, I find from a recent report that there are still no fewer than 500,000 refugees, who are homeless, without adequate food and clothing, and an easy prey to hunger, exposure, and disease.

Mr. President, while we are considering appropriations for the purchase of food supplies for destitute women and children, let us not forget the unfortunate Christian refugees in Greece. There is more suffering to-day among the Jews in Poland and Russia than there is in Germany, but no one is asking us to appropriate money to help them. If we appropriate the people's money to help the starving, it is our duty to help all those in the greatest distress. I am opposed to charity just to get votes.

Let us not forget our own people who are in distress. In my own State one-sixth of the people on the farms have left their homes because of crop failures and financial distress. Thousands of farmers of my State have lost their farms in recent years through no fault of their own. They have worked as hard as anyone ever worked. The same condition exists among the farmers in the Northwest. Let us not forget the burden of taxation borne by our people. It is most commendable for those who have means to contribute liberally to the destitute of Germany and other parts of the world, but, as Representatives in Congress we have no right in my humble judgment to vote to give to the Germans $10,000,000 of the money belonging to all our people. No one sympathizes with those in distress more than I do, but my first duty is to the people I serve.

Mr. COPELAND. Mr. President, I am sorry at this late day in the session to take any of the time of the Senate, but I do feel we should provide this money. The chief argument raised against the measure, apparently, is that such action would be unconstitutional; that we have no right to use the money of our taxpayers for this particular purpose.

I notice, however, that it has been the custom of the Congress for more than 100 years to do things of this sort. In 1812—and that was a long time ago—the Congress voted $50,000 for the relief of the people in Venezuela who had suffered from an earthquake. That bill was fought through the Senate by Senator Bayard. I do not know which particular grandfather he was of our present colleague from Delaware, but he was the father of the idea in the Senate.

There was also a debate in the House of Representatives. The constitutional question was not raised, but I also notice that there was quite a colloquy between Mr. Calhoun and Mr. John Randolph. It may be interesting to Senators to note that in that day, too, there was disorder in the two Chambers. Mr. Randolph made a number of observations on the impatience with which gentlemen of the minority were listened to in the House of Representatives and the frequent interruptions they were in the habit of meeting with. It is encouraging to us to know that we are apparently no worse than were our ancestors.

I wish, however, to raise this question: Of course, it seems more or less absurd for me to discuss a constitutional question, but I wish to suggest that under the general-welfare clause of the Constitution Congress has power to provide for the common defense and general welfare.

In that connection I desire merely to make one medical observation. There is much undernourishment among the children of Germany. I know that from personal observation. I have seen children over there over 10 years of age who had not cut a tooth; children are also born without finger nails because of the poor nourishment of their mothers. Undernourishment of that sort means rickets; it means tuberculosis.

The germs of disease do not recognize national boundaries. We have made a great fight in the United States against tuberculosis, but if we permit the conditions to continue in Germany which are now in existence there it will mean an increase of tuberculosis over there. If the children of Germany contract tuberculosis, the children of America will be afflicted with tuberculosis. No matter how much we restrict immigration, some persons are coming in from abroad.

I have gone down on the lower East Side of New York and have seen tubercular children who have come into the country within a few months. In one school on the lower East Side of New York I found 11 children in one room who had tuberculosis, and 9 of them had just landed in this country. So long as there is any tuberculosis in the world, the children of America are in danger.

So not alone for humanitarian reasons, but in order that our own citizens may be protected, I think this money should be voted for this purpose. I trust Congress will see fit to do this humane thing, to do the thing not alone because it is humane, but, if we have to regard it for mere selfish reasons to do it, because by taking care of the children of Germany we shall be taking care of our own children.

Mr. BAYARD. Mr. President, let me ask the Senator from New York a question. He has suggested that it is the duty of the American people to send money abroad in order to forfend disease coming into this country. Where is the limit to be placed?

Mr. COPELAND. Mr. President, I would not place any limit on that subject. If the countries of the world would unite to wipe out infectious disease in certain sections of Europe, some forms of infectious disease would be wiped out forever. I do not think any finer investment could be made, and, for my part,

I would not place any limit if it had to do with the protection of our own citizens.

Mr. BAYARD. All over the world?

Mr. COPELAND. Wherever there is an infectious disease it is liable to come to our country; and while I am not prepared to say I would go to the uttermost parts of the world, I do say that I would go to Germany just now and wipe out this particular disease, if possible.

Mr. BAYARD. Why does the Senator go to Germany alone? Every nation under heaven has more or less disease.

Mr. COPELAND. If the Senator will bring in a bill applying to some other section of the world I shall be very glad to help him, but the particular country before us now is Germany.

Mr. BAYARD. I am raising the question of principle.

Mr. LENROOT. Mr. President, I shall take only a moment. I hope this motion will prevail. The motion is to discharge the Committee on Foreign Relations from the consideration of a joint resolution that has passed the House by an overwhelming majority.

It has been correctly stated that the Committee on Foreign Relations gave consideration to this joint resolution and voted down by a vote of 10 to 6 a favorable recommendation upon the measure in question, which is a gift, and by a vote of 10 to 5 an amendment making a loan of $10,000,000 to Germany.

I was not present during the hearings before the committee, as they occurred during my illness, but I am quite familiar with the testimony that was taken in the House. I may say that the testimony taken before the Senate committee was never printed. I shall have a word to say about that testimony; but before doing so I want to say a word with reference to the question of constitutionality that is now being raised by some Senators upon this floor, and I want to suggest that it is rather late in the day for some of those Senators to raise that question when some of them have voted repeatedly for legislation of exactly this character.

Mr. President, if this measure is unconstitutional, the gift of $20,000,000 or $24,000,000 to Russia was unconstitutional. If this measure is unconstitutional, the aid we have given in the Mississippi Valley, because of the great flood there, is likewise unconstitutional.

Mr. WILLIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Ohio?

Mr. LENROOT. I yield.

Mr. WILLIS. Does not the Senator recognize a vast difference between aid to our own people in our own country, because of a disaster in this country, and aid to a foreign country where there is no famine?

Mr. LENROOT. Mr. President, with reference to that, you must still find authority in the Constitution for a gift; and if you find authority in the Constitution for a gift you will not find anything that confines it to our own people.

Mr. President, I do not think the Senator from Ohio was here, but I am quite certain that the distinguished chairman of the Foreign Relations Committee did vote for the $20,000,000 gift to Russia; and not only was Russia assisted by this Government but other countries of Europe were assisted immediately following the war.

Mr. LA FOLLETTE. To the extent of $100,000,000.

Mr. LENROOT. To the extent of something like $100,000,000. It is all in the testimony.

Mr. REED of Missouri. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Missouri?

Mr. LENROOT. I do.

Mr. REED of Missouri. I think this Government appropriated money for the relief of China at one time; and after the war was over a large part of the money that had been in some way allocated or set aside to Poland was, in fact, used to feed the civilian population, and that at a time when Poland was carrying on a war with Russia. Whether it is constitutional or not, it is perfectly plain that it always has been construed that these benefactions can be made. If we brought it down to the cold letter of the Constitution, I do not know what the courts might say, but we have been doing it for a good many years.

Mr. LENROOT. Mr. President, all I care to say upon that question is that apparently it did not occur to some Senators who are now urging the unconstitutionality of this measure, upon previous occasions where the like objection could be raised, that the measure was unconstitutional. However, it will be their privilege, of course, to vote against the measure now in question if they think it is unconstitutional.

Upon the merits of the matter, Mr. President, I want to state just this with reference to the action of the Committee on Foreign Relations:

At the same time that this measure was voted down the committee ordered a favorable report upon a resolution or bill providing for participation by the United States in an international exposition to be held in Spain and authorized for that purpose an appropriation of $700,000. There could be only one purpose in that appropriation, and that was, as was frankly stated, the cultivation of good will and friendly relations between the nations who will participate in that exposition. Placed upon that ground alone, I know of no better investment that the United States could make at this particular time than the investment of $10,000,000 to relieve the suffering, undernourished children of Germany. Placed upon the ground of cold dollars and cents alone I know of no better investment than that, because the time is coming when Germany is again going to assume an economic position in the world, and I say this amount would be returned manifold based upon that consideration alone. However, I base my support of this measure upon a much higher consideration than that, and that is the condition of the children of Germany; and it has not improved very materially since the testimony was taken before the House committee.

Secretary Hoover appeared before that committee, and I want to read just a paragraph or two of his testimony. He was asked this question:

> Would it be asking too much for you to say how you feel in reference to this bill?

He said:

> I can only feel one way about children. I have engaged a very large part of my time and energies for 10 years in remedy of famine and poverty among European children as well as in major questions of food supply to some 23 different nations in Europe. I have felt that in the larger view the real hope of recovery in the world and rehabilitation of Europe lies in sustaining the children; that it is of primary importance that we should contribute, where solution can not be found otherwise, to maintain the health and welfare of their children. With a record of having engaged in the relief of somewhere upward of 20,000,000 children in these 23 different countries in Europe, I could not oppose but must support provision against the undernourishment of children anywhere. I can argue very heartily on the failures of adults and the misdoings and misdeeds of the governments that bring these situations about, but I can not apply those arguments against children. Our one hope is that the next generation will be better than this one, and there is no hope if they are to be stunted and degenerate from undernourishment. I recognize the many arguments that may be brought against charitable action either by private agencies or by our Government, but I refuse to apply these arguments to children.

Mr. President, it has been said many times upon this floor, and no doubt will be said many times in the future, that there is no hope for peace in Europe—and we are directly affected by peace in Europe—unless and until the peoples of Europe shall change the policies which they have been pursuing in the past.

The only relief for conditions in Europe is the substitution, for the present feelings of hatred and bitterness between the different nations there, of feelings of friendship and of good will, and I know of no better example the United States could set, I know of nothing better calculated to bring about that change of opinion that must come some day in Europe, than to have the United States say to the people of Germany that we, out of our abundance, will see to it, in so far as we can, in so far as their own resources do not permit, that their children shall be nourished, and shall furnish a citizenship in the next generation that will help bring about that condition in Europe which must come sooner or later.

Mr. WILLIS. Mr. President——

Mr. LENROOT. I yield.

Mr. WILLIS. I desire to ask the Senator a question. I am curious to know where the Senator would draw the line. The argument he makes for children is, of course, appealing. Where would he draw the line? Here on my desk, and in the records of the committee, are requests for relief for children of Greece, the children of Armenia, and the children of Albania. Here I have letters from people who are in those countries, and who have been in Germany, and who advise me that there is as much need, if not greater need, for the Armenian children and the Greek children and the Albanian children and others, than there is in the case referred to by the Senator. Where would he draw the line in this beneficence now proposed?

Mr. LENROOT. Mr. President, in reply to the Senator, I will say that, as far as Greece is concerned, if a measure were

introduced in this body for the relief of the refugees there, I should be glad to support it, and I should like to see every Senator support it, because there is a condition there which I think does call for relief. But that condition should not be urged as against this propositon now pending in the Senate.

Mr. SWANSON. Mr. President, the Dawes report, which was very carefully drawn after very thorough investigation, states that the nationals of Germany have money invested in foreign countries to the extent of $1,687,000,000. That belongs to the people of Germany, and is deposited in foreign countries. Does the Senator suppose that those people in Germany, with that vast amount of money in foreign countries, would let those children suffer for the lack of $10,000,000 proposed to be given? Is not that a reflection on those people themselves?

Mr. LENROOT. Mr. President, it is not a theory as to their suffering there. If the Senator will read this document of the investigation made by most impartial organizations—Columbia University and others—and our own official reports he will see that the fact is, whatever the cause be, that the children of Germany are suffering from undernourishment; that the fact is, whatever the cause may be, that the German Government has not the resources to remedy the situation.

Mr. SWANSON. If the Senator will permit me, I read that evidence of undernourishment on account of lack of butter and lack of milk and other things. There is also a great deal of undernourishment in this country. But I have not yet had it explained to me why there is any obligation on the people of the United States to be taxed to furnish $10,000,000 for the children and people in Germany when the nationals of Germany have about $1,687,000,000 in cash deposited in foreign countries.

Mr. LENROOT. Does the Senator know that the German Government can reach that money?

Mr. SWANSON. Whether the German Government can reach it or not, I believe the German people are a kindly people, and I do not believe the people of Germany who own that money would permit a condition which the Senator would have the Senate believe exists there when they have in America nearly $700,000,000 on deposit.

Mr. LENROOT. Does the Senator deny the condition?

Mr. SWANSON. I do; I was there last year myself.

Mr. LENROOT. Then the Senator denies the authenticity of our own Government reports. The Senator then denies the authenticity of the reports of the various commissions that have investigated the conditions.

Mr. SWANSON. I say that the suffering there is not what it was four or five years ago. The only change is that they have improved conditions there. I spent three weeks there last year, and there were good crops, and there was no starving and no undernourishment to any marked degree. There is suffering all over the world, and there will be suffering until the losses of the world are made up. Suffering? There is suffering in North Dakota and in South Dakota and all over America, which must pay the expenses of the war which Germany brought on. I see no obligations on us, and the committee felt there was no obligation, to send $10,000,000 to Germany, when they have a billion seven hundred million dollars invested in foreign countries.

Mr. LENROOT. I want to ask the Senator whether he voted for the Russian gift.

Mr. SWANSON. I can not recall, but if I did, I was willing to do it. There were thousands upon thousands of poor, starving people, suffering on account of a famine and a drought, going hungry. I would not let a constitutional question stand between poverty and distress like that, and an amelioration of the condition. But in this case the people in Germany have a billion seven hundred million dollars in foreign countries, and they are not asking for money. The conditions have improved. The only change is that an election is now approaching. The war has been over five years, and the clamor and demand for this money did not come until this last year, just prior to an election.

Mr. LENROOT. I would like to ask the Senator from Virginia this. Suppose our Mr. Rockefeller and our Mr. Morgan, and a dozen others of our millionaires, had a billion dollars invested in foreign countries, and our children were starving; what would the Senator do about it?

Mr. SWANSON. I would tax them, as Germany could tax its nationals.

Mr. LENROOT. How are they to get the money, if it is not there?

Mr. SWANSON. I would put the power of taxation on them.

Mr. LENROOT. And how are they going to compel them?

Mr. SWANSON. They have money there that can be taxed.

Mr. LENROOT. The money is not there.

Mr. SWANSON. They do not pay the taxes France pays. They do not pay the taxes America pays. I can not understand why this thing should be brought here. Serbia has more distress than all the other nations combined, but she is a proud nation and is not coming here begging for money.

Mr. LENROOT. Serbia?

Mr. SWANSON. Yes; Serbia. She was overrun two or three times. Poland is suffering. Russia, our ally, is suffering.

Mr. LENROOT. We have helped them.

Mr. SWANSON. France is suffering. France is staggering under a debt of $8,000,000,000, but she stands up courageously and meets her burdens.

The German Government has not asked for this. No association in Germany has asked for it. It has been asked for mostly by people in America, who are demanding this, and most of the clamor for it has come in the last six months.

They have been in a bad condition four years, it is said, and why did not this demand come three or four years ago? The condition was worse. The distress was worse. The Committee on Foreign Relations felt that there was no obligation to do this, with the Dawes report before us. The Dawes report says there is no occasion for this on the part of this Government.

The first effort to raise money was through private subscriptions, but the fund they wanted to raise was not all paid in, and what right have we to make up by the taxing power what the people would not voluntarily give? If we are going to do this, we ought to give money to Greece, we ought to give money to relieve the conditions in Serbia, we ought to give money to Poland, we ought to give money to Hungary, and we ought to alleviate distress all over the world. If we are to embark on this mission of mercy and help, the thing is to do it broadly, not through partisanship, not with any prejudice for or against any nation. If this passes, I will vote to give money to Greece. I voted against that, and I voted against giving money to the Armenians, because I say the time has come for America to cease this giving, except in great emergencies, except in cases of great distress.

Mr. LENROOT. Mr. President, the Senator said that Germany has not asked it. Of course, Germany has not asked this Government or any other government for charity. Germany, however, did endeavor to secure a loan from private sources for the sole purpose of feeding these children. Our Government consented that such a loan should have priority over any claim we might have against Germany. I understand that Great Britain likewise consented, but I understand that France objected, and hence Germany was unable to secure a loan upon a business basis for the very purpose of feeding her children.

It is not to the discredit of Germany, but to the credit of Germany, that she has not asked us for a loan, that she has not asked us for charity. She has nothing to offer as security, under the present conditions, for a loan. The Senator well knows that.

So far as the Dawes report is concerned, I am as hopeful as is the Senator from Virginia that the Dawes report offers an ultimate solution for a betterment of conditions in Germany, but until the Dawes report is ratified, until the Dawes report is put into operation, the children of Germany might starve to death.

Mr. FESS. Mr. President, will the Senator yield?

Mr. LENROOT. I yield.

Mr. FESS. If the Senator would permit, I voted against the $20,000,000 fund for Russia. I voted against it after the House refused to accept the amendment to limit the relief to the Volga region, but opened it up for all Russia. But when we had that question up we went into the question of this Government giving such relief. I found that we had done it for Venezuela in 1812, recommended by James Madison, who was the father of the Constitution and knew what the Constitution was. We did it in the case of India, in the case of China, in the case of Ireland, in the case of Messina, in the case of Martinique, and I can note 12 different occasions when we made the contribution to foreign countries. We have passed at least 70 resolutions in our history making contributions to foreign and to our own people.

Mr. WILLIS. Mr. President, I desire to ask my colleague a question.

Mr. LENROOT. I yield to the Senator for that purpose.

Mr. WILLIS. Will my colleague state whether or not, in the various cases he has enumerated, the contributions were made because of some famine or disaster, earthquake or flood? Was it not in every case due to some terrific visitation of that kind?

Mr. FESS. In Venezuela and Martinique it was the earthquake. In Ireland it was famine. In China it was also famine. However, here is a case where the relief is asked for children, and most of the children have been born since the close of the war. It is in the interest not only of relief from starvation, but is against the spread of disease, and it seems to me that if we ever had an open way to give relief, this is a case where we ought to do it, and while I voted against the gift to Russia because they would not accept the amendment limiting it to the starving regions, I feel that this is a case which ought to appeal to the Congress, and I intend to vote for the measure.

Mr. LENROOT. Mr. President, I thank the Senator, and in concluding I want to make just one observation with reference to the suggestion of my good friend the senior Senator from Ohio [Mr. WILLIS], that is to say, that it makes very little difference to the starving children whether their condition is due to earthquake, or whether it be due to fire, or whether it be due to famine, or to some other cause. The unquestioned fact is that the condition is there, and if the children are to be saved, there is just as much reason for our interposition as if there had been earthquake, or fire, or famine.

Mr. WALSH of Massachusetts. Mr. President, I should like to grant this financial aid to the children of Germany, and I should so vote if I were absolutely convinced that conditions in Germany were such that immediate relief is necessary and could not be obtained in Germany. But has this been demonstrated? That relief of a private character should be given by Americans is evident; but only extreme conditions, unquestionably admitted, can justify public charity that taxes all.

Many petitions have been presented indicating that the condition is most distressing, is painfully sad. On the other hand, I have petitions indicating that conditions are not as bad as pictured. Before we tax our people we ought to have no division of opinion as to conditions of poverty and suffering in Germany, and I hoped we would get from the committee some information as to the actual conditions. If proof was here that poverty, misery, suffering, and starvation stalks in Germany, I think I would lean backward to give aid because of the late unpleasant relations existing between this country and Germany. It would be an opportunity for us to show a fine spirit of magnanimity and Christian charity.

In the face of conditions of suffering and want here in America, what am I going to do and how am I going to answer to my countrymen if I vote in favor of this resolution? Let me read from an article published on June 4, 1924, in reference to conditions of misery and poverty and suffering in America, in my own State, in the city of Fall River, and the situation in Fall River is typical of conditions in other cities in the country. I read from an article by William Robinson, a well-known newspaper man and who has published two books on the World War. His article is published in the New Republic of Wednesday, June 4, 1924, and it is entitled "Fall River: A dying industry." From that article I quote as follows:

> Her scores of mills gave employment to more than half a hundred thousand people, and more than double that number of individuals looked to her busy spindles and looms for their daily bread. Her mills poured millions of dollars into the pockets of families connected with the industry. They produced over 2,000 miles of cotton cloth every day, and they brought from Europe and Canada many thousands of immigrants seeking opportunity and treasure on the golden shore of the Western Hemisphere.
>
> But having risen to such dizzying heights in the nineteenth century, she was, during the twentieth, to fathom depths of depression such as she had never known. To-day Fall River is a city of misery, want, unemployment, hunger, and hopelessness. The cloud that shadows her seems to have no silver lining, and she lies almost dormant, while stark want stalks her streets and her workers wonder what the end is to be, hanging on desperately—God knows how—waiting for they know not what.
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> There are 111 mills in Fall River. Not a dozen of them are running full time. Of the 131,000 persons living in that city about 100,000 are dependent for a living upon wages paid by the mills. It is impossible to determine exactly how many are out of work there. Some mills are managing to use their employees a few days a month; others a day now and then. Certain it is, however, that very recently, when one mill opened to make yarns for automobile tires, the crowd outside its gates seeking employment became so turbulent in voicing its demand that it was necessary to call out the police reserves to control the situation.
>
> Estimates upon the number of unemployed which are given the visitor vary from 30,000 to 70,000, depending upon the source of the information. But whatever the true figures are the fact remains that Fall River has in 1924 appropriated $243,000 for the relief of the needy within her gates, which is in addition to a surplus of $16,000 carried over from last year's appropriation. And though many additional thousands will be spent by individuals and private charitable organizations, the mayor of the city within the past two weeks has asked the Massachusetts Legislature for authority to borrow $500,000 above the city's debt limit to care for the needy unemployed, who, according to the mill owners, can not expect much improvement until after the next cotton crop is harvested. So Fall River expects to spend more than three-quarters of a million dollars of the taxpayers' money for the relief of its poor this year. * * *
>
> Evidence of unemployment, of the discontent born of idleness and consequent want, of the gloom that hangs like a pall over the city, is everywhere. It is a city of grim and silent mill executives, of lounging men, and unoccupied girls aimlessly walking the streets. It is obviously to the visitor a city of discouraged merchants, whose business is at a comparative standstill, and who are so burdened with unpaid accounts that they have in most cases been forced to stop giving credit to unemployed mill workers.

Mr. President, that picture of Fall River is applicable to many industrial localities in this country. We have been sitting here talking about prosperity, indifferent to the happiness and welfare of our own people; Mr. President, the distress amongst our people in this country was never more appalling than it is to-day. From every section of the country information is at hand indicating a like situation to that which the writer has described in Fall River. It is true of parts of New Hampshire, of Maine, of North Carolina, of South Carolina, of the West. It is true of the boot-and-shoe industry, as well as the cotton-mill industry. It is true of the steel industry. It is true of the metal trades, the wool and the clothing industry, the wholesale and retail business.

In view of this situation, without positive evidence of greater want, and of greater need, and of greater suffering, and of greater poverty than here in America, I can not vote, much as my heart urges me, for the relief of the poor people of Germany. I should like, for the sake of cultivating friendliness, to show our magnimenital, to show a spirit of forgetfulness, to vote this relief. I would go a long ways further than for any other country to appropriate this money for the German people if I were convinced that a situation honestly and really and truly existed there that required relief, but in the absence of information from the committee, in the absence even of a minority report, in the absence of some facts from those who have heard the evidence and who can describe the situation as desperate and that there is need of immediate aid, and further, in view of the situation in our own country, in view of the fact that cities in my own State have appropriated for one community alone nearly one-tenth of what is asked in the joint resolution. I can not, much as I would like to do so, vote for the appropriation.

Mr. SHEPPARD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Texas?

Mr. WALSH of Massachusetts. I yield.

Mr. SHEPPARD. I wish to make a suggestion to the Senator before he takes his seat. If the situation is not found to exist as described in the joint resolution, then no money is to be expended.

Mr. WALSH of Massachusetts. Who is to determine what the situation is?

Mr. SHEPPARD. The President.

Mr. WALSH of Massachusetts. That is true.

Mr. SHEPPARD. Ten million dollars or so much thereof as may be necessary are appropriated, and the fundamental condition is that it must be used to aid starving women and children. Therefore, if there are found to be no starving women and children, no money is to be expended.

Mr. WALSH of Massachusetts. But the appropriation of it by us is evidence that we think after investigation that extreme conditions exist. What I am asking is that the committee that has the evidence shall make a report to show what they think the condition really is. Evidently, they do not find that extreme need and suffering that warrants not giving generously by our people but taxing our people.

In addition to the reasons above indicated, I have the opinion of the Massachusetts State Legislature, which has passed unanimously a resolution in opposition to this measure, which has been presented to the Senate.

Mr. SHEPPARD. The joint resolution authorizes an appropriation of only so much as may be necessary. No definite appropriation is made in this resolution. The appropriation will be made when the extent of the distress is determined.

Mr. STERLING. Mr. President, I have been somewhat perplexed over the question of granting $10,000,000 for the relief of German children in Germany. I sometimes think that it is a conflict between intense sympathy on the one hand for needy or suffering children and the dictates of judgment on the other hand. I was in Germany in company for a part of the time with the Senator from Virginia [Mr. SWANSON] last summer, and I corroborate the statements he has made in regard to the crops grown in Germany during the last year. On the 1st of February last, in the Senate, I had the honor of making a few remarks upon an agricultural relief bill then before the Senate. I adverted to this subject because I thought it pertinent to the question of relieving the farmers to some extent by affording them a higher price for their products which might be bought from an appropriation made for this very purpose. In the course of examining the question I had found some statistics in regard to the German crop yield during the year, and I quoted these figures and made the following statement:

Germany comes now with a crop of wheat for the year 1923 amounting to 103,604,000 bushels, with the largest crop of rye since 1913, amounting to 282,452,600 bushels, and oats amounting to 411,676,000 bushels, the largest crop since 1913. When I read these figures I think well might Maximilian Harden, the German editor, say:

"Why should America help? Germany is literally crammed with food. Half of last year's harvest is still untouched, and the reason people in the towns are starving is because the farmers and the landlords are deliberately keeping back the foodstuffs. If I were Mr. Hoover, I would not send a single bushel of grain until the stocks in Germany were consumed."

I can offer out of my own experience some corroborative testimony. During the late summer, just as the harvest was finished, I was privileged to traverse Germany almost from one end to the other, from north to southwest, and on every hand were the evidences of abundant crops of small grain. The potato crop, said then to be hardly fair, amounted to 1,200,000,000 tons.

It is well to observe that Maximilian Harden's advice to Mr. Hoover is not to send a single bushel of grain until existing stocks in Germany are consumed.

Mr. McKELLAR. Mr. President——

Mr. STERLING. I yield to the Senator from Tennessee.

Mr. McKELLAR. I judge that Mr. Harden, in referring to Mr. Hoover, means the American Government. I never heard of Mr. Hoover giving aid to those people personally, so I assume from the context that what he is referring to is that Mr. Hoover and the American Government are one and the same.

Mr. STERLING. I think it bears that interpretation, I will say to the Senator from Tennessee.

He does not advise against the sending of other foodstuffs. He must know that among the workers, among the professional classes, as well as among the aged and infirm, there are many thousands who are without sufficient food and are undernourished; all because the currency, the only currency they have, is worthless.

That was the only currency Germany had at the time of Maximilian Harden's editorial, but there is a different currency now, and there is hardly the same excuse for asking or giving relief there was then when it took many millions of marks to buy an American dollar, for such was the conditions of things at that time.

I want to read from a letter recently received, dated May 16, at Berlin, Germany. It is from a Government official, an attaché of the Customs Service, and is written to another attaché in that service who had been in Germany, but is at present here in Washington.

Mr. LA FOLLETTE. Is he an American attaché?

Mr. STERLING. Yes; he is an American attaché. Speaking of the very high prices for food, for railroad fare, for rents, and so on, covering the necessities of life, he goes on to say:

Restaurant prices are far above what one would have to pay at home for the same food, all over the country, and the theater and opera prices are so high now that I never think of going any more. Recently I had afternoon tea at the Kaiserhof, and for a very poor cup of tea and a very small piece of cake I had to pay 3.50 gold marks, about 80 cents. The cost to the hotel could not have been more than about 20 pfennig. At the theaters it is not at all unusual to charge 40 gold marks for a reasonably good place; thing of it, $10. In spite of these exorbitant prices—

And to this part of the letter I wish to call particular attention—

all hotels, restaurants, theaters, cafés, and other places of amusement are crowded as never before, and all with nothing but Germans. There is a large amount of suffering and poverty in Germany among the working classes, but the industrialists are apparently earning, or, rather, making more money than ever before at the expense of those whom they employ. Nothing seems to be too good for them and nothing too expensive. In any German city it is almost impossible to secure a room in any good hotel, the most expensive least of all, unless previously engaged, and the trains are crowded. One can have no sympathy with the Germans. One sees and feels they should be made to pay every last cent, but, unfortunately, the poor, whom one seldom, if ever, sees, would be the sufferers. Such is the present life in this country.

And so on. So, Mr. President, under conditions like these, showing that Germany is in a position to take care of her own, I do not feel that I can support the proposal to appropriate $10,000,000 for the purpose of feeding the German children. I can not help but think that the German people, those who control the country and who determine the policies and the destinies of the country, will themselves come to their senses and appreciate the needs and the sufferings of the children of the poorer classes and make provision for them. This country should not under the circumstances be asked to grant this proposed relief. My judgment is that there is not now nearly the suffering in Germany among the children that there was in the summer of 1923.

Mr. FLETCHER. Mr. President, I realize that we all want to proceed with business as rapidly as possible. It is unfortunate that action on this matter should only be broached at the eleventh hour of the session. I can not see anything that will be gained by discharging the committee from the consideration of the joint resolution.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Florida yield to the Senator from Wisconsin?

Mr. FLETCHER. I yield to the Senator.

Mr. LA FOLLETTE. If the Senator will permit me, I desire to say that just as soon as the Committee on Foreign Relations had acted upon this measure I entered a motion to discharge the committee. Under the rules of the Senate that motion must lie over for one day. No legislative day was accorded to us until to-day. So I have been just as prompt with the motion to discharge the committee as it was possible for me to be under the rules. Therefore I do not wish even inferentially to be put in a position where there might be inferred a criticism of delay in this important matter.

Mr. FLETCHER. In so far as the Senator from Wisconsin is concerned, I was about to say that I attach no sort of criticism, even apparent, to the Senator, because his action has been taken as promptly as he could have taken it so far as moving to discharge the committee was concerned, but the circumstances have been such that although the joint resolution was introduced in the other body early in the session it never reached a stage when action of this kind might be taken until we are about to adjourn. I voted with the Senator from Wisconsin the other day not to adjourn until we could attend to some of these important matters. I say under the circumstances, however, Mr. President, that I can not see anything that will be gained by discharging the committee and bringing the resolution before the Senate, because the resolution would be debated.

I myself would expect to take up some little time in discussing it, for it is a very important matter. It is a question of disposing of $10,000,000 of the taxpayers' money, and it could not be expected to pass without any discussion. We have not the time to discuss it. In the first place, there are other things that are pressing. Then we are bound to adjourn to-morrow evening at 7 o'clock. If the motion to discharge the committee should prevail, the whole time would be taken up until 7 o'clock to-morrow afternoon in discussing the resolution, and we should then adjourn without taking any action on it. For that reason, it seems to me, the action proposed would result in no good, even if the motion to discharge the committee should be carried. So I shall have to vote against discharging the committee.

With reference to the merits of the case, I am inclined to agree with the view which has been expressed by the Senator from Massachusetts that this whole question should remain further with the committee, because we have not some information which we ought to have. There are some questions of fact that are very gravely disputed on both sides—for instance, as to whether there is such a condition existing as would call for any charity on the part of any other Government.

It is reported in the newspapers that every resort in Europe is filled with rich Germans enjoying themselves and indulging in the greatest kind of luxury. Whether that is true or not,

I am not prepared to say, but that is the report. The Senator from Virginia [Mr. SWANSON] has mentioned the enormous amount of German capital in foreign countries. We know perfectly well that they converted the worthless marks into gold and very largely deposited that gold in other countries.

Those are questions that I would rather have the committee consider a little further and give us some definite conclusions about them.

Then, there is the propaganda for the measure. The mainspring of propaganda is money. Propaganda costs money. We have some idea of the extent of the propaganda that has been inaugurated in support of this legislation. It has spread all over the country. Every Senator's mail has been flooded with it. Newspapers and every other means of influencing opinion by propaganda have been resorted to in support of this joint resolution. It has cost, I venture to say, over $10,000,000 to carry on that propaganda, an amount greater than this joint resolution would provide. That is a matter that might be considered further by the committee.

I hold in my hand the National Review of March, 1924. In it is a statement signed by "Berliner," who says he spent 1923 in various portions of Germany. I will read just one extract from it. It is a very interesting article, and if the joint resolution shall be considered, I will quote further from it:

> There is no real poverty in Germany. There is, on the contrary, evidence of great riches and a widespread general affluence, and therefore I do not hesitate to contend that a nation which can in four short years create a mercantile marine, heavily subsidize its industries and trade and generally bring them to such a high pitch of perfection, use enormous quantities of food grain for beer, spend vast sums on mere luxuries, keep its deposed rulers, princes, and princelings in a most lavish state of luxury, and can generally raise the standard of living of the whole people, should be able to support its own poor without mendacious appeals to foreign charity.

Mr. President, I feel that we ought not to grant this relief.

Mr. HEFLIN. Mr. President, if I believed that the children of Germany were really starving and that there was no other way to provide for them, I should be willing to vote for a proposal such as this, even with the meager information that we have on the subject. I sympathize with anyone in distress, especially children, and I would not let anything stand between me and my duty to the children of any country who were in distress. If this country had the means by which they could be relieved, I would be glad to go to their rescue; but I do not believe that the picture which has been painted pretending to portray conditions in Germany; I do not believe that any such distress exists in Germany as has been portrayed.

Of course, there is some distress in Germany; but there is also distress in the United States. The Senator from Massachusetts [Mr. WALSH] has called our attention to an appalling situation in his section of the country. The Senator from North Dakota [Mr. FRAZIER] this morning told us of the awful conditions in the Northwest. The effort has been made here to secure legislation for the oppressed farmers of America, but this Republican Congress will adjourn to-morrow without having taken any action in their behalf. This Hall will be closed; the other Chamber will be shut up; the Congress will have gone and nothing done to relieve the farmers of the United States.

Laboring men and women are being thrown out of employment; they are walking the streets in many of our cities with nothing to do. They are going to be objects of charity, Mr. President, right here in the homeland. I can not understand that idea of charity that some Senators seem to entertain of going across the sea and helping the people in another country and forgetting the people in distress at their own doors.

We are taught, Mr. President, by the Good Book that charity should begin at home. I think that that is sound doctrine and needs to be applied just now by the Congress of the United States.

We can not provide money to relieve the stricken farmers of the West. Wall Street can get every dollar she wants for speculation purposes. Your Federal Reserve system, we are told under the present control, sends all the money that is needed to Wall Street, but you are not sending it to the West. You are not providing for carrying those people until they can get on their feet. You are not helping them to pay the mortgages on their farms, or helping them to regain ownership of their household effects free of incumbrance.

Mr. President, I have heard testimony here at the Capitol to the effect that four-fifths of the farmers of the West are mortgaged. Four-fifths of their farms are mortgaged, their homes are mortgaged, and when they go to make a crop they must mortgage their household effects and their personal property.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HEFLIN. I yield to the Senator.

Mr. LENROOT. I should like to ask the Senator if he is aware that if this joint resolution passes every dollar of the $10,000,000 must be used in this country for the purchase of farm products, and that the preference in purchase shall be given to farmers and cooperative farm organizations?

Mr. HEFLIN. Yes.

Mr. President, when I want to aid the farmers of the United States I want it done in the open, and I am strongly for aiding them. Nobody should hide behind a subterfuge of seeking to do something for a foreign power to take money out of the Treasury of the United States unless he is justified by the facts in the case. Senators on the other side can not now hide the miserable record that they have made. Talk about sending $10,000,000 to children in distress over in Germany! The facts do not bear out the contention made here. The Senator from Florida [Mr. FLETCHER] read an article here a moment ago from a great magazine saying that no such distress existed in Germany—that the story of the starvation of children was not true; but here Senators come in the closing hours of this session with a proposition for appropriating $10,000,000 for Germany out of the pockets of the taxpayers of America. They are exceedingly liberal with other people's money.

We had an old negro in court down in my State a few years ago, and he heard the judge sentencing quite a list of fellows who had been convicted. The judge said, in one instance, "I will give you 1 year in the penitentiary," and in another, "I will give you 2 years," and in another one 4 years, and in another one 6, and in another one 8, and finally in another one 10. Old Uncle Rufus was sitting there looking on. He got off on a six-months sentence. Some one said, "Uncle Rufus, what do you think of this judge?" Uncle Rufus said, "I don't know very much about him; but," he said, "he sho' is very liberal with other people's time." [Laughter.] So just before an election you seem to get mighty liberal with other people's money.

Oh, Mr. President, there are some curious things going on around here. [Laughter.] Why, I even made the junior Senator from Wisconsin [Mr. LENROOT] smile very blandly at that. He knows that is so.

Mr. President, in discussing the dreadful deflation policy of the Republican Party I used the argument that the German farmers had paid off their farm mortgages and their lands were free from incumbrance. I make the assertion this afternoon, without the fear of successful contradiction, that no country on earth is as free from mortgages on its farming class as is Germany to-day. Let any Senator dispute that if he can. Then do you tell me, with a whole population of farmers scattered throughout the German Empire in such a condition as that, that there is squalor and want to such an extent that we are called upon to appropriate $10,000,000 as a gift to them? Why did not the Senators who are so much exercised just now fight out this thing and discuss it in the open and bring it out here without waiting until Congress is ready to let the gavel fall at the final adjournment time?

Mr. President, we have many serious problems in our country, and conditions are growing worse day by day. Take the South, for instance: The boll weevil is destroying cotton by the millions of bales. The weevil is making it almost impossible for us to produce cotton in abundance. We plant crop after crop and fail. Farmers who used to make 10 bales of cotton to the plow now make 1 and 2 and sometimes they do not get any. Sometimes they fail utterly. We have a great deal of negro labor down there. In many instances the white farmer supplies the negro laborer and his family. He goes out and tries to make a crop of cotton. The boll weevil eats it up. What happens? The negro tenant can not pay the white farmer who supplied him, the white farmer can not pay the merchant, the merchant can not pay the banker; and there is distress with the tenant, with the landlord, with the merchant, and with the banker; and then what have you? You have these negroes, by the hundreds, who can not make a living under boll-weevil conditions, going North to find employment in your industrial centers.

These people need help, but we have not asked you to appropriate millions of the people's money to give it to them. I submit, however, that if you are going into the Public Treasury to take out the taxpayers' money and use it as a gift just before an election, you certainly ought to give it to

our own people, who are good citizens and are supporting the Constitution and the institutions of the United States.

Mr. President, I remember a witness who testified before the Committee on Agriculture and Forestry probably a year or a year and a half ago. He told us of the awful conditions that they had in the West, and with tears in his eyes and his voice trembling as he talked, he said: "Men, I fear that you can not understand just how deplorable the situation is with us. We are in an awful fix."

You have that condition right here in your own country. You have the whole great west of the United States, which ought to be one of the most prosperous sections of the globe, suffering; some of its people starving, almost. Men are having the accumulations of a lifetime swept away under the mistaken policies of the Republican Party. That is the cause of it. Of course that is true. The Senator from North Dakota [Mr. FRAZIER], in his very timely speech this morning, said that five years ago the farmers of the West owned their farms free from encumbrance. I submit to the Senate and to the country that a dreadful condition confronts us now. In five years' time the farmers who were princes in the kingdom of agriculture have become peasants upon farms that do not now belong to them. Where are those farms? Mortgaged. The able Senator from North Dakota tells us that many of them are lost to the farmers; they are gone.

Mr. President, something ought to be done to relieve these people. We ought to be giving consideration to them. They are upstanding American citizens. When the tocsin of war was sounded their boys came to the front, shouldered their guns, followed the flag 3,000 miles to the battle line in France, broke the German line, brought victory to our flag, and saved the liberty of the world; and you are not doing one single thing for them. Now Senators rise up in the closing hours of Congress and just want to lop off $10,000,000 all at once; for what? For the starving children of Germany.

Some Senators rise and read articles here saying that the children of Germany are not starving; that they are not in distress, as it is claimed here that they are. What are we doing here? I am not representing myself. I am representing the people who honored me with a seat in this body, and who trusted me to safeguard their interests, and to support the institutions of my country. I have not the right, because two or three men get up here and advocate my doing so, to vote $10,000,000 to satisfy some propaganda that is gotten up by somebody who doubtless is being paid a good deal of money out of the funds that will be raised.

You know, Mr. President, there are a great many propagandas going on in this country. They will raise a committee, and the propagandist starts on his journey. He gets him up a little pamphlet, and he knows how tender the American heart is. He knows how sympathetic we are. He knows how liberal we are, and he gets up a very pathetic story to tell, and he draws a very pathetic picture to show us, and he comes to Washington.

Mr. JOHNSON of Minnesota. Mr. President, will the Senator yield?

Mr. HEFLIN. I yield.

Mr. JOHNSON of Minnesota. General Allen appeared before the Foreign Relations Committee and told the committee about the conditions in Germany at the same time that I was there; and I wonder if anybody has been before the committee who has tried to contradict the statement of General Allen?

Mr. HEFLIN. I was just talking to a Senator—he is in the Chamber now—who was over there last year, and he told me that he saw nothing to indicate starvation anywhere, and he was in Germany for a month.

Mr. JOHNSON of Minnesota. Will the Senator yield again?

Mr. HEFLIN. Certainly.

Mr. JOHNSON of Minnesota. A very prominent man in my State spent several weeks in Germany, and I have read his report, and I know that he is telling the truth about conditions, because during the World War he was a high officer, and I know that he would not go over to Germany now and come back and tell anything contrary to the truth. Of course, some of these gentlemen who were over there probably stayed at one of the high-toned hotels and associated with men high up in office—rich men. They probably did not have the time to look in the gutters and see the condition of the sick children. The Swedish minister saw me here in the Capitol a few weeks ago. He came directly from Germany, and he told me about the places where the children were sleeping and eating, and told me about the stuff that they had to eat three times a day, and I believe it was boiled cabbage alone. I believe that man told the story correctly.

Mr. HEFLIN. I am satisfied that there is some distress in Germany. I do not believe there is half the distress there that there is in the United States, however.

Mr. CARAWAY. Mr. President——

Mr. HEFLIN. I will yield to the Senator in a moment. In the South the farmers are far from being in a comfortable condition.

Mr. JOHNSON of Minnesota. I know that. We raise 20,000,000 bushels of potatoes in the Red River Valley alone. In 1922 we would have been glad if we could have been in a position to dig them and let the German people have them.

Mr. HEFLIN. I am sure of that.

Mr. JOHNSON of Minnesota. Yes; and there is a surplus of wheat in this country that we would be willing to give them for nothing, because we do not get anything at all for it.

Mr. HEFLIN. I am satisfied of that.

Mr. JOHNSON of Minnesota. We would be willing to do that, if you would provide the money for its shipment over there on the railways and on the steamboats.

Mr. HEFLIN. We will provide it after the 4th of next March. [Laughter.]

I now yield to my friend from Arkansas.

Mr. CARAWAY. The thing I was just getting ready to ask was this: The Senator from Minnesota suggested that possibly these Senators stayed with rich people in Germany. If there are rich people in Germany who are able to feed people on such fine food, why do they not lay the hand of the law on those rich people and make them feed the poor?

Mr. HEFLIN. Of course. My friend from Arkansas has hit the bull's-eye, as he generally does. He says that these rich people are there to whom the able Senator from Minnesota refers, and why not have the Government of Germany say to them: "You have the wealth of the country. We are not going to permit these people to starve."

Mr. JOHNSON of Minnesota. I want to answer that.

Mr. HEFLIN. Say to them, "We are going to tax you and appropriate money to relieve this distressing condition," just as the Government of the United States did when the earthquake did so much damage and injured so many people at San Francisco a few years ago.

Mr. JOHNSON of Minnesota. I would like to answer the Senator from Arkansas. That question was brought up in the committee while I was there, and General Allen and other people there said that this prominent German Rockefeller—they have been calling him that. What is his name? I can not remember.

Mr. CARAWAY. Stinnes.

Mr. JOHNSON of Minnesota. Yes, Stinnes, who died only a few months ago; that he was doing everything in his power to try to help the poor people of Germany, and there is no question about that at all. But there are some people who are nicely dressed, who are well fed. They are not doing anything. They are drones upon society, and I am ashamed to say that we have too dog-gone many in this country of the same kind.

Mr. CARAWAY. The Senator said that Hugo Stinnes was doing all he could to help the poor. When the war was over he was a man of moderate means. When he died, five years later, he was one of the richest men in the world. He evidently had done very much for the poor.

Mr. JOHNSON of Minnesota. I do not take any sides for him in any way. Probably he was in a position. But I do not think it is fair for two prominent lawyers to jump on one farmer here at the same time. [Laughter.]

I want to add one more thing, Mr. President. Yesterday the question was brought up in this Chamber about some one being a lawyer and not a scholar, and then there was another who was a scholar and not a lawyer. I am neither a scholar nor a lawyer, but I thank God I have common sense.

Mr. CARAWAY. May I suggest, in connection with the Senator's statement that two lawyers were jumping on one farmer, that I have not seen the farmer. This gentleman here is an officeholder.

Mr. HEFLIN. The Senator looks so prosperous since he has come down here, and he has gotten so sleek and fat, that I would not take him for a farmer. [Laughter.]

Mr. JOHNSON of Minnesota. I have to be fat when I run for office in Minnesota. I grow fat when they fight me. [Laughter.]

Mr. HEFLIN. Mr. President, I want to say, in reply to my good friend from Minnesota, that I was reared on a farm. My father was a farmer and a country doctor. I was admitted to the bar and practiced law for about 10 years, and when I was elected to Congress in 1904 I quit the law practice and

have not tried a case since that time. So I probably know now nearly as little law as does the Senator from Minnesota, because it has been so long since I tried a law case. But I have seen some able men in this Chamber and in the other Chamber who were lawyers, and who were good friends to the people. They were men who tried to do what they thought was just and fair to all classes of our people.

I think my record here will show that I have been a friend to the farmer ever since I have been in Congress. I have never tried to fool the farmer, and I do not intend that anybody else shall fool him if I can help it.

I have seen men during my service who would talk one way and look another. I have seen men who were good friends to the farmer when they were out on the hustings, running for office, who would forget the farmer when they were elected. Quoting Thomas Moore, as I have done on another occasion or so—

> Bees on flowers lighting cease their hum,
> And some fellows in office soon grow dumb.

Mr. President, the farmer will have ample opportunity to examine the records of this Congress and see how his interests have been tossed about like a football. The other interests have not been neglected. You took the tax off the big income-tax payers—$90,000,000 a year. That went through in a jiffy. You relieved the profiteers of their taxes—$450,000,000 a year. That is all over and behind us. If you had held those two items of taxes on the list, we could have paid the soldiers, every one of them, a cash bonus and have settled the whole thing, and the soldiers would be satisfied. But you did not do that. We have soldiers now in distress. There are Senators in this body, myself and a number of others, who have contributed to ex-service men in distress walking the streets of the Capital of the Nation, which they saved from overthrow and destruction. Yet they could not be served. You said you did not have the money then.

Your President sent a message telling us not to pass a bonus bill. He even said that it was immoral. He was backed in that position by your leaders, and we could not get any cash for the soldiers.

But you can take $10,000,000 now, with the Senator from Wisconsin [Mr. LENROOT] and his colleague [Mr. LA FOLLETTE] advocating it in the closing hours of this session, and send that over to Germany, when you have men and women walking the streets of your cities in distress to-day, and children who are not getting sufficient food in some of the sweatshops and tenement houses of America.

Mr. JOHNSON of Minnesota. Will the Senator yield?

Mr. HEFLIN. Not just now. What did Mr. Mellon do? There was not any hitch about his proposition. He is the richest man in the world, probably, in ready cash. He is at the head of the fiscal policies of America. He has control of the strong box of a hundred million people. What has he done under this administration? Refunded to himself hundreds of thousands of dollars in taxes which he paid into the Treasury, giving it back to himself, relieving himself of the tax burdens which he ought to bear. That went through without a bobble.

But you can not relieve the laboring man; you can not relieve the shippers of the country, who are crying out for fair and reasonable freight rates. Oh, no. You can not do anything to supply the farmers with adequate credits and currency to carry on their business. Oh, no. But you can hold in office your Mellons, who can by the stroke of their pen take back the taxes which Congress made them pay. You can do that.

Mr. JOHNSON of Minnesota. Will the Senator yield?

Mr. HEFLIN. I yield to the Senator from Minnesota.

Mr. JOHNSON of Minnesota. I agree with a lot the Senator from Alabama says.

Mr. HEFLIN. I was sure the Senator would.

Mr. JOHNSON of Minnesota. But I do not think he should criticize the Senator from Wisconsin for taking up this bill at this time. Senators in this body have had ample time to study this measure. If I remember rightly, it was one of the first measures introduced in the other House, and there was one more measure introduced about the same time that fell by the wayside, and for months this measure, having passed the House with a big majority, has been in the committee here. I appeared before the committee, and many others have done so, and the reason the measure has not been taken up for consideration is that we have been waiting and waiting. As I stated myself in this body a few days ago, as a new man I could not——

Mr. HEFLIN. I can not yield longer. It will take me off the floor. I yield for a question.

Mr. JOHNSON of Minnesota. Pardon me for taking up the Senator's time. I did not intend to make a speech on this matter, but the remarks of the Senator brought me up on my feet, and I will try to get through in a second.

The Senator can not have the excuse that he did not know anything about this bill. The Senator knew the bill was coming, but of course the Senator does not like to see it coming up now in the eleventh hour. I would have liked to see the bill come up a month ago, so that we would have had ample opportunity for discussion.

The Senator from Florida, this able lawyer [Mr. FLETCHER], made the same excuse, and said that we needed to debate it. There are a lot of things in this body that we do not need to debate at all. Of course, that is the way with attorneys, they always like to debate things so long.

Mr. HEFLIN. Mr. President, the Senator interrupted me just as I was operating upon Mr. Mellon—this man who has refunded to himself hundreds of thousands of dollars. Nobody in the administration has criticized him, so far as I know. He is still held in that high place by the President, and I understand the President regards him as the ablest and best member of his Cabinet.

I recall another thing that happened under him. A clerk in his department was given in hand the tax files of Mr. Doheny, and that clerk worked out the proposition by which he refunded to Mr. Doheny several thousand dollars, and that clerk soon retired from his position in the Treasury. He put behind him the small salary he was receiving, and he is now drawing a big salary at the hands of Mr. Doheny, the man he served when working under our flag, sworn to do justice by the American people—showing favors to the oil king of America under the administration of Mr. Mellon and Mr. Coolidge. This man Doheny got back his thousands, and the man who handed it back, working under Mr. Mellon, is now out drawing big money from Mr. Doheny.

Mr. President, one other thing in that connection. Mr. Mellon has averaged, in refunding to the mighty rich of America, $100,000,000 a year since he has been Secretary of the Treasury. No wonder we have not money to pay our soldiers adjusted compensation. No wonder we can not do anything to relieve the stricken farmers of the West—these men and women, proud and upstanding five years ago, the junior Senator from North Dakota tells us, now in want, their farms mortgaged, homes sold, household effects gone, eking out a miserable existence—and your Wall Street sheet proclaiming that you have prosperity under a Republican administration!

It is not so. We might just as well tell the truth about it. Here in the closing hours, when millions of the people in the West are far from being even in a comfortable position and thousands in the South are suffering because of the wicked policies of your party, you come with a $10,000,000 gift to parcel out to Germany, when there is grave doubt as to the existence of any facts to justify it.

I want to repeat this in conclusion: The farmers of Germany are freer from debt and encumbrance of every kind than are the farmers of any other country on the globe. Mr. President, I believe in the doctrine of being just to our own people before we are generous to any other people on earth.

Mr. CURTIS. Mr. President, I ask unanimous consent that we may dispose of a conference report which the Senator from New Mexico [Mr. BURSUM] desires to present and which is very short; that the Senator from Wyoming [Mr. WARREN] may dispose of an appropriation bill to which there are only two amendments; and that we then have a short executive session, and take a recess at the close of the executive session until 8 o'clock to-night.

Mr. DILL. Some of us want to vote on the pending motion to discharge the committee from the further consideration of the joint resolution.

Mr. CURTIS. That can not be voted on before dinner, because the Senator from Wisconsin [Mr. LA FOLLETTE] desires to speak further on it.

Mr. McKELLAR. Mr. President, before I give my consent——

Mr. HEFLIN. We could vote on it now.

Mr. DILL. Yes; we can vote on it now.

Mr. HEFLIN. Let us vote on it now.

SEVERAL SENATORS. Vote! Vote!

Mr. HEFLIN. Let us have a vote.

Mr. JONES of Washington. I think probably we had better not vote now.

Mr. HEFLIN. Let us take no recess, then.

Mr. CURTIS. Mr. President, the Senator from Wisconsin asks me to include in the request that we agree to a vote on the joint resolution before we adjourn to-night.

Mr. LA FOLLETTE. And that when we conclude our session to-night we take an adjournment.

Mr. CURTIS. We had intended to do that.

Mr. McKELLAR. Let us have no misunderstanding about it. We will not take a recess to-night, but when we conclude our business adjourn until 12 o'clock to-morrow.

Mr. CURTIS. We might want to adjourn until 11 o'clock.

Mr. McKELLAR. Very well; make it 11 o'clock.

Mr. CURTIS. I ask unanimous consent that after the disposition of the conference report which the Senator from New Mexico desires to present——

Mr. McKELLAR. Before that is done, and reserving the right to object, as I understand it the Senator from New Mexico is going to submit a conference report in which the Spanish-American War veterans are to be left out. I am unwilling for that report to be agreed to pro forma. I think it ought to be discussed.

I do not believe the Spanish War veterans ought to be left out. I do not think the members of the conference committee should have agreed to any such thing. I do not think the Senate conferees have stood up for what the Senate adopted. The Senate adopted a provision in the bill including the Spanish-American War veterans, and the Senator from New Mexico has come in here with a report agreeing to leave out the Spanish-American War veterans. I do not think we ought to adopt the report with the provision left out, and I am unwilling to give unanimous consent for the consideration of the conference report.

Mr. BURSUM. Mr. President, I would like to be permitted to say a word in reply to the Senator from Tennessee. There is no man in this body any more anxious than I am to give the Spanish-American War veterans an increase of pension.

Mr. McKELLAR. Then the Senator ought not to bring in a report without such a provision.

Mr. BURSUM. Will the Senator kindly let me finish my statement?

Mr. SWANSON. Mr. President, the time is going to be consumed in debate, and I object. Let us proceed with our business.

Mr. ROBINSON. Mr. President, I ask for order in the Chamber.

The PRESIDENT pro tempore. Senators must be in order before any business can be transacted. The Senator from Kansas has not completed his request for unanimous consent, and until that is done there is no debate in order.

Mr. CURTIS. I am perfectly willing to submit the unanimous-consent request leaving out the conference report of the Senator from New Mexico. I am satisfied there will be no objection to the bill of the Senator from Wyoming, and we ought to put it through because there will be only two amendments, and there may be a conference on it.

Mr. McKELLAR. What is the bill?

Mr. CURTIS. It is a bill to apply increased salaries in lieu of the bonus that has been paid for years to those in the field service all over the United States. It is a justifiable measure and ought to go through. I do not think there will be a single vote against it. One amendment is only to correct a mistake. It ought to pass in two minutes.

Mr. SMITH. Let us pass it.

Mr. CURTIS. I submit this request. I ask unanimous consent that we dispose of the appropriation bill in charge of the Senator from Wyoming [Mr. WARREN]; that at the conclusion of that matter we have a short executive session; that at the conclusion of the executive session we take a recess until 8 o'clock to-night; and that we vote upon the motion of the Senator from Wisconsin [Mr. LA FOLLETTE] to discharge the committee from further consideration of the German relief joint resolution before we adjourn to-night.

Mr. McKELLAR. And that when we quit to-night we will adjourn until 11 o'clock to-morrow.

Mr. ROBINSON. Mr. President, since I came into the Chamber a number of Senators have suggested that we might take a vote now on the motion of the Senator from Wisconsin. If that is possible, why can we not take a vote on it now?

Mr. CURTIS. I understand the Senator from Wisconsin wants half an hour to discuss the motion.

Mr. LA FOLLETTE. I feel as if I would like to make a brief talk in favor of the motion. I have not up to the present time. I have listened to three or four hours' discussion mainly against it, and I would like to be permitted an opportunity to reply. It might take half or three-quarters of an hour. It seems to me it would be better to take a recess, if we are going to have dinner, and come back at 8 o'clock. That is the only reason why I made the suggestion.

Mr. HEFLIN. What other measures are going to be considered to-night?

Mr. CURTIS. I thought that to-night we would try to get unanimous consent to clean up the calendar, and perhaps one or two bills that could be taken up on motion.

Mr. FLETCHER. I think that ought to be included in the unanimous-consent agreement.

Mr. CURTIS. We can not include so many matters in such an agreement.

Mr. SWANSON. I do not think we will make any progress by endeavoring to get unanimous consent. We have to dispose of the bill of the Senator from Wyoming, and we could have disposed of it by this time while we have been talking about a unanimous-consent agreement. The best thing to do is to proceed and dispose of his bill and then take a recess.

Mr. JONES of Washington. Mr. President, let me suggest that we agree to take a recess at not later than half past 6 o'clock and dispose of what we can before that time.

Mr. SWANSON. Yes; and be back here at 8 o'clock to-night, and the Senator from Wisconsin can then proceed.

Mr. NORRIS. I would like to suggest to the Senator from Kansas that we take a recess at not later than 6.30, that we reconvene at 8 o'clock, and that we vote upon the motion of the Senator from Wisconsin before we adjourn to-night.

Mr. HEFLIN. I object to that.

The PRESIDENT pro tempore. The Senator from Nebraska has the floor.

Mr. HEFLIN. I can object.

The PRESIDENT pro tempore. The Senator can object, but the Senator from Nebraska has a right to state his request.

Mr. HEFLIN. The Senator had stated it.

Mr. CURTIS. Apparently we might as well go on with the business of the Senate.

Mr. HEFLIN. I do not intend to permit a vote to be had on the motion of the Senator from Wisconsin to-night if I can help it, when there are but few Senators here. Last night after half past 9 there were not 30 Members here. If we are going to pass on the business of the people, a quorum must be present. We can not dispose of the matter to-night. We can discuss it. I do not object to having the Senator from Wisconsin do that, but let us vote on it to-morrow, when we have a full attendance. I am not going to consent to a vote on it to-night.

Mr. CURTIS. Very well. I withdraw my request.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. JONES of Washington. Mr. President, I shall take only a minute or two. I agree with the Senator from Alabama [Mr. HEFLIN] that there would be no hesitation upon the part of the Senate, and I do not think on the part of anyone, to make ample appropriation to meet real distress if the conditions were shown to exist that we felt would warrant it. We never have failed to respond to the cry of distress and suffering at any time.

### CIVILIAN EMPLOYEES OF FIELD SERVICE

Mr. WARREN. Mr. President, from the Committee on Appropriations, I report back favorably, with amendments, the bill (H. R. 9561) making additional appropriations for the fiscal year ending June 30, 1925, to enable the heads of the several departments and independent establishments to adjust the rates of compensation of civilian employees in certain of the field services. I ask unanimous consent for the consideration of the bill.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wyoming?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The first amendment of the Committee on Appropriations was, on page 16, line 14, after the word "salaries," to strike out "$300" and to insert "$680," and at the beginning of line 15, to strike out "$680" and to insert "$300," so as to read:

Carson City, Nev.: For salaries, $680; for wages, $300; in all, $980.

The amendment was agreed to.

The next amendment was, on page 23, after line 2, to insert:

DEPARTMENT OF COMMERCE—BUREAU OF FISHERIES

For protection of the fisheries of Alaska, including travel, subsistence (or per diem in lieu of subsistence) of employees while on duty in Alaska, hire and maintenance of boats, employment of temporary labor, and all other necessary expenses to carry out the provisions of the act entitled "An act to protect the fisheries of Alaska," approved June 6, 1924, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $55,000 for the fiscal year 1924, and to remain available until June 30, 1925.

Mr. KING. Mr. President, I ask an explanation regarding the item, and also I should like to know the aggregate amount carried by the bill and added to the burdens of the taxpayers of the country.

Mr. WARREN. In the first place, let me say the bill, altogether, including the amendment, carries a total of $26,302,767.84. The bill covers all the employees of the United States, except those who have been provided for under the classification plan in other bills; in other words, it takes in all the field-service employees everywhere in the United States and its possessions, and also a large portion of the employees even in Washington, including some employees of the various courts. In other words, this covers the bonus of heretofore and perhaps a small percentage more as additional compensation for the employees I have mentioned.

As to the amendments, the first amendment was a transposition of two amounts and not a dollar was added by it. At the end of the bill an appropriation is made of $55,000. That was made necessary because of the bill passed a few days ago in relation to the fisheries of Alaska. The Budget estimate came down this morning. Of course, the fisheries of Alaska require immediate, instant attention, as they are about to start in their season. All of the $26,000,000 except $55,000 is for employees of the United States.

Mr. KING. As I hastily figure in it my head, we have added to the pay rolls of the Government considerably more than $100,000,000 for the coming year.

Mr. WARREN. The Senator will recall that we have been paying a bonus, and this takes the place of the bonus, so there is not the increase that there would seem to be from the figures.

Mr. KING. Of course, aside from the bonus it would be possibly $200,000,000.

Mr. WARREN. Oh, no.

Mr. KING. Above the compensation paid under the old schedule.

Mr. WARREN. It is nearer a 5 per cent net increase than it is 10 per cent.

Mr. KING. I think the Senator is in error in regard to that.

Mr. WARREN. I think not.

Mr. KING. This would add $26,000,000 to the expenditures of the Government.

Mr. LENROOT. No; less the $240 bonus now paid.

Mr. KING. No; that is based upon the schedule of salaries now provided by law.

Mr. WARREN. I take it the Senator does not begrudge it to the employees?

Mr. KING. If I had my way, Mr. President, there would be an adjustment of compensation for the employees of the Government a little different from that which is being prescribed, and it would have some relation to the compensation which is paid in agriculture and in the various vocations of the people of the United States.

Mr. WARREN. However, the Senator will take notice of the fact that the duty of the Committee on Appropriations is merely to appropriate money under the law.

Mr. KING. I am not criticizing the Appropriations Committee. They have strings, if not chains, around their necks which bind them.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 23, to increase the total appropriation from $26,302,767.84 to $26,357,767.84.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ADDITIONAL REPORTS OF COMMITTEES

Mr. NORBECK, from the Committee on Agriculture and Forestry, to which was referred the resolution (S. Res. 249) authorizing an investigation of the amount of losses sustained by the farmers of the United States on account of governmental fixing of price on wheat during the World War, reported it without amendment and submitted a report thereon, and it was ordered to be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. HARRELD, from the Committee on Indian Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 25. An act authorizing a per capita payment of $50 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation (Rept. No. 788);

H. R. 71. An act authorizing the Cowlitz Tribe of Indians, residing in the State of Washington, to submit claims to the Court of Claims (Rept. No. 789);

H. R. 4275. An act authorizing the Ponca Tribe of Indians residing in the States of Oklahoma and Nebraska to submit claims to the Court of Claims (Rept. No. 790);

H. R. 4818. An act to perfect the title of purchasers of Indian lands sold under the provisions of the act of Congress of March 3, 1909 (35 Stat. L. p. 751), and the regulations pursuant thereto as applied to Indians of the Quapaw Agency (Rept. No. 791);

H. R. 7077. An act to amend an act entitled "An act to amend an act entitled 'An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1914,' approved June 30, 1913," approved May 26, 1920 (Rept. No. 792); and

H. R. 7453. An act to amend an act approved March 3, 1909, entitled "An act for the removal of the restrictions on alienation of lands of allottees of the Quapaw Agency, Okla., and the sale of all tribal lands, school, agency, or other buildings on any of the reservations within the jurisdiction of such agency, and for other purposes" (Rept. No. 793).

Mr. NORBECK, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3459) to encourage and promote the sale and export of agricultural products grown within the United States, reported it with amendments and submitted a report (No. 795) thereon.

Mr. COPELAND, from the Committee on Education and Labor, to which was referred the bill (S. 3278) to establish a council on universities and colleges in the District of Columbia, and for other purposes, reported it without amendment.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2424) to reduce the fees for grazing livestock on national forests, reported it with an amendment.

ENROLLED BILLS PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on June 5, 1924, that committee presented to the President of the United States enrolled bills of the following titles:

S. 381. An act to amend section 2 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (39 Stats. L. p. 862);

S. 790. An act for the establishment of a Federal industrial institution for women, and for other purposes;

S. 1174. An act authorizing the Secretary of the Interior to investigate and report to Congress the facts in regard to the claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses;

S. 1971. An act to authorize the Commissioners of the District of Columbia to accept certain land in the District of Columbia dedicated by Charles C. Glover for park purposes;

S. 2169. An act to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes;

S. 2929. An act granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River at or near Wilds Landing, Fla.; and

S. 3181. An act to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide additional hospital facilities.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRISON (by request):

A bill (S. 3475) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, and the amendment thereto, approved June 4, 1920, and to create in the War Department a corps to be known as a mortuary corps, and the rank of United States Army mortician, and for other purposes; to the Committee on Military Affairs.

By Mr. JONES of Washington:

A bill (S. 3476) granting an increase of pension to Albert M. Ryan (with accompanying papers); to the Committee on Pensions.

By Mr. CURTIS:

A bill (S. 3477) granting an increase of pension to Alice J. Stebbins (with accompanying papers); and

A bill (S. 3478) granting an increase of pension to Julia A. Hemming (with accompanying papers); to the Committee on Pensions.

A bill (S. 3479) for the relief of Wilson Warford (with accompanying papers); and

A bill (S. 3480) for the relief of John Minister (with accompanying papers); to the Committee on Military Affairs.

By Mr. COLT:

A bill (S. 3481) granting an increase of pension to Mary J. Gillmore; to the Committee on Pensions.

By Mr. FESS:

A bill (S. 3482) to regulate interstate commerce in articles made by convict labor; to the Committee on Interstate Commerce.

By Mr. LENROOT:

A bill (S. 3483) for the relief of John H. Birkett; to the Committee on Claims.

HOUSE BILL REFERRED

The bill (H. R. 1468) to increase the salary of the warden of the United States penitentiary of McNeil Island, Wash., was read twice by its title and referred to the Committee on the Judiciary.

INVESTIGATION OF VETERANS' BUREAU

Mr. REED of Pennsylvania submitted the following resolution (S. Res. 253), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Select Committee on Investigation of the Veterans' Bureau created by Senate Resolution 466, March 2, 1923, be, and hereby is, continued until the conclusion of the Sixty-eighth Congress, with the same powers and authority as were vested in said committee by said resolution of March 2, 1923. The expenses of said committee shall be paid from the contingent fund of the Senate.

Mr. KEYES, subsequently from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 253) continuing the Select Committee on Investigation of the Veterans' Bureau through the Sixty-eighth Congress, reported it without amendment.

SALARIES IN THE GOVERNMENT PRINTING OFFICE

The PRESIDENT pro tempore laid before the Senate the following message from the House of Representatives:

IN THE HOUSE OF REPRESENTATIVES,
*June 6, 1924.*

*Resolved*, That the House agrees to the amendments of the Senate Nos. 1 to 5, and also to the amendment to the title to the bill (H. R. 7996) entitled "An act to regulate and fix rates of wages for employees of the Government Printing Office."

*Resolved further*, That the House agrees to the amendment of the Senate No. 6 with an amendment as follows:

In lieu of the matter inserted by said amendment insert:

"That employees and officers of the Government Printing Office, unless otherwise herein fixed, shall continue to be paid at the rates of wages, salaries, and compensation (including night rate) now authorized by law until such time as their wages, salaries, and compensation shall be determined as hereinbefore provided."

Mr. MOSES. I move that the Senate agree to the amendment of the House to Senate amendment No. 6.

The motion was agreed to.

BRIDGE ACROSS THE OCONEE RIVER, GA.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 9612) granting the consent of Congress to the State of Georgia, through its highway department, to construct a bridge across the Oconee River, and I ask unanimous consent for its immediate consideration.

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill, which was read as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the State of Georgia, through its highway department, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Oconee River at a point suitable to the interests of navigation, near where the line dividing Johnson and Washington Counties touches the waters of the Oconee River on the east side, said bridge connecting one or both of said counties with Wilkinson County on the west side of said river, and being located at or near a point formerly known as Thompson's Ferry, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ORDER FOR EXECUTIVE SESSION AND RECESS

Mr. CURTIS. I ask unanimous consent that the Senate now go into executive session, and that at the conclusion of the executive session it take a recess until 8 o'clock to-night.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The Senate proceeded to the consideration of executive business. After 15 minutes spent in executive session the doors were reopened; and (at 6 o'clock and 30 minutes p. m.) the Senate took a recess until 8 o'clock p. m.

## EVENING SESSION

The Senate reassembled at 8 o'clock p. m. on the expiration of the recess.

ENROLLED BILL PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on June 6, 1924, that committee presented to the President of the United States the enrolled bill (S. 1898) reclassifying the salaries of postmasters and employees of the Postal Service and readjusting their salaries and compensation on an equitable basis, and for other purposes.

ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker of the House had signed the enrolled bill (S. 1898) reclassifying the salaries of postmasters and employees of the Postal Service and readjusting their salaries and compensation on an equitable basis, and for other purposes, and it was thereupon signed by the President pro tempore.

GOLDEN, COLO., WATER RESERVOIR SITE

Mr. PHIPPS. From the Committee on Public Lands and Surveys I report back favorably without amendment the bill (H. R. 7998) granting public lands to the city of Golden, Colo., to secure a supply of water for municipal and domestic purposes. I ask unanimous consent for its present consideration.

I will state that it merely allows the city of Golden, Colo., to acquire an area of ground of 800 acres for the purpose of a water reservoir for the city. The land had already been reserved to the city of Denver for public-park purposes, but the two cities have come into an agreement so that instead of the city of Denver taking the land the city of Golden takes the same piece for the purpose of a reservoir site.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That for the purpose of securing an adequate supply of water for domestic and municipal purposes for the use of the city of Golden, Colo., there is hereby granted to the said city the lands described as follows: In Clear Creek County, Colo., township 4 south, range 72 west of the sixth principal meridian; northwest quarter of southeast quarter, south half of southwest quarter, section 8; north half of northwest quarter, southwest quarter of northeast quarter, north half of southeast quarter, south half of south half, section 17; southwest quarter of the northeast quarter, section 20, northwest quarter of southeast quarter; southeast quarter of southeast quarter, section 21; south half of north half, southeast quarter, south half of southwest quarter, section 22; north half of north half, southwest quarter of northeast quarter, southeast quarter of northwest quarter, section 27; east half of northwest quarter, section 28; total 1,320 acres, more or less, on condition that the said city shall make payment for such lands at the rate of $1.25 per acre to the receiver of the United States land office at Denver, Colo., within one year after approval of this act: *Provided*, That there shall be reserved to the United States all oil, coal, or other mineral deposits found at any time in the lands, and the right to prospect for, mine, and remove the same: *Provided further*, That the grant herein made is subject to any valid existing rights or easements on said lands, and that upon failure of the city for one year to make use of the lands herein granted, in accordance with the purpose of this act, all rights hereunder shall cease and such lands revert to the United States.

SEC. 2. That the act of Congress approved August 25, 1914 (38 Stat., p. 706), entitled "An act granting public lands to the city and

county of Denver, in the State of Colorado, for public park purposes," is hereby repealed in so far as it authorizes the disposition of any of the lands described in section 1 hereof.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WORLD COURT

Mr. McKELLAR. Mr. President, a night or two ago the senior Senator from Virginia [Mr. SWANSON] delivered an address by radio on the World Court. It is a very excellent address, and I ask unanimous consent that it may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The address is as follows:

SPEECH OF SENATOR SWANSON DELIVERED FROM RADIO STATION WRC, JUNE 5, UPON THE WORLD COURT

Lovers of peace for almost a century have sought to establish a world court for the settlement of international differences and the avoidance of war, and thus establish the supremacy of justice and law over force. This country has been foremost in its efforts in this direction. Nothing was accomplished until a few years ago when a committee of noted jurists, appointed for the purpose, under a clause in the League of Nations, prepared a plan which was reported to the league and approved by it for submission to its members for adoption, and to other nations who should approve the statutes creating the court. Upon this committee served Hon. Elihu Root, one of America's most distinguished statesmen and jurists.

Forty-eight nations have given their assent to the statute creating the court. This court has been created, has elected its judges, has been rendering important decisions which have been universally approved, and has settled some dangerous international questions. The court was so well constituted, its decisions so wise, and the advantages accruing to the world on account of it were so manifest, that, in February of last year, President Harding and Secretary Hughes, in a communication to the Senate, advised the Senate to accept the statute creating the court upon certain conditions and reservations.

These conditions were that the United States would assume no legal relation or obligation to the League of Nations; would be permitted to vote equally with any other nation in the council and assembly of the League of Nations in the election of judges; to pay its fair share of the expenses of the court as should be determined by Congress; that the statute creating the court should not be amended without the consent of the United States; and that the United States would be bound by the decisions of the court only in such cases as it would voluntarily submit to the court.

President Harding and Secretary Hughes properly and strongly argued that by these conditions and reservations the United States could obtain all the advantages of the court without being in any way connected with the league. Last December President Coolidge concurred in the recommendations of President Harding and Secretary Hughes.

No effort was made either in the Foreign Relations Committee of the Senate or in the Senate to carry out the recommendations made by these two Presidents and Secretary Hughes until recently, as ranking Democratic member of the Foreign Relations Committee, I had the pleasure of introducing and having referred to that committee a resolution, which was very carefully drawn, to give effect to these recommendations. A short time after the introduction of this resolution, Senator LODGE introduced a resolution calling for a conference of nations and the creation of a new court.

Later Senator PEPPER introduced a plan as a substitute for the Harding-Hughes plan. The Committee on Foreign Relations by vote of 10 to 8 refused to report my resolution to make effective the Harding-Hughes plan. The seven Democratic members of this committee and one Republican member, Senator LENROOT, voted for this plan. The committee directed the Pepper plan be reported to the Senate, where it is now pending for consideration and action. This destroys all possibility at this session of the Senate for favorable action by the United States to give its adherence to the statute creating a world court. It was recognized when the Pepper plan was reported to the Senate that this would be the result.

The issue presented for the Senate to act upon was to join an existing court, which had already been created by 48 nations, and which was functioning well and satisfactorily, or to create a new court.

The Pepper plan, if passed by the Senate, makes it impossible for the United States to become a member of this court. It creates an entirely new method of electing judges which each of the 48 nations must agree to before it can become operative. It asks these nations to abandon a plan which has proven satisfactory to them, and under which a most splendid court has been created, in order to adopt a new, untried plan which is far inferior to the existing method of selecting judges.

It has many amendments to the existing plan, all of which must be concurred in by each of these 48 nations before the Pepper plan can become operative. It is not believed that the consent of all these nations can be obtained, for no reason can be assigned by anyone why they should do so, as no advantages could accrue to them. If the proponents of the Pepper plan earnestly desire to defeat the adherence by the United States to the statute creating this existing World Court, they could not have pursued a more effective course than favorably reporting the Pepper resolution to the Senate. It can not and will not receive a vote of two-thirds in the Senate, and it can not and will not receive the assent of the 48 nations who are members of the present court.

The Pepper plan also has a condition included before the assent of the United States can be given, which condition makes its acceptance by these 48 nations an utter impossibility. Under this condition Canada must consent not to have a representative in the bodies provided in the plan for electing judges of this court, of which she is an assenting member. Australia must consent to waive her right to vote in the election of judges of this court, of which she is a member. So must New Zealand, and also the Irish Free State, which is now a member of the league and will no doubt very soon give assent to the statute creating the court. None of these nations or self-governing colonies will consent to such self-abnegation and deprivation of their existing rights. To endeavor to conduct negotiations to attain this purpose is both absurd and futile.

As the power of the representatives under the Pepper plan is confined entirely to the election of judges and fixing the expenses of the court, it is difficult to understand why its proponent thought that the representative of the Republic of Liberia would be better qualified to elect a good judge than would be the representative of the Irish Free State. He fails to state why the representative of the Republic of Haiti is better qualified to elect a judge than the representative of our cordial neighbor, Canada. He seems to think that the representative of Santo Domingo would be more effective in acquiring a good judge than would be the representative of Australia.

The submission of the Pepper plan to these self-governing colonies and Great Britain could only result in the creation of resentment, engender feelings of ill will, and could be productive of no good. The Senate would make a great mistake in passing the Pepper resolution and thus open up negotiations which would be so harmful and result in the creation of so much ill will.

The claim that the World Court is a creature of the League of Nations is wholy untenable. The only argument cited in advocacy of it is the fact that the judges of the court are elected and their salaries paid by the league. As previously stated, this court is created by a statute or treaty entered into by 48 nations separate and distinct from the covenant of the League of Nations and has nothing to do with it. The court is controlled by the statute creating it and not by any provision in the covenant of the league. The election of judges is held under the provisions of the statute creating the court and not under any provision of the covenant of the league.

The procedure is similar to that under our Federal Constitution which creates three separate and coordinate branches of government—the executive, legislative, and judicial—each independent of the other. The Constitution in providing for the election of judges for our Supreme and Federal courts directs that they shall be appointed by the President with the advice and consent of the Senate. The Constitution uses the President and Senate as instrumentalities or agents for the selection of our Federal judges. This method of electing them has not in any way impaired the independence of our Supreme Court or Federal courts. These courts have repeatedly declared null and void acts of legislation passed by Congress and approved by the President. They have frequently enjoined the executive branch of our Government from executing acts of Congress. The Constitution provides that the salaries of judges and expenses of our courts shall be fixed by Congress, thus using Congress as an instrumentality or agent for this purpose. Yet, the fact that our Federal judiciary have salaries and expenses fixed by Congress has never made the judiciary dependent upon the Congress and, as previously stated, it has frequently declared acts of Congress null and void and enjoined their execution by the Executive.

No one denies that our Supreme Court and entire Federal judiciary, who are elected and paid by the method just named, are a free and independent branch of our Government, and that their independence has not been impaired by such method. In a similar way the statute creating the world court under consideration uses the council and assembly of the League of Nations as agents or instrumentalities for the election of these judges and the payment of expenses without in any way impairing the complete independence of the court. This is clear and can not be disputed.

The proposed Pepper plan with all of its many amendments does everything it possibly can to evince enmity and ill will toward the League of Nations. It is a manifest affront to the 48 nations who have assented to the statute creating the court and who are members

of the league, an institution which they have created and cherish. It is difficult to see how successful negotiations can be conducted with these nations. If the United States never joins the league, it should certainly not insult it and express ill will toward it or endeavor to retard its undertakings promotive of peace and good will among the nations of the world. The proponents of the Pepper plan evidently hate the league more than they desire to join such court.

If the United States does not desire to join this world court, it should say so in a frank, direct, and manly way, and not by indirection seek to injure an institution which is accomplishing so much good for world peace and international settlements. The Pepper plan may be available for political purposes, but it has not the slighest chance of ever being a practical method of obtaining the adherence of the United States to the statute creating the world court.

I thank you.

UPPER MISSISSIPPI WILD LIFE AND FISH REFUGE

Mr. REED of Missouri. Mr. President, I ask unanimous consent that the Committee on Commerce be discharged from the further consideration of the bill (H. R. 4088) to establish the upper Mississippi River wild life and fish refuge. I have talked it over with the chairman of the committee, and he has no objection.

Mr. CURTIS. Let us know what it is first.

The PRESIDENT pro tempore. Is there objection?

Mr. CURTIS. Reserving the right to object, I want to know what it is.

Mr. REED of Missouri. I was going to state it as soon as I had asked consent. The bill passed the House of Representatives to-day. It requires a concurrence of the legislatures of four States before it can become operative. Those legislatures will meet at such times that unless the bill goes through now it is very doubtful whether it could be laid before them in time for their action, and therefore it may mean a postponement of two years. That is the reason for the haste.

Now, as to the character of the bill: It is a bill to create a game and fish reserve along the swamp lands of the Mississippi River, extending from about Davenport, Iowa, up into Wisconsin. It has been worked over by a lot of enthusiasts and has the support of the department and was reported on favorably by the department. It carries an authorized appropriation, but does not carry the appropriation itself.

The situation is that the great breeding places for bass of the country can by this means be preserved at a very nominal expense. It is supported by the game and fish preservation organizations all over the country and has been supported by the unanimous opinion of experts in the Department of Agriculture, who have to do with the game life, and in the Department of Commerce, who have to do with fish life.

Mr. McKELLAR. And it is supported by the State organizations as well.

Mr. REED of Missouri. Yes. I ask unanimous consent that the Committee on Commerce be discharged from the further consideration of the bill.

Mr. JONES of Washington. Mr. President, I desire to make a brief statement with reference to the bill. The bill was introduced in the House and also in the Senate. It was referred to the Committee on Commerce when introduced in the Senate. A short time after that the Committee on Commerce was discharged from its further consideration, and it was referred to the Committee on Agriculture and Forestry. Then, in a few days, the Committee on Agriculture and Forestry was discharged and it was referred back to the Committee on Commerce. The bill would properly go to either committee. It involves matters within the jurisdiction of the Department of Agriculture and the Department of Commerce.

The Committee on Commerce has been very busy. Extensive hearings were had in the House on the measure. The Committee on Commerce gave a brief hearing to the parties when they were here, expecting, of course, to use the hearings that were had before the committee in the House. We thought it was unnecessary to duplicate those hearings. Furthermore, we were very much crowded for time, and it was not possible at the time the delegation was here before the House committee to give them all the time before the Commerce Committee of the Senate that they had before the committee of the House. The Committee on Commerce, as I said, was very busy. We have not had time to take the matter up fully. We thought it was wise, anyhow, as extended hearings were had in the House, to allow the bill to pass the House before it was taken up in our committee.

About two or three weeks ago, or possibly a little longer, after the bill had been reported to the House, we called the measure up in the Committee on Commerce. There was no indication that action would likely be taken in the House during this session. Our committee was either busy with matters of its own or the members were busy on other committees, and so it was decided that the bill probably would not be acted upon at this session. The House, as the Senator from Missouri has said, has passed a bill very much like the measure as originally introduced, although modified in some very material aspects.

I want to make one statement to correct a statement I made to some parties who conferred with me to-day with reference to the matter. I told them that my recollection was that the President had stated, or rather that it was stated in a letter from the Budget that the President had advised the Budget that the bill was in conflict with the fiscal program for the year. I was not exactly right in my idea. I want to correct it in the RECORD. I have here the letter of the Department of Commerce on the bill in which they discuss the measure in two or three closely typewritten pages.

The Department of Agriculture is very enthusiastically in favor of the measure. They say the bill was referred to the Bureau of the Budget. This is the letter from the Director of the Budget:

> I have presented this matter to the President, who has instructed me to advise you that while he is in accord with the purpose of the proposed measure, the provisions contained therein for a direct appropriation of $300,000 for administrative purposes, and a direct appropriation of $3,000,000 for acquisition of land would be in conflict with his financial program for this and the ensuing fiscal year.

That is what I had in mind when I was talking to the parties this afternoon. But the letter goes on to say:

> The President has further instructed me to advise you that should the proposed measure be modified so as to authorize an appropriation of such amounts as may be necessary for administrative purposes and authorize an appropriation not exceeding $2,000,000 for the acquisition of land, it will not be in conflict with his financial program.

The bill as it passed the House has been modified in the particulars to which the President referred. It has not only been modified so as to make it an authorization instead of an appropriation, but the amount of $3,000,000 has been cut in two and made $1,500,000. So that the bill as it passed the House is not in conflict with the President's financial program.

Our committee has not had the opportunity, under the circumstances as I have related, to give careful consideration to the terms of the bill. I desire to say that personally I am in hearty sympathy with the purpose to be accomplished by the measure. I have examined the bill to some extent since it was reported by the House committee. They apparently gave the matter very careful consideration. They made some very important amendments. I desire to say that so far as I am personally concerned I have every confidence in the wisdom of the action of the House after the consideration that I know they have given to the bill.

With this statement—I merely wanted the Senate to have the facts—I desire to say that I have no objection to the discharge of the committee and a consideration of the bill, if the Senate sees fit to do so.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Missouri? The Chair hears none, and the Committee on Commerce is discharged from the further consideration of the bill.

Mr. REED of Missouri. I now ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

*Be it enacted, etc.*, That this act may be cited as "the upper Mississippi River wild life and fish refuge act."

SEC. 2. The Secretary of Agriculture is authorized and directed to acquire by purchase, gift, or lease, such areas of land, or of land and water, situated between Rock Island, Ill., and Wabasha, Minn., on either side of or upon islands in the Mississippi River which are subject to overflow by such river and which are not used for agricultural purposes, as he determines suitable for the purposes of this act.

SEC. 3. Any such area, when acquired in accordance with the provisions of this act, shall become a part of the upper Mississippi River wild life and fish refuge (hereinafter in this act referred to as the "refuge"). The refuge shall be established and maintained (a) as a refuge and breeding place for migratory birds included in the terms of the convention between the United States and Great Britain for the protection of migratory birds, concluded August 16, 1916, and (b) to such extent as the Secretary of Agriculture may by regulations pre-

scribe, as a refuge and breeding place for other wild birds, game animals, fur-bearing animals, and for the conservation of wild flowers and aquatic plants, and (c) to such extent as the Secretary of Commerce may by regulations prescribe as a refuge and breeding place for fish and other aquatic animal life.

SEC. 4. (a) No such area shall be acquired by the Secretary of Agriculture until the legislature of each State in which is situated any part of the areas to be acquired under this act has consented to the acquisition of such part by the United States for the purposes of this act, and, except in the case of a lease, no payment shall be made by the United States for any such area until title thereto is satisfactory to the Attorney General and is vested in the United States.

(b) The existence of a right of way, easement, or other reservation or exception in respect of such area shall not be a bar to its acquisition (1) if the Secretary of Agriculture determines that any such reservation or exception will in no manner interfere with the use of the area for the purposes of this act, or (2) if in the deed or other conveyance it is stipulated that any reservation or exception in respect of such area, in favor of the person from whom the United States receives title, shall be subject to regulations prescribed under authority of this act.

SEC. 5. Except where it is specifically provided otherwise, the Secretary of Agriculture and the Secretary of Commerce shall jointly prescribe such regulations, exercise such functions, and perform such duties as may be necessary to carry out the purposes of this act.

SEC. 6. No person shall, except in accordance with regulations prescribed by the Secretary of Agriculture in respect of wild birds, game animals, fur-bearing animals, wild flowers, and aquatic plants, or by the Secretary of Commerce in respect of fish and other aequatic animal life—

(a) Enter the refuge for any purpose; or

(b) Disturb, injure, kill, or remove, or attempt to disturb, injure, kill, or remove any wild bird, game animal, fur-bearing animal, fish, or other aquatic animal life on the refuge; or

(c) Remove from the refuge, or injure or destroy thereon any flower, plant, tree, or other natural growth, or the nest or egg of any wild bird; or

(d) Injure or destroy any notice, signboard, fence, building, or other property of the United States thereon.

SEC. 7. Commercial fishing may be conducted in the waters of this refuge under regulation by the Secretary of Commerce.

SEC. 8. (a) Any employee of the Department of Agriculture authorized by the Secretary of Agriculture to enforce the provisions of this act, and any employee of the Department of Commerce so authorized by the Secretary of Commerce (1) shall have power, without warrant, to arrest any person committing in the presence of such employee a violation of this act or of any regulation made pursuant to this act, and to take such person immediately for examination or trial before an officer or court of competent jurisdiction, (2) shall have power to execute any warrant or other process issued by an office or court of competent jurisdiction to enforce the provisions of this act or regulations made pursuant thereo, and (3) shall have authority, with a search warrant issued by an officer or court of competent jurisdiction to make a search in accordance with the terms of such warrant. Any judge of a court established under the laws of the United States, or any United States commissioner may, within his respective jurisdiction, upon proper oath or affirmation showing probable cause, issue warrants in all such cases.

(b) All birds, animals, fish, or parts thereof captured, injured, or killed, and all flowers, plants, trees, and other natural growths, and nests and eggs of birds removed, and all implements or paraphernalia, including guns, fishing equipment, and boats used or attempted to be used contrary to the provisions of this act or any regulations made pursuant thereto, shall, when found by such employee or by any marshal or deputy marshal, be summarily seized by him and placed in the custody of such persons as the Secretary of Agriculture and the Secretary of Commerce may jointly by regulation prescribe.

(c) A report of the seizure shall be made to the United States attorney for the judicial district in which the seizure is made, for forfeiture either (1) upon conviction of the offender under section 11, or (2) by proceedings by libel in rem. Such libel proceedings shall conform as near as may be to civil suits in admiralty, except that either party may demand trial by jury upon any issue of fact when the value in controversy exceeds $20. In case of a jury trial the verdict of the jury shall have the same effect as the finding of the court upon the facts. Libel proceedings shall be at the suit and in the name of the United States. If such forfeiture proceedings are not instituted within a reasonable time, the United States attorney shall give notice thereof, and the custodian shall thereupon release the articles seized.

SEC. 9. (a) The Secretary of Agriculture and the Secretary of Commerce are authorized to make such expenditures for construction, equipment, maintenance, repairs, and improvements, including expenditures for personal services at the seat of government and elsewhere, as may be necessary to execute the functions imposed upon them by this act and as may be provided for by Congress from time to time.

(b) For such expenditures there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $50,000, to be available until expended, $25,000 of such sum to be available for expenditure by the Secretary of Agriculture and $25,000 by the Secretary of Commerce.

SEC. 10. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and to be available until expended, the sum of $1,500,000, or so much thereof as may be necessary for the acquisition of any areas authorized by this act to be acquired for such refuge and for all necessary expense incident to the acquisition of such areas; but no money shall be available for the acquisition of any area until the Secretary of Agriculture has ascertained that all of the areas to be acquired under this act will be acquired within the amounts appropriated or authorized to be appropriated therefor and at an average price not in excess of $5 per acre, and not in excess of the average selling price, during the years 1921, 1922, and 1923, of comparable lands within the vicinity of such areas.

SEC. 11. Any person who shall violate or fail to comply with any provision of or any regulation made pursuant to this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $500 or be imprisoned not more than six months, or both.

SEC. 12. As used in this act the term "person" includes an individual, partnership, association, or corporation.

SEC. 13. Nothing in this act shall be construed as exempting any portion of the Mississippi River from the provisions of Federal laws for the improvement, preservation, and protection of navigable waters, nor as authorizing any interference with the operation of the War Department in carrying out any project now or hereafter adopted for the improvement of said river.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. JONES of Washington. I ask unanimous consent to have printed in the RECORD in connection with the bill we have just passed a letter from the Secretary of Agriculture approving the project.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
*Washington, February 13, 1924.*

Hon. W. L. JONES,
*Chairman Committee on Commerce, United States Senate.*

DEAR SENATOR JONES: I have your request of January 18 for a report on S. 1558, introduced by Senator MCKINLEY on December 20, 1923, known as the "upper Mississippi River wild life and fish refuge act."

I am familiar with the terms of this measure, which has been introduced for the purpose of conserving the wild life, including fishes, of the upper Mississippi Valley.

Owing to the increasing occupation of land areas through the increasing population, it has become correspondingly necessary to set aside certain areas as wild-life refuges in order to conserve our useful wild birds and other animals and fishes. This bill serves such a purpose, and I am in favor of it, believing that its passage will result in creating an urgently needed refuge along the upper Mississippi River, and trust, if money is available, that the bill will become a law.

The waters traversing the bottom lands which it is proposed to purchase under the terms of the bill for the wild-life refuge include the most valuable spawning grounds for black bass in the entire country, and in addition these areas are favorite resting places and feeding grounds for vast numbers of migratory wild fowl during the migration. In addition a very considerable number of migratory wild fowl nest and rear their young there. If migratory wild fowl and wild-fowl hunting in the United States are to be perpetuated, the setting aside of such areas is absolutely essential.

In addition to the protection given migratory birds, both insectivorous and game species, this area, held as a refuge, will continue to supply to the surrounding country a large amount of food in the form of game and fish, in addition to yielding a great annual crop of furs from such fur bearers as muskrats, mink, and others.

The establishment of this refuge will, in addition to the benefits named above, serve to perpetuate natural conditions which aid materially in retarding the run-off of surplus waters at times of flood, and thus materially ease flood conditions in the lower Mississippi. Should the land in this area be reclaimed and diked, the waters of the Mississippi would thereby be confined more closely to the single main channel, with nothing to retard the swift flow into the lower valley, where the danger of breaks in the levees would be dangerously increased.

The migratory-bird treaty with Great Britain and the migratory-bird treaty act passed by Congress place in the Department of Agriculture the responsibility for protecting the migratory insectivorous and game birds which pass between Canada and the United States in their

yearly migrations. Owing to the rapid progress of drainage of water areas throughout the United States, but particularly in the upper Mississippi Valley, which is a great resort for these birds, their future existence is jeopardized. It is obvious that migratory waterfowl can not exist without water areas in which they may live and feed. Such areas are absolutely essential to them during their movements north and south as well as during the breeding and wintering season. The bottom lands of the Mississippi which will be included in this area abound in water areas suitable for these birds, and if perpetuated as a game refuge would insure the maintenance of great numbers of these birds which might otherwise be exterminated.

The four States within which lie the lands included in the proposed refuge have long been noted for the abundance of migratory wild fowl and the excellence of the hunting afforded by them. The enormous yield from wild fowl in this region is well indicated by the fact that the hunters in Minnesota in a single year have reported to the State game warden an aggregate killing of about 1,800,000 ducks. These would have a meat value of nearly $1,500,000 as the yearly income in food value of migratory wild fowl in one of the four States. It is obvious that the perpetuation of a natural asset which yields a return of this character, in addition to the recreational value of hunting to the community on such a great scale, is ample justification for the establishment of a refuge of this character.

The wild-fowl resorts of the upper Mississippi Valley serve as reservoirs from which the surrounding States in all parts of the country are supplied with birds. This has been definitely proved by the taking of birds which had been banded in the Mississippi Valley and have been shot and the bands returned to the Department of Agriculture from many other States, even as far away as California.

Any drainage within the area which would be affected by the passage of this bill would eliminate the value of the property drained as marsh lands, and the area would thus become worthless as homes for wild fowl and fur-bearing animals, and the spawning grounds of fish would be ruined, while the danger of floods in the lower Mississippi would be increased. Certainly the value of this tract of land and water as a wild-life refuge would be far greater to the public than if these lands of doubtful value for agriculture should be drained for that purpose.

The passage of this bill will accomplish many desirable objects. It appears to be a simple, practical, conservation measure of great value, and it has the approval of this department.

Sincerely yours,

HENRY C. WALLACE, *Secretary.*

MARCH 1, 1924.

Referred to the Bureau of the Budget in accordance with Circular No. 49 of that bureau and returned by the Director of the Bureau of the Budget to the Department of Agriculture in a communication dated February 28, as follows:

"I have presented this matter to the President, who has instructed me to advise you that while he is in accord with the purposes of the proposed measure the provisions contained therein for a direct appropriation of $300,000 for administrative purposes and a direct appropriation of $3,000,000 for acquisition of land would be in conflict with his fiscal program for this and the ensuing fiscal year. The President has further instructed me to advise you that should the proposed measure be modified so as to authorize an appropriation of such amount as may be necessary for administrative purposes and authorize an appropriation of not exceeding $3,000,000 for the acquisition of land it will not be in conflict with his financial program."

## EXCHANGE OF LANDS IN WASHINGTON

Mr. JONES of Washington. Mr. President, this afternoon the junior Senator from Washington [Mr. DILL] reported back from the Committee on Public Lands and Surveys the bill (H. R. 5318) to authorize an exchange of lands with the State of Washington. It is, in brief, providing for an exchange of lands between the State of Washington and the United States so that a tract of land adjoining the United States penitentiary on McNeil Island is made available for the purposes of the penitentiary. I ask unanimous consent for the present consideration of the bill.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Washington?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That upon delivery to the Secretary of the Interior by the State of Washington of its properly executed conveyance to the United States of America in fee simple of the following lands in that State: The northwest quarter of the northeast quarter, the northeast quarter of the northwest quarter, the south half of the northwest quarter, the southwest quarter and the northwest quarter of the southeast quarter, all in section 16, township 20 north, range 1 east, Willamette meridian, containing 360 acres, the Secretary of the Interior is authorized to issue in exchange therefor a patent to the State of Washington to the following lands in that State: The north half of the northwest quarter, the east half of the southwest quarter of the northwest quarter, the east half of the northwest quarter of the southwest quarter, all in section 25, township 22 north, range 10 west, Willamette meridian.

SEC. 2. That the lands first described shall, as soon as title thereto is vested in the United States, be under the care and control of the Attorney General of the United States, to be administered by him as a part of the Federal penitentiary on McNeil Island.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

## CONSTRUCTION OF SCHOOLHOUSE IN KETCHIKAN, ALASKA

Mr. WILLIS. Mr. President, there are on the calendar two bills to which I wish to refer. They are Calendar Nos. 697 and 698. They are of very great importance to the schools of Alaska. It will be observed that they are both House bills, and it is desired that action be had in order that construction work may be commenced. The bills have been fully considered by the Committee on Territories and reported by the chairman by unanimous vote of the committee. I ask unanimous consent for the present consideration of Calendar No. 697, House bill 6255.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Ohio?

Mr. ROBINSON. I think there is no valid objection to the request of the Senator from Ohio. I am familiar with the provisions of both bills to which he has referred and think they should both be considered and passed.

Mr. SMOOT. Mr. President, what is before the Senate?

The PRESIDENT pro tempore. A request of the Senator from Ohio for the present consideration of House bill 6255.

Mr. SMOOT. I thought the Senator from Wisconsin [Mr. LA FOLLETTE] was going to speak this evening.

Mr. WILLIS. I asked permission of the Senator from Wisconsin, and he said he was perfectly willing to have the two bills called up provided that they did not lead to any debate. If they do, of course I will withdraw my request.

Mr. ROBINSON. The first bill merely authorizes a city in Alaska to issue bonds for the construction of a school, and the other bill to which the Senator from Ohio has referred expands an already existing organization.

Mr. SMOOT. I have no objection to the bills. I merely wanted to know how we were proceeding.

The PRESIDENT pro tempore. The first bill for which the Senator from Ohio has asked consideration will be stated by title.

The READING CLERK. A bill (H. R. 6255) to amend an act entitled "An act to authorize the incorporated town of Ketchikan, Alaska, to issue its bonds in any sum not to exceed $100,000 for the purpose of constructing a schoolhouse in said town and equipping the same," approved February 7, 1920.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

*Be it enacted, etc.*, That section 1 of the act entitled "An act to authorize the incorporated town of Ketchikan, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of constructing a schoolhouse in said town and equipping the same," be, and the same is hereby, amended to read as follows:

"SECTION 1. That the incorporated town of Ketchikan, Alaska, is hereby authorized and empowered to issue bonds, in any sum not exceeding $150,000 for the purpose of constructing schoolhouses in said town and equipping the same."

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

## CONSTRUCTION OF SCHOOL BUILDING IN CORDOVA, ALASKA

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 6950) to authorize the incorporated town of Cordova, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of constructing and equipping a public-school building in said town of Cordova, which was read as follows.

*Be it enacted, etc.*, That the incorporated town of Cordova, Alaska, is hereby authorized and empowered to issue bonds in any sum not exceeding $100,000 for the purpose of constructing and equipping a public-school building in the town of Cordova, Alaska.

SEC. 2. That before said bonds shall be issued a special election shall be ordered by the common council of the town of Cordova, at which election the question of whether such bonds shall be issued shall be sub-

mitted to the qualified electors of the said town of Cordova whose names appear on the last assessment roll of said town for municipal taxation. Thirty days' notice of such election shall be given by publication thereof in a newspaper printed and published and of general circulation in said town before the day fixed for such election.

SEC. 3. That the registration for such election, the manner of conducting the same, and the canvass of the returns of said election shall be, as near as practicable, in accordance with the requirements of law in general or special elections in said municipality, and said bonds shall be issued only upon condition that a majority of the votes cast at such election in said town shall be in favor of issuing said bonds.

SEC. 4. That the bonds above specified, when authorized to be issued as hereinbefore provided, shall bear interest at a rate to be fixed by the common council of Cordova, not to exceed 7 per cent per annum, payable semiannually, and shall not be sold for less than their par value, with accrued interest, and shall be in denominations not exceeding $500 each, the principal to be due in 15 years from date thereof: *Provided, however,* That the common council of the said town of Cordova may reserve the right to pay off such bonds in their numerical order on such date or dates prior to the expiration of said 15 years and in such a manner or number of said bonds as said common council may deem best. Principal and interest shall be payable in lawful money of the United States of America at the office of the town treasurer or at such bank in the city of New York, in the State of New York, or such place as may be designated by the common council of the town of Cordova, the place of payment to be mentioned in the bonds: *Provided further,* That each and every bond shall have the written signature of the mayor and clerk of the said town of Cordova and also bear the seal of said town.

SEC. 5. That no part of the funds arising from the sale of said bonds shall be used for any purpose other than specified in this act. Said bonds shall be sold only in such amounts as the common council shall direct, and the proceeds thereof shall be disbursed for the purposes hereinbefore mentioned and under the order and direction of said common council from time to time as the same may be required for said purpose.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CAUSES AND EFFECTS OF DEFLATION OF 1920

Mr. SHIPSTEAD. Mr. President, yesterday morning during the morning hour I introduced Senate Resolution 246 and asked that it be referred to the Committee to Audit and Control the Contingent Expenses of the Senate. The resolution provides for the election of a select committee by the Senate to investigate and to inquire into the causes for the deflation which was inaugurated in 1920 and to report to Congress its findings in order that Congress may take action that will lead to the enactment of legislation that will remedy the present condition of agriculture and business which resulted from the deflation of the currency during the years 1920 and 1921. I have up to the present time been unable to get a report on the resolution from the committee. I think the resolution is of the utmost importance and, in view of the fact that Congress will adjourn to-morrow evening at 7 o'clock, I move that the Committee to Audit and Control the Contingent Expenses of the Senate be discharged from the further consideration of the resolution.

Mr. CURTIS. Mr. President, I rise to a point of order. I understand there is already pending the motion of the Senator from Wisconsin [Mr. LA FOLLETTE]. Is not that so?

Mr. SMOOT. The motion of the Senator from Wisconsin has not as yet been acted upon.

Mr. LA FOLLETTE. My motion is pending.

Mr. CURTIS. I suggest, Mr. President, that the Senator from Minnesota withhold his motion until we can dispose of the pending question and also until the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate shall arrive. The chairman of that committee told me a little while ago that he had not received the resolution submitted by the Senator from Minnesota until this afternoon and he has had no opportunity to call a meeting of his committee in order to consider the resolution.

Mr. SHIPSTEAD. Very well. I have been trying to find the chairman of the committee.

RELIEF OF DISTRESS IN GERMANY

Mr. CURTIS. I ask for the regular order, Mr President.

The PRESIDENT pro tempore. The regular order is the motion of the Senator from Wisconsin [Mr. LA FOLLETTE] to discharge the Committee on Foreign Relations from the consideration of the joint resolution (H. J. Res. 180) for the relief of the distressed and starving women and children of Germany. The question is on that motion.

Mr. JONES of Washington. Mr. President, before the recess this evening I started to address the Senate briefly with reference to the pending motion. As I then said, Congress and the American people will respond to every call of distress which they believe is of such importance as to warrant action by Congress or the people. They have always done so; but response from the Nation or the Government is more to be expected when the conditions of distress result from something like a calamity, from some unexpected catastrophe such as that which occurred in Japan a short time ago, or when distress or suffering are brought on by sudden flood or epidemic. We have always responded in cases of that kind, and we always will, and respond generously, not only to our own people and to sections of our own country but to foreign peoples as well when they are visited by such calamities.

If the German people were suffering from some sudden catastrophe or calamity, there is no doubt about the cheerful and generous response that the people of this country, either through the Government or through private donations, would make. I have seen, Mr. President, no statement or evidence of any acute suffering on the part of the German people, whether children or adults.

Of course, we all know that the Germans passed through a terrible struggle, and yet they were not subjected to the horrors of war like the peoples whose territories were invaded by hostile armies. Their fields were not devastated. Their cities were not razed by hostile shells. The suffering that came to them, of course, came from war, or from what we might term the ordinary consequences of war. I have seen no evidence or proof that they are suffering more from that war than are the people or children of other countries which were involved in it.

As I understand, the Committee on Foreign Relations voted down this joint resolution—that is, they decided not to report it favorably. I do not know what evidence was submitted to them; I do not know upon what facts they based their decision. Their action certainly indicates, at any rate, that there was no overwhelming proof of the suffering of these people or no overwhelming proof, at any rate, of unusual conditions existing, as compared with the conditions that may exist among other peoples and in other countries.

So, Mr. President, from the facts of the situation I do not feel that I would be justified in voting for the passage of the joint resolution at this time. I have no hatred for the German people. I am of German blood not far removed. They have commanded my respect and admiration by their admirable qualities and wonderful achievements. I would have this people and Government aid them in any distress calling for relief without regard to what their Government or their leaders may have done. Their children are innocent of the sins of their fathers and their Government. Nothing that their fathers have done should close our hearts to their distress. No acts of their fathers would lead me to withhold aid to them if the facts justify relief. I do not believe the facts now justify action by the Government as such. Private purses should be open and free. No legal quibbles or refinements will deter me in the future if the facts warrant action by the Government.

I want to call attention to a letter which I received a short time ago from a gentleman, a very responsible man, whom I have known for a great many years. He is not one of the wealthy men to whom my friend, the Senator from Minnesota [Mr. JOHNSON], referred, but he is just one of our plain, ordinary citizens. He made a trip into Germany not very long ago. I saw him on the way over when he called at my office here in Washington City. He was over there for several months. When he came back to this country I did not see him, but I received a letter from him written on the train on his way west. He lives in Tacoma. The letter is dated March 25, 1924, and I should like to read to the Senate what he said. He is an honest, reliable, and trustworthy man, and I am satisfied he gives a statement of the facts as he saw them. Of course he did not see all of the conditions there; that is no doubt true; but he was trying to find out what the conditions are in Germany and what the conditions of the German people are. I wish to read to the Senate and place in the RECORD just what he says:

> I have just returned from Germany, where I witnessed no riots or anything of the sort; neither did I see any bread lines. The ordinary German in a restaurant orders about four times what the writer orders. The restaurants seem to have plenty of good, wholesome food. I said to different Germans, "Show me some of the poor who do not have enough to eat." My hired guide, after much consultation with police officers, led me to plenty of filthy places, where rabbits are raised in the kitchen, and places where pigs are kept in the living room, but at no place could I find children suffering for want of food.
>
> I believe that it is the duty of Congress to be just before it is generous. If anyone needs assistance, it is our American farmer.

There seems to be an organized effort on the part of the German people to make it appear that their country is poor, that children are starving, and that a general state of debilitation is prevalent. From my own personal observation such conditions are nonexistent. I believe that Germany is in better financial condition than any other European participant in the World War.

Mr. McKELLAR. Mr. President, what is the date of that letter?

Mr. JONES of Washington. The date of the letter is March 25, 1924, just a couple of months ago, and it was written en route to Chicago.

Mr. President, as I have said, the writer of this letter is a thoroughly reliable man, honest and truthful, who apparently went over there for the purpose of looking into conditions. I have no reason in the world to doubt that he is stating the conditions as he saw them and as he believes them to be.

In view of these things, of the action of the committee, and of the fact that we see very little, in the newspapers at any rate, of bad conditions—that is, conditions threatening starvation—and as we have no especial appeals coming from the German Government or from those who represent charitable organizations over there, showing to us the direful conditions with which the people are threatened, under those circumstances I do not feel justified in voting to take from the Treasury $10,000,000 for this purpose at this time.

Mr. CARAWAY. Mr. President, before we vote, I should like to call the attention of the Senate that out there in the corridor is a blind or practically blind American soldier. He is blind because he answered the call to arms in 1917 and sacrificed his sight and himself in defending the American flag. The reason I call attention to this is I hold in my hand a letter from the Veterans' Bureau which shows what he and his children are receiving from this Government, in defense of which he became blind and helpless. Incidentally, let me say that he has pending before the Commissioners of the District of Columbia an application to be permitted to sit on the street corner and sell pencils in order to eke out an existence.

Now, I wish to call to the attention of Senators a letter from the officer of the American Government dealing with this American soldier and this American child. Then when Senators vote I wish they would contrast what they do for the children of America with what they do for the children of Germany. If they are satisfied with the result, of course they are answerable to nobody but their conscience and the American people. The letter is addressed to Mr. Richard A. Mayes, Wilson, Okla., and is dated March 24, 1924, from the United States Veterans' Bureau at Dallas, Tex., and it is in reply to a letter written by him:

> Receipt is hereby acknowledged of your communication dated March 12, 1924, addressed to the United States Veterans' Bureau, Washington, D. C., which has been forwarded to this office for attention, together with their reply of March 18, 1924.
>
> The records of this office indicate that you have been informed on numerous occasions that your compensation was decreased on the rating made by the central office board of appeals, and that therefore this office has no further jurisdiction with reference to granting you an increase unless your disability should increase to a greater degree than that for which you are now drawing payment and this office given medical evidence showing same.
>
> Under date of March 15, 1924, your attention was specifically called to the fact that you are suffering from other disabilities which are not connected with your service, which are myopia, operation wounds abdomen, right elbow, appendicitis, chronic and spur, ulcerous process right elbow, and constipation. You were also informed that the amount of $24 which you are now receiving represents 70 per cent of your entire compensation since it has been apportioned for your child.
>
> If you think that an injustice is being done and you are dissatisfied with the amount of compensation you are now receiving, it is suggested that you submit evidence from any attending physician, as referred to above, and upon receipt of same it will be carefully reviewed by the medical section of this office, and you will be advised of the action taken.
>
> By direction—
>
> S. P. KOHEN,
> *Chief Claims Division.*

Here is a man who was blinded fighting for the American flag, and you give him $24 a month on which he must live, and you ask him to raise his child—the child of an American soldier—on $6 a month. That is all he has. You reward the man who is blinded fighting for the American flag with $24 a month, and his child with $6 a month, and you give to those who blinded him $10,000,000.

If that seems to you the way that American patriotism should be rewarded, why, God bless your souls, you are going to have an opportunity to show it to-night, and everybody will know whether you love the American flag more than you love some other flag. [Applause in the galleries.]

The PRESIDENT pro tempore. It is the duty of the Chair under the rules to warn the occupants of the galleries that no expression of pleasure or displeasure is permitted from the galleries, and if it is repeated the galleries will be cleared.

Mr. STANFIELD. Mr. President, I move that the Senate now proceed to the consideration of Senate bill 3011, Order of Business 479, the civil service retirement pension bill.

Mr. LA FOLLETTE. Mr. President, if the Senator will make his request in such form as not to displace the consideration of the matter which is before the Senate, and with the assurance that it will take but a few moments to dispose of the matter, I shall not object. Otherwise, Mr. President, I must object.

Mr. STANFIELD. If the Senator will yield, I do not wish to displace the motion at present before the Senate, but I wish to say to the Senator from Wisconsin that I believe there are only three or four votes in this body in opposition to the measure I propose shall now come to consideration. There are 300,000 government employees who are very much interested in this bill. It is one of common justice to them. I think it can be considered and disposed of in a very few moments, and I assure the Senator from Wisconsin that I will withdraw it if it can not be so disposed of.

Mr. SMOOT. Mr. President, I will say that if the Senator from Wisconsin does not object I will.

Mr. STANFIELD. I am not asking for unanimous consent. I am moving that the bill be now taken up.

Mr. MOSES. That will displace the pending motion.

Mr. LA FOLLETTE. Which I can not consent to.

The PRESIDENT pro tempore. Objection is made to unanimous consent.

Mr. MOSES. The Senator from Oregon did not ask unanimous consent, Mr. President. As I understand, he has moved to take up the bill, which would displace the pending motion.

The PRESIDENT pro tempore. If the Senator from New Hampshire will just wait a moment, the Chair will put the question. The Senator from Oregon has now moved that the Senate proceed to the consideration of Order of Business 479, being Senate bill 3011, to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof.

Mr. CURTIS. Mr. President, I suggest to the Senator from Oregon that we will have a vote in a few minutes upon the motion of the Senator from Wisconsin; and I hope he will not ask for a vote on this bill now, which would displace the motion before the Senate. It will not take long to dispose of the pending motion.

Mr. SMOOT. I assure the Senator that he will not get a vote on it anyhow. It does not make any difference.

Mr. STANFIELD. Mr. President, I do not like that manner of reply of the Senator from Utah—that we can not get a vote on it.

Mr. SMOOT. I will say that the Senator will not get a vote to displace this matter.

Mr. STANFIELD. I have no desire to displace the motion before the Senate.

Mr. SMOOT. That is what it will do.

Mr. STANFIELD. I will withdraw my motion at this time, then, hoping that I may have the support of the body later on.

The PRESIDENT pro tempore. The Senator from Oregon withdraws his motion. The question is on the motion of the Senator from Wisconsin.

Mr. McKELLAR. Mr. President, I shall occupy just a moment before we vote on this motion.

It distresses me very much not to be able to vote for the benefit of anyone who is suffering or for anyone who may be alleged to be suffering, especially if the sufferers are women and children, wherever they may be and whoever they may be; but I feel that an affirmative vote on this resolution is a vote that I can not cast. Mr. President, it is very easy to dispose of other people's money, much easier to give it away than it is to give away our own; but we are trustees for the American people and ought to be exceedingly careful about our disposition of their money.

Mr. President, I happened to be in Germany last summer. I was there some three or four weeks, and I saw what there was to be seen in that time. It is true that there was at that time considerable suffering in Germany; there were bread lines in

Berlin and in other cities and in the Ruhr—worse in the Ruhr than anywhere else—but, Mr. President, I saw no such unusual condition there as would require this charitable intervention. They have not asked for it, and I am not sure they want it.

I do not think I have ever seen better crops growing than I saw in the country there.

The finest crops of potatoes and grain were growing. I am informed that Germany does not produce enough food for her own needs; in other words, she consumes more than she raises; but I am quite sure that there was no such distressing condition there then as would warrant this very unusual act upon our part. Unquestionably, this is true of the country districts. Their cattle and stock were in good condition. Apparently the country sections were in good condition.

But, Mr. President, assuming that there was distress there, I am quite sure that the conditions in Germany when we saw them last summer were no worse than the conditions in Russia, which we also saw. They were no worse than the conditions in Poland, which we also saw. They were no worse than they were in Latvia and Esthonia and Lithuania. The conditions in none of those countries were good, but there was no suggestion of starvation anywhere. It is true that in all the cities there were bread lines, but the Government was furnishing the people bread or potatoes, and there seemed to be no actual want.

Mr. President, as a boy I was reared in the State of Alabama, and I first recall conditions in the early eighties. I will say in all truth that conditions in Alabama in the eighties were much worse than they were in Germany, in Russia, or in Poland last summer, as I saw them. The condition of children and women in the South in the early eighties was much harder than the condition of the women and children in the countries that I have named last in Europe. No charity was asked for or received by the people of the South then. We probably weathered the storm better that we had no charity bestowed upon us; and I do not believe that I should cast my vote in favor of this joint resolution, as much as I should like to help any people who are suffering.

There is another reason why I can not vote for this joint resolution. I do not believe that the conditions in Germany are so bad as they are in Greece. I do not believe the conditions in Germany are so bad as they are in Armenia; and if we begin this policy of contributing to the peoples of other nations, and start with Germany, why should we end there? If we are going to give the women and children of Germany large sums of money, we should be equally generous to other nations who need it perhaps quite as much, or more.

For these reasons, Mr. President, I am constrained to vote against this joint resolution if it should come up, and to vote against the motion to take it up.

I say, again, that I have no feelings of prejudice against the German people; quite the contrary. I have every sympathy for them. I have no prejudice against them on account of the war. If disaster overtook them, I would willingly help them. I want to see them get back on their feet and prosper; but such gifts as this will not effect the purpose. Conditions as I saw them there with my own eyes do not justify this extraordinary appropriation. I see no reason why private persons should not contribute to them if they so desire; but my position is that we, as trustees of the American people, have no right to make this contribution under the circumstances that have been narrated.

Mr. PITTMAN. Mr. President, I am a member of the Foreign Relations Committee, and I have heard and read the evidence. It is true that there is contradiction in the evidence. Senators may very well form one opinion or another with regard to the suffering of children in Germany. I do not doubt at all that if we should go into any first-class hotel in the United States and ask if there were any suffering children or any suffering women in the United States, we would get a negative answer. There is, however, evidence which satisfies my mind that a great number of little children in Germany are suffering from lack of food.

That is not our fault. It is not our fault when some beastly husband allows his little children to starve to death when there are plenty of opportunities for him to work; but, nevertheless, when the American people see the children of a family starving to death because the husband is a drunkard or a criminal their hearts go out to those little children just the same.

Who is to blame for the starvation of certain children in Germany? Not the American people, certainly. There is nothing that can be laid to their door—not a thing. It is the responsibility, again, of the German Government, but what difference does it make? There is no doubt, from the evidence before us, that there are in Germany to-day men who are immensely wealthy—wealthier, by comparison, than any people in this country—and, on the other hand, there are people there who are more destitute, as far as money is concerned, than any other people in the world.

That is the condition. You say that is Germany's fault. I say to you, I admit it is the German Government's fault. There is no doubt about that. The German Government is now, has been ever since the war—yes, it was before the war at all times—under the domination of the junker, under the domination of groups such as the Stinnes group. There has not been since the war a government in Germany that dared tax the rich of Germany to protect the poor of Germany. That is a fact. It was commented on to-day by those opposing the resolution, who said that the rate of taxation in Germany is the lowest in the world. That is true. It is the proof of what I say to you, that the German Government has not dared tax Stinnes and the great wealth of that country.

What difference does that make? You are told that a lot of little children are starving to death in this country, and if at the same time you are told that it is because the father is a drunkard, do you say "It is the fault of the father, and I will not help those little children?" No man with a heart would use such a miserable excuse.

When the Great War came on in Europe the President of the United States at that time stated that the German people were not to blame; that he had the deepest sympathy for them; that it was their Government's fault. Yet, in my opinion, the German Government was then dominated by the same junker class by which it is dominated to-day. It forced the acts of war which forced the United States into that fight. With all the sympathy we had for individuals of the German people, we acted. I certainly can not be classed as a pro-German. My votes in this body and my speeches in this body are well known. I voted for war. Before we entered the war I voted for arming our ships. I would have voted for a declaration of war at an earlier date than we did vote for it if I had believed that a declaration of war could have been carried.

I am willing to test my conscience on any of these questions. Charity is a deplorable thing. There should not be necessity for charity. Ninety per cent of the necessity for charity in every country comes from inefficiency and discrimination in government. The other 10 per cent comes from various causes such as I have mentioned.

If government did its duty, there would be little necessity for charity in the world. I have always contended that when the inefficiency of government, the prejudice of the governing class, causes starvation and suffering among little children anywhere in the world, it is the duty of government to right that wrong.

You say it is the duty of the individual. The individual contributes out of his pocket to every charitable cause. Yes, and it is the most unfair thing that is ever done. A man walking along the street who takes 50 cents out of his pocket and throws it into the hat for any charity pays a thousand times more than the men who are able to pay, and everyone knows that. There is but one just way on earth of distributing charity, and that is by taxation based on the ability of people to pay. Poverty, distress, misery, suffering, in a country are just as much an incident of government as anything else in it, and when a government allows conditions to exist which bring those things on, it is its solemn duty to do what it can to remedy such conditions.

It is said, look at the suffering around us. I have seen the suffering around us. I know it is here, and if there is a single occasion upon which I have cast my vote against relieving it, then you may charge my conscience on the stand I take now.

I know that the argument was made in this body that if you took care of one charity you could not take care of another charity. It was said, if you do justice to the soldiers, you can not take care of the disabled veterans. Why not? If you take care of one family which is suffering, you can not take care of the other family that is suffering, it is said. Why not? Where is the argument for anything of the kind?

I know the soldiers in this country were split up. They almost convinced the disabled soldiers that if there was a bonus given to the able-bodied soldiers we could not take care of the disabled veterans. They had them fighting among themselves. Is not that true? Undoubtedly it is true. Yet we have passed the bonus bill. It is an inadequate measure. It does not help anybody except the man who is wealthy enough to carry a policy in an insurance company.

I stood on this floor and fought for a cash bonus, to which those men were entitled, and I have fought for it ever since

the war. Because I was fighting for a cash bonus for those able-bodied soldiers does not indicate that I was not willing to take care of the disabled soldiers. I have fought for every raise and every appropriation and every amendment which has been offered on this floor to better the condition of the disabled veterans in this country.

It is not, in my opinion, because we took care of and did justice to the able-bodied soldiers that we have not taken care of the disabled soldiers. It is not my stand that because we take care of the distressed and disabled in one State we are unable to take care of them in another State.

I believe in lending our aid just as far as it is humanly possible to relieve distress and suffering wherever it exists; I do not care whether it is in my family or in your family. I am just as much touched by the emaciated form of some little child lying on the sidewalk who is a stranger to me as I am for the sufferings of another child who might be related to me. It is not the relationship; it is the suffering, it is the misery, it is the agony of little children, that appeal to my sentiment.

That may not be right. Maybe I should appeal to the Constitution. I do not know what the Constitution provides on this. It has never been passed on. I know we have acted this way before. I know one thing, and if it be a crime I am sorry for it being a crime, that the suffering of little children appeals to me. That is all there is to it. I have given all I can give out of my own pocket to all of these causes, and I will continue to give; but that is not the proper way, it is not the fair way, it is not the equitable way to handle the matter.

Germany should take care of her own children. The German Government should compel the Stinnes group to pay back the money they have wrung, through the depreciation of the mark, from the people; they should be compelled to pay it back to the people they are to-day bringing to starvation.

All the people of Germany are not suffering, of course. The Stinnes group are enjoying their great wealth. The agriculturists of Germany are not starving. They have paid off their mortgages with the depreciated mark. The people who are suffering are those who work for their daily wage, and are paid in marks that will not buy anything. Those are the classes of people who are suffering. But what difference does it make whether it is the Government's fault or whose fault it is; what difference does it make to you if you see a starving child on the street yonder what the cause of the starvation is? Why argue what the cause is? As a matter of fact, suffering does exist; it is there. It exists just the same as starvation exists in the family of the drunkard. It is there. There is no reason in arguing the question at all.

Ten million dollars given out to relieve the suffering and misery of little children in Germany or Greece or wherever you please will not hurt this Government one iota. We have nearly one-half of all the gold in the world now under our control. We are the richest country in the world. We are the most powerful in every way. We have less poverty and distress here. We are the happiest of all, and for them to say that the donation of $10,000,000 is going to make us unable to take care of those to whom we owe justice in this country is absurd.

We have taken care of our soldiers partly, and before we get through with it we will take care of them entirely. We have taken care of our disabled veterans in a measly, cowardly way, but before we get through with it we will take care of them entirely, and as far as my vote is concerned, I want all to understand that when I do justice to one man, it is not going to deter me from doing justice to another man, and when I grant charity to a miserable creature here, it is not going to keep me from handing it out there.

I know our brave soldiers who fought to the death the German soldier had no fight against the women and children. They were too brave and gallant for any such thoughts. They know what suffering is and they are the first to hold out a helping hand.

I am going to vote for this motion, as I voted for it in committee.

C. M. COLE

Mr. CAPPER. Mr. President, from the Committee on Claims I report favorably, without amendment, the bill (H. R. 4760) for the relief of the estate of C. M. Cole, of Butler County, Ky., and ask unanimous consent for its immediate consideration.

Mr. ROBINSON. Mr. President——

Mr. ERNST. It is a House bill.

Mr. ROBINSON. I do not think it proper to interrupt the consideration of the matter now before the Senate with claims reported hastily from the committee. I object to the present consideration of this bill, and I shall object to the consideration of other matters, except conference reports, until the pending motion is disposed of.

RELIEF OF DISTRESS IN GERMANY

Mr. REED of Missouri. Mr. President, with the burden of taxation resting upon the American people and the increasing depression in our own country staring me in the face, I have every inclination to refuse to appropriate a single dollar of money that is not absolutely justifiable from every standpoint. But I have heard to-day arguments by eloquent and distinguished Senators which seem to me aside from the question before us.

There is some distress in the agricultural districts of this country. But there has been no appeal for charity. The particular champions of the farmer have sought certain remedial legislation, with reference to the virtues of which there is honest difference of opinion; but the farmers and the people of our cities are not raising the skeleton hands of starvation and asking for a dole to prevent death. If they were, there would be no hesitancy in going into the Federal Treasury to supply immediate necessities.

The question here is whether we will tax the American people less than 10 cents apiece to arrest the march of starvation and death amongst the helpless women and children of a country with which we were recently at war. As was said by the Senator from Nevada, that question ought to be considered by itself and decided upon its own particular merits or demerits.

For my part, as everyone here will bear me witness, I have held to the strictest doctrine of nationalism. I am not an internationalist. I am a nationalist. I put this country above all other countries on earth. I would protect it and defend it and build it until it became so mighty that the assembled nations of the world would not dare challenge any of its rights. I would yield no part of its sovereignty to any tribunal on earth. I would submit its vital interests to but one great court, the high court of the American people.

While I hold to that doctrine, my sympathy for peoples of other countries is not circumscribed by the red line of a map. Neither are my prejudices so great that I can not appreciate the virtues of peoples who happen to have been born under other skies and other flags than mine. There is no greater regret in my heart to-night than that we have abandoned the ancient policies of this country, one of which was that America should forever be the land of hope and refuge for those who suffered the oppressions of governmental tyranny or the despotism of creed or caste. When we closed the doors of this country in the face of God's children who are of our ancestral stock and common blood we wrote a black page in America's history.

America to-day should swing wide her portals to the great races of Europe whose ambitions, hopes, religion, industry, and blood make them our natural brothers and fit them for the high duties of American citizenship. I hesitate to say a harsh thing, but it seems to me that only ignorance denies a stalwart man, endowed by Almighty God with all the qualities we possess, as anxious as we are to work for his own betterment and for the advancement of this race, the right to set his feet upon our soil and build his home beneath our skies. Rather we should say to the Belgian, to the Frenchman, to the inhabitants of Great Britain, to the people of Germany, of Norway, and of Sweden, of Holland, of Denmark—to all the great European races—"We give you generous welcome to our shores if you but come to sustain our institutions and to contribute to the greatness of our national destiny." But we have adopted an opposite policy. We have said to the father of the starving children of Germany, "You can not come. You have the same Creator. You have the same hopes, but you can not come. Stay where you are, in the overpopulated cities and villages of your own land—stay there and starve." We have said to our associates in the war, the Belgians, the sons of Ireland and of Scotland and of England, the same bitter thing, "You can not come. Your hearts may be with us. Your souls may be inspired with the lofty sentiments which thrilled the bosoms and set aflame the blood of the revolutionary fathers, but you can not come. Stay at home and starve."

Nay, more. We have said to them, "If you produce as the result of your labor that which is beautiful, that which is useful, that which will adorn the home or glorify the palace of wealth, that which will keep warmth in the body, though it may be the perfect flower and fruit of superior genius, you can not sell it in the United States of America. We bar you out; we build a wall of prohibitive statutes so high you can

not overleap it and so strong you can not break through it." So we say again, "Though you are willing to work, though you are capable of work, stay at home and strave."

These are the narrow policies to which we have committed ourselves. They are un-American policies. They were not the policies of Washington. They were not within the conception of Jefferson. They do not belong to the heroic age of our country's history, nor to the period of its great industrial development and advancement.

These, however, are questions which it is bootless to discuss here to-night. Having closed the gate, having locked it in the faces of these people, having barred their products, we are now confronted with the question of doling out to them something that may prevent little children from staggering, pale, and emaciated, into untimely graves, of doing something which may arrest the march of disease, and perhaps avoid a ghastly epidemic.

Mr. President, it has been said here that the German people are to blame for the war. The utterances seem to reflect the poison of hate engendered during the war. I deplore the utterance of such sentiments.

Mr. STANFIELD. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Oregon?

Mr. REED of Missouri. I yield for a question.

Mr. STANFIELD. There are just two precepts of which I wish to ask the Senator if he is not conscious. One of those is that self-preservation is the first instinct of human nature, and that is the reason why there is a necessity for us to put up a wall of protection, so far as we are concerned here in America. The other is that charity begins at home. Does not the Senator know that?

Mr. REED of Missouri. Yes; some skinflint at some remote period of time who wanted to keep his own wealth in his own pocket invented the most selfish maxim that has ever fallen from the lips of man—"Charity begins at home." Yes; and it generally stays there.

As to the other question that self-preservation is the first law of nature, I admit that; but between proper self-preservation and the tariff law that despoils 110,000,000 people for the benefit of a few manufacturers there is a gulf as wide as separated Dives in hell from Lazarus reclining upon the bosom of Abraham amidst the groves and streets of paradise—just that much of a gulf.

Mr. STANFIELD. Mr. President——

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from Missouri yield further to the Senator from Oregon?

Mr. REED of Missouri. I yield.

Mr. STANFIELD. That is our mistake if we permit that protection to be restricted as the Senator from Missouri claims—and I am willing to agree with the Senator from Missouri that it is restricted too much, although I believe that in the great McCumber tariff bill we gave more protection to all the people than they ever knew before, but it is not enough. Yet I want to say to the Senator from Missouri that when he is talking about dispensing charity abroad, he should remember that we have more suffering here in America than, I think, the Members of the Congress are aware of. I think we would do well to look to the welfare of our agricultural element in this country that is suffering, and suffering, I think, perhaps as much as those in Europe are suffering.

Mr. REED of Missouri. I am not going to be led aside to discuss the tariff bill. I mentioned it as one proposition that appealed to me. I want to proceed with my argument, if it can be so dignified. I shall yield the floor in a very few minutes.

I was saying that there seemed to be a tang of bitterness and hate in some of the sentences we have heard dropped. Mr. President, like my friend, the Senator from Nevada, I voted for the war. I signed the round robin certifying a willingness to give the President authority to arm merchant ships, although I well knew that the purpose was to fire upon German submarines the moment they were sighted, and thus really start a war before there was a declaration of war. That purpose was by the friends of the measure admitted upon the floor of the Senate as quite within the possibilities.

I voted for every man, every gun, and every dollar that was appropriated in the war. I would have been willing to have continued the war to this hour if Germany had not laid down her arms. But I am not unmindful of the fact that when Germany did surrender, she surrendered on the 14 points laid down by the President of the United States with the single exception of one reservation which Great Britain made, and that reservation but emphasized the fact that Germany was relying upon the principles enunciated by the President.

But, sir, I do not care to pause to discuss that question. I mention it merely in passing. The fact is, as has been stated, that the German people were under the complete dominance of the most autocratic power, the most complete power probably ever held in all the history of the world, for I question whether the despotisms of the past, tyrannical and bloody as they were, were as well cemented and as thoroughly entrenched as were the Hohenzollerns in Germany. Moreover, the people of Germany had for a half century been taught that their salvation depended upon the maintenance of a great army and that they were surrounded by enemies who were ready to crush and destroy them. Whether that was a true or a false doctrine, it was believed by the people. Accordingly, when the war lords of Germany summoned the people to battle they came; and we must admit they fought courageously.

But now, Mr. President, when the war was over, when the battle flags were furled, when the cannon ceased to reverberate across the plains of France we adopted the principles of peace. It is to that view for a moment that I want to attract your attention.

Some Senator said here to-day, and said truthfully, that this war is over; some Senator said, and said truthfully, that perhaps this is the best investment the American people have ever had an opportunity to make. Recall the events of history and you will realize that the commonest experience is that the enemies to-day are the allies of to-morrow, and that the allies of to-morrow are the enemies of the day after. It is not necessary to cite the historic instances; they have occurred so frequently that, indeed, the rule is, not that the allies of to-day shall be the allies of to-morrow, but rather that the enemies of to-day will be the allies of to-morrow.

Japan was our ally in the late war. In the exercise of an undoubted right we said that the Japanese could not settle this country. Such a right was never before challenged when sought to be exercised by a great and sovereign power. Yet, sirs, there is not one of us but knows that wrapped up in that question is a potential danger for the future. We know it so well that we regard with anxiety every new warship that is launched by Japan and every gun that is wrought in her machine shops and foundries.

We are to-day on perfectly amicable terms with all nations of the world, yet there is no nation with which war seems more remote to-day than did war between the United States and Germany on the 1st day of August, 1914.

The man who would then have stood in this body and proclaimed that within a few months the United States and Germany would be engaged in a death grapple would have been regarded as a lunatic. Yet we found ourselves drawn into the vortex. Our boys were soon upon the bloody fields of France, their bayonets pointing toward the heart of Germany.

Sir, out of this war the one great satisfaction I get is that when it was ended the President of the United States, against the judgment of many men—it is one thing as to which I have always been in harmony with the deceased President—stated that the United States did not want a dollar; she did not want an inch of ground; she only desired that her rights upon sea and land be recognized; she wanted her flag respected; and when that had been achieved she was willing to forego any of the spoils of conflict. So Germany was taught the lesson, and every German of normal mind has registered it, that the United States in entering this war was impelled by no selfish motive; that we were not led on by hatred of the German people; that we did not engage in the struggle for the purpose of enriching ourselves or taking their goods or their chattels from them. Some day, mayhap, in the history of this world, that will be a great asset to the United States; it may be worth more to us than all the land and all the gold that our associates have taken or demanded.

I can imagine in some crisis when Germany may be invited into a struggle against this country and may remember that we did not keep a legacy of hate which they should satisfy with bloody swords and with glistening bayonets, but rather that they may recall that they had met a noble enemy who never stooped to vengeance or stained their escutcheon with hate.

The war is over, the drums have ceased to beat the alarm, the soldiers no longer stand in battle line, peace hovers over the world, Germany's children stand with the lips of want drawn back from the teeth of starvation, and their skeleton hands stretched out for the food that their parents can not give. It seems to me, if we shall give this money to Germany, that

the fathers will tell it to their children and their children will tell it to their children's children, and that in some great conflict of world our kindly charity of to-day may be the salvation of the Republic of America.

Mr. President, I do not advance my argument alone upon that ground; I put it upon the great principle of universal humanity, on the fact that the same sentiment will bring the tears to the eyes of a German mother as to an American mother; that the same passions flame in their souls as in ours, and the same suffering is felt by them as is felt by us. So, while I will not extend to any European power or all the powers of earth a jot of our authority, a single hair's weight of our jurisdiction, or of our majesty as an independent Nation, I am willing to grant them our sympathy and extend them our bounty, that we may bring back joy, life, and love where now are darkness, despair, and death.

Mr. LA FOLLETTE. Mr. President, before the vote is taken upon my motion I desire to offer my testimony, based upon a personal investigation in that country, of the dire need of Germany at this time. The able Senator from Missouri [Mr. REED] has raised the issue above the sordid arguments of the opposition. In comparison with the spirit he has invoked those arguments seem, indeed, mean and unworthy. Under the spell of his exalted eloquence we have all of us, I trust, been purged of the passions and hate engendered by war and set face to face with the great human problem which this resolution presents.

It is to be regretted, Mr. President, that the prejudices and passions of a past war should have been thrust into this debate. We are facing the future. We are looking to the years to come. We must live in a world in which the German people are an enduring and vital part. They are and for generations have been among the world's leaders in the arts and sciences. Prior to the war they had become the very heart of industrial Europe, and as certain as the coming of another day they will again do their part in the world's work and share in its community life.

On March 24, 1924, the House of Representatives adopted by a record vote of 240 to 97 this resolution introduced by Representative FISH, of New York, which appropriates $10,000,000 for the purchase of foodstuffs in the United States and for their transportation and distribution for the relief of distressed and starving women and children of Germany.

The exceptionally large vote for the resolution in the House of Representatives is a measure of the sentiment of the people for the proposition. Both for spiritual and material reasons we might regard this appropriation as an investment rather than a gift.

The pending question before the Senate is upon my motion for the discharge of the Senate Committee on Foreign Relations from further consideration of this resolution and for immediate action upon it by the Senate.

The proposition presented to the Senate, upon which it must pass to-night, is whether in the face of Germany's dreadful need and terrible suffering as shown by the evidence submitted to both the House and Senate committees, we are to carry over the hate of war against the starving women and children of Germany. For every dollar proposed to be appropriated by the pending joint resolution is appropriated for the relief of women and children of Germany who are suffering hunger and starvation.

In listening to the discussion this afternoon we have heard representations made that there is no such thing as widespread starvation and extreme poverty in Germany. Mr. President, it was my sad privilege to visit Germany within the past year. For several weeks I traversed the country. I visited homes, hospitals, schools, factories, and everywhere I saw manifestations of absolute want. In the early morning hours I watched the assembling of bread lines. I saw thousands of people gathering as early as 3 o'clock in the morning, crowding miles of the streets of the cities of Germany, awaiting opportunity to be rationed in order that they might meet the conditions of starvation.

I visited many of the great cities. I remember particularly what I saw in Essen, a manufacturing center of some 600,000 people, where the French had taken possession and where they had denied to the citizens of Essen the use of railroads excepting one single outlying station with a small depot, which could be used for unloading the trainloads of food necessary to supply the people of that great city every day. I visited that station. It had no sidetracks, no platforms, no warehouses for sheltering the milk and other food supplies shipped in day by day and left standing in the sun and rain unsheltered for hours. Think of it, a great city of 600,000 population well provided with railroad yards and stations such as its transportation needs would normally require, but under French military rule not a railroad train permitted to land food anywhere in the municipal limits except in one remote outside station with no sidetracks or other facilities for the delivery of food to the people.

I visited the great railroad yards of Essen, and I saw weeds growing a foot high between the tracks of the railroads whose operation had been suspended by the orders of the French. I visited the hospitals of Essen. Oh, it was appalling. I saw hundreds of infants, months old, who weighed less than when they were born. The milk that should have been used to feed these babies was sitting, not in sheltered places at the station but out on the banks, exposed to the sun, with no facilities for keeping it cool, and it invariably soured before it could be delivered. In this and other cities I saw hundreds and hundreds of babies dying for want of food. I am not exaggerating. I am telling you what I saw with my own eyes. In the hospitals of Berlin, Cologne, and Gelsenkirchen I saw children of all ages in conditions of emaciation that are beyond description, children whose arm and leg bones could be bent like whalebone because of lack of nourishment, with doctors and nurses struggling bravely to save their lives, with little or no milk and on a diet that even the healthiest infant could not digest.

Everywhere I visited in Germany the shortage of food and particularly of milk is alarmingly reflected in the condition of the children. In 1923 the number of seriously undernourished children was nearly 60 per cent and the number mounting daily. Not merely had the number of tuberculosis cases increased startlingly, but the death rate from this cause was manifesting itself even during the very early years of childhood, a condition almost unknown during the war

More than 9,000,000 German men, women, and children were dependent upon charitable relief when I was in Germany last year, and this number has since increased by leaps and bounds.

Even before the war, when German agriculture was more efficient than now, about 15,000,000 of the German people had to be fed with imported foodstuffs. This deficiency was greatly increased by the Versailles treaty, under the terms of which Germany lost the Provinces of Posen and West Prussia, which had furnished their population with food staples and afforded a surplus that took care of approximately 5,000,000 besides.

Since the war German agriculture has declined and become less efficient, owing to improper cultivation during the war, loss of animal fertilizer through decrease in livestock, and lack of capital with which to purchase artificial fertilizers and farm machinery.

This decline in available foodstuffs has resulted in reducing the diet of the population beyond the limit of human endurance. I found that between three-fifths and four-fifths of the workers of Germany were living entirely upon potatoes, with a little bread and almost no fats.

Potatoes are, in fact, the only food within the scanty purchasing power of the common people of Germany. In the Ruhr I saw thousands of women who had been standing in line from 4 o'clock in the morning till noon, awaiting the chance to buy a scanty allowance of potatoes, with hundreds turned away empty handed because the supply was exhausted.

It is argued that there is wealth in Germany. There is wealth in the United States—enormous wealth—but the riches of Wall Street are not donated to relieve the deplorable conditions of the farmers up in the Northwest. The wealth of the Stinneses and the Morgans is very much alike. Human nature is very much the same the world over, sir.

The conditions in Germany are inconceivable, indescribable. In this connection let me read a short extract from the issue of May 28, 1924, of Commerce and Finance. This unbiased financial journal says:

> Spendings of the German profiteers have aroused disbelief in German distress. Out of the labors of the Dawes committee have come some facts more informing of German conditions than the most accurate observations of tourists. Last year's wheat crop was 28.4 per cent below that of 1913; rye, 34.1; all bread grains, 33.4. At the end of 1922 Germany had 11.7 per cent fewer cattle and 35 per cent fewer swine. From January 1 to September 30 last year she slaughtered 57.2 per cent fewer oxen, 48.7 per cent fewer bulls, 29.8 per cent fewer cows, 65.7 per cent fewer swine, and 12 per cent more horses than in the same 1913 period. Meat consumption per capita fell from 43.13 kilos to 26.71 kilos. With less wealth in the country and profiteers absorbing an increasing share of that wealth through currency depreciation, what reason is there for disbelieving in this distress?

Inevitably the food shortage has been complicated by the currency situation. Farmers in self-protection refused to sell their

products for worthless paper marks, and the Government was forced to abandon the system of grain requisition which it undertook, just as the Russian Government was forced to do.

The impoverishment of Germany has reached the point where it seriously affects the grain exports from the United States. In 1913–14 Germany imported 38,205,504 bushels of American wheat, but in 1924 the importation of wheat will be practically nothing. This is of significance to our western farmers who have been hard hit by collapse of the wheat market.

To prevent this slow but certain starvation of the German population living in cities—almost if not quite as bad in its destruction of life as the Russian famine—Germany ought to import and distribute at normal prices 60,000,000 bushels of grain, 150,000 tons of fat, and large quantities of condensed and dried milk.

This is what Germany ought to do. But the German Government has not been able to get credit. She can not muster the resources to save her population from the destroying effect of hunger and undernourishment.

Mr. President, if there remains any doubt as to whether there is starvation and want on a wide scale in Germany growing out of the conditions that followed the war, consider the testimony taken by the House of Representatives. It is not disputed. It stands on the record and the Senate will vote on the basis of that testimony, and if the Senate denies relief to the women and children of Germany who are starving, a record will be made here which has never before been made by the American Senate or the American Congress.

When this very joint resolution was before the House of Representatives by invoking all the hate of war they could muster only 90 votes out of the membership of the House of Representatives of 435 against the joint resolution. It came over here to the Senate Committee on Foreign Relations, and it rested there.

If testimony was taken—and I know that some was taken—it has not been printed. The Senate has not been given an opportunity to see that testimony. The public has not been given an opportunity to see it. We are going to vote to-night upon this proposition on the basis of the evidence before the House of Representatives, for the Committee on Foreign Relations of the Senate has contented itself with retaining within the confines of its committee room the testimony that it took upon this important resolution.

Mr. President what I say here in support of this joint resolution may be discounted because of the fact that I opposed our entry into the war; but, sir, that phase of the world disturbance has passed, and the man at the head of the American troops in Germany, General Allen—who, best of all men in the United States Army, knew the conditions over there—has organized a private committee, and for the better part of a year has gone back and forth over this country appealing to the generosity of the American people to come to the rescue of the starving women and children of Germany. Nobody questions his understanding of international relations. Big, broad, able, fearless, loyal according to all standards, he has not only appealed for private aid but he has appeared before the committees of Congress and asked the Congress of the United States to stand sponsor for the amount proposed to be appropriated by the terms of this resolution.

Speaking of his own knowledge and summarizing the reports of American physicians who have been in Germany, he said:

> Among children of school age the crisis is such that there is lack of breakfast and often of lunch for these children. There is also lack of shoes and stockings, underclothes, and winter coats. * * * Also among these children there is a prevalence of tuberculosis not known to school physicians heretofore. Up to 20 per cent of children applying at 6 years of age for admission to schools have to be sent home as unfit to attend. * * * The weakness of children from hunger is a common cause of fainting, dizziness, headache, and inability to study and inability to pay attention simply because of hunger. The record of collapse cases in the schoolrooms was never before known to be so great as now.
>
> The extent of undernourishment in the schoolroom is best expressed by the fact that practically everywhere there is a discrepancy of almost two years between the age, the height, and the weight of the children in contrast with a normal child. * * * Few, if any, children over 4 years have had milk in the cities since 1914 unless they were sick in hospitals.

It is literally a matter of life and death. A fearful emergency confronts the German people. Hunger and disease are to-day threatening the lives of millions of women and children in that distracted land. The $10,000,000 provided for in the resolution for their relief will save a multitude of lives. Those who might be saved by the passage of this resolution will be dead when we reassemble next December.

There is no question about the need. And this need is scarcely less urgent than that of the Russian famine, to which we gave $20,000,000.

I am interested in the passage of this resolution not only because it will save hundreds of thousands of human lives but because it will, in my opinion, be of the greatest assistance to those who are bravely struggling against great odds to maintain a democratic form of government in Germany. The German Republic was created in good faith and has been maintained with great courage and fortitude under extraordinary difficulties. The forces of democracy, which had the complete confidence of the German people at the end of the war, have lost ground, however, as a result of the harsh and inhuman terms of the Versailles treaty, the unwarranted military occupation of the Ruhr and the Rhineland by France, and the continued economic distress and privation which the masses of the German people have suffered during the past 10 years. It is amazing that any people should have maintained their faith in the instrumentalities of democracy under such appalling conditions, but the recent elections showed great gains by both the monarchists and the communists, who have been working hand in hand to tear down the German Republic in the hope that the chaos thus produced might result in securing power for themselves.

I believe that the passage of this resolution will be of inestimable value in both a moral and material sense in sustaining the forces in Germany which are striving to maintain the German Republic and the institutions of democracy. The highest as well as the most practical conception of our foreign policy, therefore, justifies the immediate passage of this resolution.

During my stay in Germany I was constantly reminded of the sense of isolation and suffering on the part of the people for lack of any expressions of sympathy and understanding on the part of the outside world.

The feeding of German children following the war by the Quakers was almost the only manifestation of good will and fraternal feeling that had come to them. It was of tremendous value. Its lasting influence can not be overestimated.

Just as the efficient aid rendered by the United States to Russia in her frightful time of famine has created a basic sense of amity beyond belief in the hearts of the Russian people so aid to Germany in this time of need will have profound results in healing wounds, restoring friendship and good will, opening markets, and renewing trade.

The adoption of this resolution expressing a desire to help Germany in her great suffering and need will have powerful reaction for good upon our own people. It will diffuse the spirit of forgiveness, harmony, and good will at home as well as abroad.

Putting aside all questions of policy, we are confronted by a simple human question—that of preventing starvation and death. At least 2,000,000 children in Germany are in a most critical condition because of their present lack of proper nourishment, added to the period of many years of privation which has undermined their health and weakened their powers of resistance. These children have been undernourished since the early days of the war. Instead of improving they are steadily growing weaker. The past winter has been the most trying time they have experienced. As a mere matter of charity and good will we should pass this resolution before we adjourn.

Mr. President, the hour is late. I had intended to discuss this question of German relief in a more thorough and satisfactory way. But because of the limited time and pressure of other business I have spoken briefly and hurriedly, without referring to the notes which I had prepared.

I must, however, say one word in conclusion. There have been intimations made in this debate that political motives are back of the effort to secure a vote on this resolution. Any intimation that my attitude toward the war in any way affects my advocacy of this resolution is unjustified. I did not introduce this resolution. I did not bring about the hearings. I have taken a hand in this matter only recently because the condition of my health prevented my doing so earlier. But I think I ought to be acquitted of being influenced by political considerations in moving for a vote on the resolution for the relief for the starving women and children of Germany at this time.

Mr. President, for nearly 40 years, wherever my convictions have led me, I have gone forth, even though alone, to defend those convictions. In peace and in war, with all that it might bring upon my head. I have stood by what I believed to be right, and in pressing for a vote upon this resolution I am simply pursuing the course which I have followed all my life.

The war is five years behind us. Let us set our faces to the new day and accept the conditions which must make for the peace of the world and for the restoration of Germany to her just place in the family of nations. Above all things, as American Senators, as representatives of the chivalry and generous impulse of the people of this country, let us, I appeal to you, refuse to invoke the war spirit against starving women and children. Let us absolve ourselves from all unworthy motives and vote upon the merits of the proposition which is before us here to-night.

I say that the time for the hatred engendered by war ends when the flags are furled, when surrender is made; and that nation which can not be generous to a fallen foe takes a poor, a cheap, and an unworthy place in the history of the world.

It is hardly necessary to discuss here the terms of the treaty under which Germany has reached her present plight. Everyone now knows that the treaty of Versailles violated the terms of the armistice, based upon President Wilson's addresses and the 14 points, in nearly every particular. After Germany had disarmed and put herself at the mercy of the Allies and the German people had established a Republic modeled after our own the wicked Versailles treaty despoiled her of her colonies and her commercial rights, robbed her of her most valuable coal and iron resources, appropriated and apportioned among her trade rivals her shipping, and left her economically bankrupt, with an indemnity unparalleled in history saddled upon the backs of her people. The late Senator Knox, former Secretary of State and former Attorney General, whose wisdom and patriotism and ripened knowledge will not be questioned in this Chamber, spoke the truth when he declared in the United States Senate that this "punic peace" was the cruelest and most inhuman document of recorded history.

Having failed at Versailles to insist upon the honorable fulfillment of our obligations to Germany under the armistice, one of the first things that the United States should do is to hasten to the aid of the destitute millions of the German people.

Stand for a moment with me at Appomattox on April 9, 1865. It is the closing hour of the greatest civil war the world has known—and civil war engenders the bitterest hatred of all war. Contrast the peace of Versailles with the terms under which Lee surrendered his army to the great Union commander. There were Grant and Lee, the greatest military figures of the Civil War. Beaten to the earth, the Southern Confederacy was personified in its gallant captain, Robert E. Lee. What will live in history for Grant, to crown him with the greatest glory, is the terms he made to Lee:

"Take your horses and your mules. Let the starving Confederate soldiers come for their rations to the commissary of the winning troops. Let us have peace."

Those terms will live in history long after the arguments of hatred to which we have listened here are forgotten.

This country is big enough to be magnanimous as well as victorious. It is not necessary to be niggardly or relentless toward a former enemy to be patriotic. We have to live in this world with the German people who are kin to millions of the people of the United States. They represent one of the great powers of Europe, and Europe can never recover industrially and economically until Germany is restored. We can help to restore the international amity which must precede peace and stability by passing the pending resolution.

Mr. ASHURST. Mr. President, much, if not most, of all that deserved to survive and that has come down to us from the feudal times and the days of chivalry was comprehended within its doctrine of philosophy of noblesse oblige; that is, of the victor is required high conduct.

The virtues of defeat with a nation and an individual are fortitude and patience. The virtues of victory are magnanimity, moderation, and restraint.

This doctrine of noblesse oblige should be and is a part of the fundamental faith and genius of the American people.

I ask the Secretary to read from the desk a telegram from the governor of Arizona expressing his views upon this subject.

The PRESIDENT pro tempore. The Secretary will read.

The reading clerk read as follows:

PHOENIX, ARIZ., *June 4, 1924.*

Hon. HENRY F. ASHURST,
*United States Senate, Washington, D. C.:*

Am advised move will be made for relief of starving German women and children. We must realize that if one part of the human body is afflicted the whole body is sick; so, if one nation is sick the rest of the world must be affected. The United States has always been noted for its charity and willingness to come to the aid of people in distress. The women and children of Germany should not be permitted to perish because of the action of the imperial government of that country, even though it may be argued that the present German Government has not fulfilled its duty, that can not justify permitting children to perish. I, therefore respectfully urge that you join in the support of a measure to prevent starvation and suffering among women and children in Germany. In the name of common humanity I urge this, even in the face of the fact that there is distress in some sections of our own country.

GEO. W. P. HUNT, *Governor of Arizona.*

Mr. HEFLIN. Mr. President, the hour is growing late and I will not discuss this question at length. I thought, as the able Senator from Wisconsin [Mr. LA FOLLETTE] was speaking about the things he saw in Germany, how different his experience was from the experiences of the Senator from Georgia [Mr. HARRIS] and the Senator from Tennessee [Mr. MCKELLAR]. I am sure the Senator saw distress and suffering, as he has stated. I can take him into the city of New York this night and show him distress and suffering, or into Boston, or Chicago, or any of the other large cities of this country, and find distress and suffering.

With us it is not a matter of small groups of people in distress. We have millions of people in distress. We have people who, as I said this afternoon, were prosperous and happy in the West five years ago, who have not a dollar now, some of them not one dollar, if their debts were paid, and not a foot of land to their names. Senators, that is a serious situation. Have we the right to run our hands into the Treasury of the United States and take out $10,000,000 to pass across the sea to relieve so-called suffering children of Germany upon the statement we have before us? I do not believe such suffering exists in the German country.

Mr. STANFIELD. Mr. President, will the Senator yield?

Mr. HEFLIN. Just for a question.

Mr. STANFIELD. That is all I wish. The Senator referred to $10,000,000 for the German people. That is what the contribution is to be, he said. I would like to ask the Senator if he has carefully read the joint resolution and if he does not find that it is to take out of America one of the very things that is causing the suffering that there is here in agriculture; that is, to take out some of the exportable surplus? It is to be used to purchase and distribute grains, fats, and milk, products of which they have too much, which is causing the very suffering we have here in America, and the Senator is opposing the joint resolution and endeavoring to prohibit doing away with the surplus products that should be taken out of here. There is no money going out of the country. It is going to relieve the very conditions that the Senator deplores here in America.

Mr. HEFLIN. Is the Senator about to let the cat out of the bag? [Laughter.] If he contends that this is trying to hand out something to the farmers, I say it is a miserable subterfuge. Such a step should not be taken behind the proposition to help the suffering children of Germany. It is beneath the dignity of the Senate to do such a thing as that.

Mr. STANFIELD. I have all the kind sympathy for those poor suffering children over there that the Senator from Nevada so wonderfully pictured to-night. I am in greatest sympathy with the Senator from Wisconsin [Mr. LA FOLLETTE] in all his great kindliness for those people over there. I do not quite agree with the Senator from Missouri, who said that we are a selfish people here. I say that we are properly selfish when we build up a wall around the country to maintain a standard of living. I say that is right.

As I said to the Senator from Missouri when he had the floor, charity begins at home, but I am practical, and I can show the Senator from Alabama, when he speaks of the suffering in this country, that we can do charity for those people and relieve their suffering over there and do ourselves a kindliness. Our American agriculture will be relieved.

Mr. HEFLIN. Well, Mr. President, the Senator has had charges made against him, and I want to inform him that one of the charges being made is that the money we provided for the War Finance Corporation to help the farmers has not reached them, but that men like the Senator borrowed large sums of that money.

Mr. STANFIELD. Mr. President, will the Senator yield?

Mr. HEFLIN. I yield.

Mr. STANFIELD. Did I understand the Senator to say that the Senator from Oregon had borrowed large sums of money or any sum of money from the War Finance Corporation?

Mr. HEFLIN. I say that it is talked about here that the Senator is one of those who did.

Mr. STANFIELD. I want to disabuse the mind of the Senator from Alabama and say to him that the Senator from Oregon never borrowed one dollar from the War Finance Corporation, because he never needed to do it. I will admit that I was zealous to see that the War Finance Corporation loaned money not only to the western agriculturists in the States where they were suffering but more to the Senator's southern interests, where they were suffering in the cotton industry. But the Senator from Oregon did not borrow any of that money because he had credit at his banks where he could borrow money, and the records of the War Finance Corporation show that he never borrowed a dollar, not a dollar.

Mr. HEFLIN. Does not the record show that the company in which the Senator is interested borrowed money from the War Finance Corporation?

Mr. STANFIELD. It does not show anything of the kind. It does show that the Senator from Oregon, through a company that was organized for the purpose of relieving the agricultural interests out there, did put all of his resources back of it, and his company indorsed the paper that loaned money to thirty-odd stockmen and agriculturists there, but the Senator from Oregon never got a dollar of it, not a dollar. I stand proud of the record of what I did, and it cost me a great deal.

Mr. HEFLIN. Did not the War Finance Corporation loan some money to corporations or companies in which the Senator was interested?

Mr. STANFIELD. Not a dollar. I want to qualify that for a moment——

Mr. HEFLIN. I think the Senator had better qualify it.

Mr. STANFIELD. For the money that was loaned the Senator from Oregon indorsed the paper to go to save people that owed him money, and helped them in that way, and, of course, indirectly that would help the Senator from Oregon.

Mr. HEFLIN. That is what I thought. [Manifestations of laughter and applause in the galleries.]

Mr. STANFIELD. It is very unkind and very unfortunate that the Senator from Alabama should have brought up that question at this time. It is very unfair of him to have done so.

Mr. HEFLIN. Not at all. The Senator from Oregon was proper in wanting to qualify that statement. I was under the impression that the Senator obtained some of that money, and by his own confession he admits it.

Mr. STANFIELD. No; the Senator from Oregon does not admit anything of the kind; and it is unfair for the Senator from Alabama to stand there and attempt to attack the Senator from Oregon in such a way as that.

Mr. HEFLIN. I am not attacking the Senator.

Mr. STANFIELD. It is most unkind and most unfair, and I am astounded at the Senator from Alabama, who usually is very fair in the statements that he makes in debate.

Mr. HEFLIN. The Senator from Alabama desires to be fair, but I understood the Senator to say that some of the companies, by giving notes and he indorsing them, got the money to pay him what they owed him.

Mr. STANFIELD. In order that they might save their integrity. I admit a selfish interest to that extent. I do not deny that——

Mr. HEFLIN. Well, that is what I mean.

Mr. STANFIELD. However, Mr. President——

Mr. OWEN. Mr. President, I call the Senator to order. It is a violation of the rule of the Senate to impute to another Senator improper motives.

Mr. HEFLIN. I agree with the Senator from Oklahoma. I must hurry on and finish my remarks.

The PRESIDENT pro tempore. The Senator from Oklahoma makes a point of order which is well taken, and the Senator from Alabama will proceed in order.

Mr. HEFLIN. The Senator from Oklahoma had reference to the Senator from Oregon. The Senator from Oregon is not the only one that is talked of with reference to having borrowed money out of the War Finance Corporation. I have not personally investigated the matter. I do not want to do the Senator any injustice.

Mr. STANFIELD. I hope the Senator does investigate it; and I hope when he does it that he looks over all the borrowers from the Southern States who borrowed out of the War Finance Corporation—not that there was anything wrong in it, but I want to say that the Southern States got more out of it than any other part of the Nation.

Mr. OWEN. Mr. President, I insist upon my point of order.

Mr. HEFLIN. I am not yielding to the Senator, but I want to say that the Southern States never got one-third of what the West got out of the War Finance Corporation.

Mr. STANFIELD. Will the Senator state that again?

Mr. HEFLIN. The Southern States, all of them together, never got one-third of what the Western States got out of the War Finance Corporation.

Mr. GOODING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. HEFLIN. I can not yield.

Mr. GOODING. The Senator from Alabama must remember——

The PRESIDENT pro tempore. The Senator from Idaho is out of order. The Senator from Alabama has not yielded. The Senator from Alabama will proceed in order.

Mr. HEFLIN. That is what I am trying to do.

Mr. GOODING. I want to remind the Senator from Alabama that I offered a resolution here asking the Senate to make an investigation of what money I borrowed from the War Finance Corporation, and it did not make the investigation.

Mr. HEFLIN. I remember that the Senator did that.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Virginia?

Mr. HEFLIN. I yield to the Senator from Virginia for a brief question.

Mr. GLASS. Does the Senator from Idaho say that he borrowed any money from the War Finance Corporation?

Mr. GOODING. I want to say that I was interested in a corporation that did borrow money.

Mr. GLASS. Then I want to say that the Senator did something that a Federal statute especially prohibits and for which it provides a fine of $3,000 against the Senator.

Mr. HEFLIN. Mr. President, I want to finish my remarks.

Mr. GLASS. If the Senator makes that admission, I am going to ask that the committee report out his resolution and proceed with the investigation.

Mr. GOODING. I will be delighted to have the Senator do that.

Mr. GLASS. I shall do it.

Mr. GOODING. I hope the Senator will do so. I want to find out whether I can——

The PRESIDENT pro tempore (rapping for order). Senators will be in order.

Mr. HEFLIN. I am doing my best to pour oil on the troubled waters. [Manifestations of laughter and applause in the galleries.]

The PRESIDENT pro tempore. At the next manifestation of pleasure or displeasure in the galleries the Chair will order the galleries cleared. The Chair desires that this shall be impressed upon the minds of those who occupy the galleries. If there are any more such demonstrations in the galleries, the Chair will direct the Sergeant at Arms to clear the galleries.

Mr. HEFLIN. Oh, Mr. President, I think the occupants of the galleries ought to be permitted to laugh at some of the very amusing things that transpire here.

The PRESIDENT pro tempore. The Senator from Alabama knows that these manifestations are prohibited by the rules of the Senate, and it is the business of the Presiding Officer to enforce the rules of the Senate.

Mr. HEFLIN. I understand that. I meant that they might be permitted to indulge in a low laugh. [Laughter.]

There are many things I am going to investigate between now and the close of the fall campaign. I know about a lot of things of a right interesting nature. When we provide money for the farmers to relieve them in any section of the country it ought to go where it is intended to go, and not to millionaires who are doing big business and who hold high official positions in the Government. We have had the awful scandal of the Attorney General, who was supposed to do that which would bring about justice between man and man, but instead of that he has been accused of granting immunity from prosecution, making money out of his office, growing rich at the head of the Department of Justice, speculating in Sinclair oil stock—a member of the Cabinet of the present Republican administration driven under cloud from office. There has been more scandal in this administration than any one that we have ever had; but I am not going into those things to-night.

As the Senator from Wisconsin was talking to-night about distress in Germany, I thought about an experience I had once in the capital of my State. I was standing on the street corner. I had just been elected to the House. I was talking to three or four gentlemen when old Aunt Mandy came along. She had great big shoes nearly worn out. The heels were gone, and she moved slowly, sliding them along the sidewalk. She walked up to where we were standing, with a tin cup in her hand, and said, "Young marster, will you please give me something?"

I was the only one in the company who did not live there. The others were Montgomery citizens. I took a quarter out and dropped it in her cup. She said, "Thank you, young marster; thank you." One of the gentlemen laughed and said, "Tom, do you know who she is?" I said "No." They said, "That is old Aunt Mandy Jones, who lives around the corner. She is worth $50,000 or $75,000. She owns a two-story business house and other valuable property here." And the laugh was on me.

Mr. President, the German people are among the smartest people on earth. I have no hate in my heart for the German people. I want to see them do well and prosper. But they are smart. They know what will touch the American heart. They know what will appeal to our pity or arouse our sympathy. After Germany had been conquered, after they had said they were going to conquer the world, after the Kaiser had said that he would levy $40,000,000,000 of indemnity against the United States, they said, "We have got to do something now to change the attitude and the feeling over there toward us. We must appear to be starving—not we, but the children, the women and children. They are big-hearted people, those Americans are." So now they have come over here, we are told, with this miserable makeshift of a proposition that crawls and trails into the Senate 8 or 10 hours before final adjournment, and here we are asked to appropriate $10,000,000, to be sent as a gift, when we have distress in the ranks of our boys who are lame and halt and blind because of their fighting against the German Army.

I saw a boy down here the other day in a restaurant, a fine fellow, sitting in a chair, as handsome a young man as I ever saw. He was talking and laughing as though he were not crippled at all. When they finished their meal I saw two young men take hold of him and put him down on some little rollers and they pushed him out. Both of his legs were off at the hip. I looked at him as he went out and I said, "God bless him. He shed his blood and left those limbs on the battle line for me and my country"

Lest we forget.

At the Battle of Chateau Thierry, in July, 1918, there were southern boys and there were northern boys, sons of those who wore the blue and sons of those who wore the gray. They stood side by side on a common battle line in a common cause, representing a united country where the mingled blood of brothers North and South had cemented the sections in the bonds of an everlasting Union, with East and West and North and South all working together for the good of each and each for the good of all. There they were, God bless them, the boys of the South and the boys of the North—the intrepid warriors of old glory.

The night before that awful drive our officers went about among them and said "Boys, we are going to have an awful battle here to-morrow; the Germans are going to attack your line. The Prussian guard is over there, the seasoned warriors of three years of victorious fighting. They have new uniforms and new guns. They are rested and are in the pink of condition. They declare that they will break your line; but you must hold this line; they must not pass." Our boys answered back with feeling, "We will hold it; they shall not pass." Again just before day our officers came down the line and said, "Boys, we do not doubt you in the least; we know what you will do; we know what your forbears did who followed the Starry Cross of the Confederate flag and the Stars and Stripes in the sixties when they were settling forever the question of secession and fixing for all time the status of the Union. We know what you will do; but we want to remind you that back of you is all that we hold dear, home and loved ones and country and its institutions. You must hold this line. They must not pass." Our boys said, "We will hold it; they shall not pass."

Daylight dawned and the drive was on. Bombs were falling from German airplanes; the "big Bertha" was throwing shells 75 miles into Paris; women and children there were fleeing pell-mell, screaming "They are coming! They are coming!" The President of France was making ready to move the seat of government. The dreadful drive was on.

The Prussian Guard charged against the allied line. Bulletins were going in from the rear to Paris. The first one read, "Germans advancing; French slowly retreating; Americans holding." The second bulletin read, "Germans still advancing; French losses heavy; Americans still holding." The third bulletin read, "Americans advancing; German losses tremendous." The fourth bulletin read, "There are no Germans south of the Marne save the wounded and the dead."

Those boys not only held their line; they broke the German line; and when the armistice was signed they were marching toward Berlin through the gates of Sedan. Thank God, they held the line. They stood between us and the overthrow of our Government and the loss of our liberties. They saved the liberty of the world. German autocracy was overturned; military despotism was destroyed; democracy was triumphant; God's cause was marching on.

Lest we forget.

God forbid that we shall ever forget those boys and all that they have done for us.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the bill (S. 1614) to repeal an act authorizing the construction of bridges across the Great Kanawha River.

The message also announced that the House agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 2, 18, 34, 64, 83, 89, 90, 117, 118, 119, 120, 123, 140, and 141 to the said bill, and agreed to the same; also that the House receded from its disagreement to the amendments of the Senate numbered 28, 84, 116, 124, and 166, and agreed to the same severally with an amendment, in which it requested the concurrence of the Senate.

## DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT

Mr. SHIPSTEAD obtained the floor.

Mr. PHIPPS. Mr. President, will the Senator from Minnesota yield to me in order that I may present a conference report?

Mr. SHIPSTEAD. I yield.

Mr. PHIPPS. I ask unanimous consent that I may present the conference report on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes.

The PRESIDENT pro tempore. The conference report is privileged, and will be received.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 15, 16, 17, 20, 23, 24, 30, 31, 35, 38, 39, 40, 41, 42, 57, 61, 75, 81, 82, 85, 93, 96, 97, 98, 99, 108, 113, 121, 131, 133, 137, 139, 147, 152, 158, 161, and 162.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 19, 21, 22, 25, 26, 29, 32, 33, 36, 37, 43, 44, 45, 46, 47, 48, 49 50, 51, 52, 53, 54, 55, 58, 59, 60, 62, 65, 70, 71, 76, 77, 78, 79, 86 87, 92, 94, 95, 101, 102, 103, 104, 105, 106, 107, 109, 112, 114, 115, 122, 125, 126, 127, 129, 130, 132, 134, 135, 136, 138, 142, 143, 145, 146, 148, 150, 151, 153, 154, 156, 159, 160, 164, 165, and 167; and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter inserted by the amendment of the House insert the following: "any revenue (not including the proportionate share of the United States in any revenue arising as the result of the expenditure of appropriations made for the fiscal year 1924 and prior fiscal years) now required by law to be credited to the District of Columbia and the United States in the same proportion that each contributed to the activity or source from whence such revenue was derived shall be credited wholly to the District of Columbia, and in addition, $9,000,000"; and the House agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the fol-

lowing: "; for the purchase of two automobiles at not to exceed $450 each for the use of the assessor's office, $900; in all, $3,900"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$605,650"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$925,000"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "manner provided by law"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$75,000"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows: In lieu of the number proposed insert "three"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: In lieu of the number proposed insert "three"; and the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "two motor field wagons at not to exceed $650 each, the purchase of one motor field wagon at not to exceed $650, the purchase of four motor trucks at not to exceed $650 each"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$350,000"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$250,000"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "the manner provided by law"; and the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$35,000"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$53,580"; and the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,459,740"; and the Senate agree to the same.

Amendment numbered 110: That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment as follows: In lieu of the sum of $100,000 named in said amendment insert the sum "$100,000"; and the Senate agree to the same.

Amendment numbered 111: That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$206,939"; and the Senate agree to the same.

Amendment numbered 128: That the House recede from its disagreement to the amendment of the Senate numbered 128, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$45,000"; and the Senate agree to the same.

Amendment numbered 144: That the House recede from its disagreement to the amendment of the Senate numbered 144, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "manner provided by law"; and the Senate agree to the same.

Amendment numbered 149: That the House recede from its disagreement to the amendment of the Senate numbered 149, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "in accordance with the revised plan as set forth in Senate Document No. 37, Sixty-eighth Congress, first session, $150,000, of which amount $125,000 shall be available for expenditure below Benning Bridge and not more than $25,000 may be expended above Benning Bridge in the acquirement of necessary land"; and the Senate agree to the same.

Amendment numbered 155: That the House recede from its disagreement to the amendment of the Senate numbered 155, and agree to the same with an amendment as follows: Restore the matter stricken out amended to read as follows: "on its present site in East Potomac Park"; and the Senate agree to the same.

Amendment numbered 157: That the House recede from its disagreement to the amendment of the Senate numbered 157, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$40,000"; and the Senate agree to the same.

Amendment numbered 163: That the House recede from its disagreement to the amendment of the Senate numbered 163, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,500,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 2, 18, 28, 34, 64, 83, 84, 89, 90, 116, 117, 118, 119, 120, 123, 124, 140, 141, and 166.

LAWRENCE C. PHIPPS,
W. L. JONES,
L. HEISLER BALL,
E. I. EDWARDS,
*Managers on the part of the Senate.*

C. R. DAVIS,
FRANK H. FUNK,
MARTIN B. MADDEN,
W. A. AYRES,
JOSEPH W. BYRNS,
*Managers on the part of the House.*

Mr. PHIPPS. I ask unanimous consent for the present consideration of the report.

The PRESIDENT pro tempore. Is there objection to the present consideration of the report? The Chair hears none. The question is on agreeing to the report.

Mr. SMOOT. Can the Senator from Colorado briefly state what the items in dispute are?

Mr. PHIPPS. There are really no items left in dispute, as the House has now taken action on the five which were in dispute, and I will make a motion, as soon as the report shall be agreed to, which will cover them so far as the Senate is concerned.

The principal changes in the bill are the following: The Senate had receded as to $1,000,000 of the amount provided for the new water plant. The Senate had provided an appropriation of $2,500,000 for that purpose, but the conferees have agreed upon $1,500,000;

The Senate receded on its amendment to provide for the three park sites, namely, the Patterson tract, the Klingle Valley tract, and the Piney Branch tract, the appropriation amounting to $730,000.

Mr. SMOOT. They went out entirely.

Mr. SIMMONS. They went out entirely.

The conferees disagreed on the item for the junior high school for the east side of the city, but put in an item that will enable the District to purchase a site for $150,000, omitting the estimated expenditure for the building of $450,000.

All of the provisions for paving streets incorporated in the bill by the House were retained in the bill, as were also those which were added by the Senate.

Those were the principal items of disagreement.

Mr. ROBINSON. Mr. President, will the Senator inform the Senate whether the conference report represents a complete agreement?

Mr. PHIPPS. It represents a complete agreement. Upon the adoption of the report I propose to make a further mo-

tion to the effect that the Senate agree to the five amendments which have been made by the House to the Senate amendments, which action is in conformity with the tentative agreement arrived at by the conferees.

Mr. ROBINSON. That will result in the passage of the bill?

Mr. PHIPPS. It will result in the passage of the bill.

Mr. SMOOT. The Senator said that he would move that the Senate agree to five amendments made by the House. He did not mean that, did he?

Mr. PHIPPS. The amendments are merely to make corrections in accordance with the tentative agreement arrived at on the part of the conferees.

Mr. SMOOT. They were amendments of the Senate, were they not?

Mr. PHIPPS. Yes; in one way or another. They are small items. We agreed upon them in conference, but it was necessary for the conferees to carry them back to the House for authorization.

Mr. President, I move the adoption of the report.

The PRESIDENT pro tempore. The question is upon agreeing to the report.

Mr. COPELAND. Mr. President, I should like to ask the Senator from Colorado what happened to the Schick test appropriation?

Mr. PHIPPS. The House conferees were unwilling to accept it. They claimed that there had been no Budget estimate for it. The Senate conferees stood out for that item just as long as they thought there was any possibility of securing agreement on the part of the House conferees.

Mr. President, I renew my motion.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. KING. Mr. President, I have been detained——

Mr. SHIPSTEAD. Mr. President, I was not aware that I had yielded the floor.

Mr. KING. I beg the Senator's pardon. I understood the Chair was about to call for a vote upon the conference report.

Mr. SHIPSTEAD. I yielded the floor to the Senator from Colorado [Mr. PHIPPS].

Mr. KING. I wanted to address myself only for a moment to the conference report, or, rather, to make an inquiry.

Mr. SHIPSTEAD. Very well.

Mr. KING. Mr. President, I have been engaged in the hearing of the Mayfield case and have been detained from the floor. I should like to ask the Senator from Colorado what disposition was made of the item dealing with the school for tubercular children? There may have been some inquiry while I was not in the Chamber.

Mr. PHIPPS. The amendment providing for the school was agreed to by the House after very lengthy discussion, from all points of view, in the light of all the evidence we had obtained.

Mr. KING. I think, with due respect to the Senator and to the other conferees, that they have made a very serious mistake in imposing upon the people in the particular section where this school is to be erected what I conceive to be and what they will regard as, if not a menace to their lives, at least a potential evil.

I called attention when the appropriation bill was under consideration to the fact that school-teachers who were familiar with the situation protested against the establishment of a school for tubercular children at the particular place at which this bill provides it shall be located, and very strong and earnest protests were made by a considerable number of people. The Senate knows that in the District are community centers and various civic organizations that are concerned in the affairs of the District, and in numerous meetings held by the citizens of the District referred to protests were registered against the plan provided in this bill. I repeat, Mr. President, that I think it is an injustice to the people of the District.

Mr. PHIPPS. Mr. President——

Mr. KING. Just a moment. I feel sure that if we had had a yea-and-nay vote upon the proposed amendment when the bill was under consideration before it went to conference the action of the committee would not have been sustained.

I regret that at this late hour it seems impossible to challenge the attention of the Senate in a successful way to the policy which is fastened upon the District under this bill and which I conceive to be fraught with much of evil if not of danger to a certain section of the District. I now yield to the Senator from Colorado.

Mr. PHIPPS. In reply to the Senator, I can only say that the conferees faithfully considered this question from all viewpoints, but were unable to find any other section in the city that would be accessible to all of the students who must attend this school, and similar objections would be raised by residents in any neighborhood where it was proposed to locate it.

Mr. KING. Well, Mr. President, the able Senator from Colorado may be entirely satisfied with the examination which he has made for the purpose of finding a suitable location for a school of this character. Of course, no one denies the necessity——

Mr. SHIPSTEAD. Mr. President, I want to be courteous to Senators.

The PRESIDENT pro tempore. The Chair understood that the Senator from Minnesota yielded to the Senator from Colorado.

Mr. SHIPSTEAD. Yes, Mr. President; but not for any extended debate. Senators have always been courteous to me, and I want to be courteous to every Senator.

Mr. KING. Will the Senator permit an interruption? Of course, I am here at the sufferance of some one—whether it is the Chair, or the Senator from Colorado, or the distinguished Senator from Minnesota, I do not know. I presumed that the conference report being before the Senate, it was here without strings or restrictions, and was to be considered, debated if necessary, and voted upon. If the Senator from Minnesota has yielded the floor with the understanding that there was to be no discussion, or rather that the matter was to take but a few moments, then I think the Senator from Colorado should withdraw the conference report for the moment and permit the Senator from Minnesota to conclude his remarks, and then ask for consideration of the conference report.

The PRESIDENT pro tempore. The Chair desires to advise the Senator from Utah that unanimous consent was given for the consideration of the conference report, and it is before the Senate.

Mr. KING. I hope the Senator from Minnesota, then, will not charge me with any discourtesy to him, or that I am impinging upon his prerogatives or his time.

Mr. SHIPSTEAD. I do not.

Mr. PHIPPS. I regret the delay of the speech of the Senator from Minnesota.

Mr. KING. I shall take only a few moments.

As I was observing, the Senator from Colorado doubtless made such investigations as satisfied him of the propriety of the course which he has pursued. It is most remarkable, however, that with his powers of observation and his familiarity with the District and the suburbs of the District, the only place that he could find or that the conferees of the House and the Senate could find for the location of this tubercular school was in the center of what might be denominated a congested portion of the District, having within it and within a short radius of the point where the school will be located more than 50,000 people, with a certainty of a remarkable increase in the immediate future, because it is one of the growing parts of the city.

Moreover, Mr. President, the evidence shows that the place selected by the committee is contiguous to a tubercular hospital, which ought to be removed to some other part of the city, where inmates in the advanced stages of consumption are confined, where, by reason of the proximity of the school to the hospital, the parents of the children will feel that their children already suffering from the incipient disease will have less opportunity for improvement and for final extirpation of the disease from their systems because of possible contact with those in the hospital. I regard it as a most unwise and most unfortunate selection for this tubercular school.

There is another feature that should be taken into consideration: The District owns, as I now recall, substantially 26 acres of valuable land at this point. A portion of this land has been dedicated to the construction of a fine high school. Upon this ground should be located other educational institutions. We all know that the District now is lacking a large number of schoolhouses, both for the primary and the elementary grades as well as for the high schools. If we dissipate—and this is in part a dissipation—this great patrimony by the erection upon it of a $150,000 of $200,000 school for 40 or 50 students, we are destroying property which is reasonably worth more than $1,000,000—that is, the bare ground—and depriving the District of the most important part of the city where it could erect other needed schoolhouses for high schools and for other purposes. So there is a great financial loss to the District, to say nothing of the disadvantages which I have so imperfectly described.

I can only express my profound regret at the action of the conferees, and, speaking for a large number of the people of the District, register their protest against the action of the conferees and register their protest against the action of the Senate if they shall approve by their vote the action of the com-

mittee in reporting back this bill with this provision found therein.

I shall not ask for a record vote. Perhaps at this late hour, in view of the vast amount of debate which we have had and the fact that Senators desire to leave, there would not be the interest manifested in this important subject which it deserves. It is unfortunate that the conferees did not more fully protect the interests of the people of the District of Columbia.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDENT pro tempore laid before the Senate the following message from the House of Representatives, which was read:

IN THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
*June 6, 1924.*

*Resolved*, That the House recedes from its disagreement to the amendments of the Senate numbered 2, 18, 34, 64, 83, 89, 90, 117, 118, 119, 120, 123, 140, and 141 to the bill (H. R. 8839) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes," and concurs therein.

That the House recedes from its disagreement to the amendment of the Senate numbered 28, and concurs therein with an amendment as follows: Strike out of the matter inserted by said amendment the following: "and file reports of same with the Clerk of the House of Representatives and the Secretary of the Senate."

That the House recedes from its disagreement to the amendment of the Senate numbered 84, and concurs therein with an amendment as follows: In lieu of the matter inserted by said amendment insert "$165,570."

That the House recedes from its disagreement to the amendment of the Senate numbered 116, and concurs therein with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "For the purchase of a site in the northeast, somewhere within a distance of approximately a half mile of the Taylor School (located in square 891), $150,000."

That the House recedes from its disagreement to the amendment of the Senate numbered 124, and concurs therein with an amendment as follows: In lieu of the sum proposed insert "$1,242,500."

That the House recedes from its disagreement to the amendment of the Senate numbered 166, and concurs therein with an amendment as follows: In lieu of the sum proposed insert "$125,000."

Mr. PHIPPS. I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 28, 84, 116, 124, and 166.

The PRESIDENT pro tempore. The Senator from Colorado moves that the Senate concur in the House amendments as stated.

The motion was agreed to.

Mr. PHIPPS. I thank the Senator from Minnesota. I should like to reply to the Senator from Utah, but I shall not further impose upon the Senator's time.

CAUSES AND EFFECT OF DEFLATION OF 1920

Mr. SHIPSTEAD. Mr. President, I send to the desk a motion, which I ask to have read.

The PRESIDENT pro tempore. The Senator from Minnesota tenders a motion, which will be read.

The reading clerk read as follows:

I now enter a motion to discharge the Committee to Audit and Control the Contingent Expenses of the Senate from further consideration of Senate Resolution 246, and ask that under the rule it lie over for one day.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. The Senator from Minnesota has the floor.

Mr. SMOOT. A question of order, Mr. President. The Senate has not yet voted upon the motion of the Senator from Wisconsin.

The PRESIDENT pro tempore. The Chair does not rule upon the effect of what the Senator from Minnesota has tendered.

Mr. SMOOT. But, Mr. President, there is a pending question, and under the rules we can not have two questions submitted at the same time.

The PRESIDENT pro tempore. What is the question raised by the Senator from Utah?

Mr. SMOOT. There is already a question pending before the Senate, and that is the motion submitted by the Senator from Wisconsin. Now the Senator from Minnesota presents another question entirely for the action of the Senate.

Mr. SWANSON. The Senator from Minnesota simply gave a notice.

Mr. NORRIS. Mr. President, that is only a notice. The Senator does not ask to take it up.

Mr. LA FOLLETTE. He simply enters a motion, with a view to taking it up later.

Mr. NORRIS. It shows on its face that it is only a notice.

The PRESIDENT pro tempore. There is no motion made by the Senator from Minnesota.

Mr. SMOOT. I understood he had made a motion.

The PRESIDENT pro tempore. The effect of what the Senator has just presented at the desk will be determined hereafter.

Mr. LA FOLLETTE. I should like to say, if I may be permitted to do so at this time, that I shall not consent to any other measure being taken up until we have a vote upon the pending question.

RELIEF OF DISTRESS IN GERMANY

The Senate resumed the consideration of the motion of Mr. LA FOLLETTE, that the Committee on Foreign Relations be discharged from the consideration of House Joint Resolution 180, for the relief of the distressed and starving women and children of Germany.

The PRESIDENT pro tempore. The question is upon the motion of the Senator from Wisconsin.

Mr. SHIPSTEAD. Mr. President, I want to make just a very few observations concerning the motion that is now before the Senate. Due to the lateness of the hour, I shall be very, very brief; but in view of the spirited debate that has taken place in the Senate upon this subject, I feel impelled to occupy the floor for at least two or three minutes.

We are writing history that the future generations of America shall read, and I am very much concerned in seeing to it that those pages shall be of such a nature that the coming generations shall not read them with regret.

There is one page of American history that I do not like to speak about, and that is the page that was written by the people of the North in their conduct toward and their treatment of the people of the South after the close of the War between the States. If the people of the North at that time had realized that they were writing history, I believe that conduct would have been entirely different.

There was one thing that won my respect in early youth for old Senator Knute Nelson, from Minnesota. While he had fought on the side of the Union against the South, he was big enough, he had a soul big enough, at all times to express sympathy and charity and magnanimity for the people of the South.

I want to say with all due respect to the Senator from Alabama [Mr. HEFLIN] that when he spoke a few minutes ago he reminded me of an old-time Republican politician 30 years ago. When he had no argument he would take out the bloody shirt of the Civil War and abuse the people of the South, raking up the old wounds that were festering in the hearts of the American people. I thank God that that black page of American history is slowly being wiped away; and be it said to the eternal glory of old Senator Nelson, an old Union veteran, that he did his best to his last living day to wipe out that black page of America's history.

I hope that when we come to vote on this resolution we will bear in mind the strength and the glory of America, and that we do not paint another black page on America's history before the old page shall have been washed away.

America is strong enough and big enough, and can afford to be magnanimous to a beaten foe. I shall vote for the resolution.

Mr. DILL. Mr. President, the reference by the Senator from Minnesota [Mr. SHIPSTEAD] to the address of the Senator from Alabama [Mr. HEFLIN] causes me to refer to it also. I remember that the late lamented Speaker of the House of Representatives, Champ Clark, said that the Senator from Alabama was the greatest popular orator in America; and he certainly demonstrated it here to-night. After telling us that he did not want to arouse the spirit of hatred engendered by the war, he proceeded to play the fife and beat the drum and wave the flag as it has not been done by any man in this Chamber since the war closed.

I do not believe that is the spirit which should dominate the Senate at a time when we are considering legislation of this kind. I believe a bigger and a nobler spirit should dominate not only the Senate but the people of this country, and, I hope, of the world.

Those who were in charge of the war told us it was a war to end war, and when the people of the great Republic of

France, which suffered more than all other nations combined, voted at the ballot box to put an end to the oppressive policy of Poincaré and those who were with him, it little behooves the American Senate or Members of it to wave the flags and arouse the spirit of war times.

Something has been said here about the needs of the farmers of this country. I believe the greatest mistake the leaders of both parties in the Senate have made at this session has been the failure to legislate in the interest of the producing classes of this country, but the fact that a parliamentary situation has been created by which I can not vote for legislation in the interest of the farmer will not in any way prevent me from voting in the interest of the children of Germany.

Ah, we all know too well the story of the militarism in Germany and what it did to the world. But in England and in this country and in France, the countries which won, conditions are bad, so bad that we are told we should not vote any money out of our Treasury. If it is bad for the victors, what must it be for the vanquished?

These little children who suffer in Germany are the helpless victims of a great war, most of all of militarism, and if by the appropriations of a few million dollars we can sow the seeds of brotherly love and fellowship between our people and the German people, it may save millions, yes, billions of dollars, and hundreds of thousands and even millions of lives in the years to come.

I, for one, am anxious to try the experiment of voting a little help to the children of Germany, a country which we helped to defeat. I would like to have my country practice a little of the doctrine that was taught by the Master when he said:

> Suffer the little children to come unto Me.

Let it be demonstrated that this Government, through its Congress, subscribes to that doctrine by voting a few million dollars to buy the simplest, plainest foods for these little children of Germany, and at least show our good will and our desire to help them in their hour of trouble and their hour of suffering.

Mr. SWANSON. Mr. President, I am a member of the Committee on Foreign Relations, to which this resolution was referred. I attended all the meetings of that committee. I read all the evidence, and if there is any starvation in Germany, it has not been disclosed. The only thing presented to that committee was undernourishment of children. With butter, fats, milk, and so on, the children could be greatly improved. Germany as a nation is not in a wretched condition. Germany as a nation is better than the nations she overran, where she destroyed buildings and devastated areas.

I would have some patience with the plea for Germany if a plea were made for Serbia, overrun for four years. Every Serbian was compelled to leave his home, having no government, and even the fighting army had to go to Italy and to France and stand up against the Hun. Yet not one word is said here about taking care of the children of that nation in penury, in want, and destitute. Why? Because they have few votes to cast in the coming election.

Distress is greater, poverty is greater, there are no magnates of wealth there, no money of Serbians is deposited in foreign countries; but no voice is raised in this Chamber asking that we give relief to that oppressed and destitute people.

Belgium was overrun for years, devastated, destroyed, the Government overthrown, all kinds of iniquities perpetrated. No money has been paid to restore her fields that were devastated and her industries that were ruined; there is no champion here to tell us of the distress, the want, the misery of our allies in Belgium. Why? Because there is no great volume of voters to record their votes and sympathy in the coming election.

Italy was distressed and overrun; she can not pay her debts and the interest; her country was devastated. Bulgaria, on Germany's side in the war, is more destitute than Germany, harder up than Germany; but no mention is made here of any attempt to relieve the distress in Bulgaria. No effort is made to relieve distress in any of the other countries in Europe in these piteous words of appealing sympathy. The sympathy is all where the vote is.

Take another view of this—and we might just as well be frank about it: It seems to me there is more interest in the votes of Germans in this country than there is in the distress in Germany. Not a foot of German territory had an enemy on it during the entire war. All of her industries were unhurt, not a farm was devastated, not a house hurt, not an enemy invaded her, as happened to France and Belgium and Serbia. All of her industries are in successful operation to-day.

Where is the distress? The very persons who are urging this admit that there is vast wealth in Germany. The Dawes report itself discloses a condition under which they could make payments, under which they could not only pay all the expenses of the Government and relieve the distress but could save three or four hundred thousand dollars a year. That report was made after thorough investigation by Germans, by French, by English, and by Americans. It seems to me very remarkable for Senators to come here with this plea of distress, when there is no starvation, but simply special cases.

Consider for a moment the Greeks and the Armenians. There were people whom we pledged in the fourteen articles of peace that we would take care of and defend. During the war, when we approved the declaration of war, we pledged ourselves to take care of the Armenians. One million of them have been butchered and their homes destroyed. The people were driven out of Armenia and driven out of Turkey, and are homeless to-day in Greece, on her charity; but no voice is raised here urging us to take care of the Armenians, our allies, who entered the war on account of our promise to support and to give them their independence.

It seems to me that we should take care of friends whose penury, whose want, whose distress were brought on by Germany before we proceed to take care of Germany. I have no ill will in this matter. I have no grievance against Germany, except so far as she brought on this war and brought on the distress from which she suffers.

As to there being in Germany cases of distress which that Government can not relieve, if the Government would use its power of taxation on the wealth which is possessed by Germany, and which nobody denies, and which nobody can deny; if Germany would exercise its power of taxation and impose a per capita tax equal to that we have in America to-day—one-half of England's tax, one-half of France's tax, one-half of Belgium's tax—there would not be an item of distress that could not be taken care of from that source.

If Germany were to pay per capita five-eighths of the taxation we pay to-day to meet the interest on our debts, to pay what we pay to our wounded soldiers—five-eighths per capita—she not only could relieve all distress but she could pay what the London conference requires her to pay in reparations. When we speak of charity, I say that there are others whose need for charity should appeal to us more, where our obligation is greater than it is to Germany.

Mr. President, I feel that the people who are urging this relief put the German people in a bad attitude. No German has come here begging. The German Government has not begged. The activity has been on the part of Americans, who are more distressed than is the German Government, than are the German people themselves. It seems to me that they do not explain why they waited for four years. The distress in Germany was greater four years ago than it is now; it was greater three years ago than it is now; it was greater two years ago than it is now; but now, when conditions have improved and have become better, the demand is made. If we are going to relieve distress the world over, let us give relief to the Armenians, give it to the Greeks, give it to the Serbians, give it to the people of Russia, give it to the people of Belgium. There is distress in France; there is distress among our allies equal to any distress in Germany. But if we are going to extend charity, let us extend charity to all at the same time and give no preference. That is fair, that is just, and that is right.

But I am not for going any further in this matter. Five years after the war the time has come for America to make a cessation of this matter, and with kindness, with assistance on our part, let the people know that the time has come for them to work out their own salvation.

I do not believe that this is constitutional. I do not believe that it is wise, and I see no demand from Germany for this. Germany does not come here and tell us that because she has failed to exercise the power of taxation there on her rich men and her wealthy that she asks America to supplement her failure to do her duty by her own people in taxing the wealth there.

The Dawes report shows what? It shows that there is $1,700,000,000 of German capital and money deposited in foreign countries. That amount of money, made by the sale of German marks which were repudiated, and which it was never expected would be redeemed when they were sold, belongs to the German nationals.

I heard the senior Senator from Wisconsin [Mr. LA FOLLETTE] say:

> Shall these people suffer because the Government will not tax the wealthy on the money deposited by its nationals in foreign countries?

Because it will not tax industrialists there, shall America extend its hand of taxation and tax the people of America and send the money to Germany to relieve distress because the German Government, which has money sufficiently at its disposal and under its control, will not relieve its people? That is a principle of government in which I do not believe. I believe it is unwise.

Shall the central Government administer for all the States and all the counties and all the cities because the council of the city or the board of supervisors of the county or the legislature of the State will not use the taxing power to take care of the poor and the indigent people in those communities? That is the theory that would be advanced here on international matters. I do not believe it is wise; I do not believe it is necessary. I have examined and read all the evidence. I saw no evidence of starvation. I saw no evidence of want and penury there that the Government and the people as a nation could not relieve for themselves if they saw proper to do it.

There is another reason why I shall not vote for the joint resolution. There is a controversy in Europe as to whether Germany should or should not pay reparations. It is an issue with France. It is an issue with Belgium. It is an issue with the nations that Germany ruthlessly destroyed and devastated in one of the most heinous and uncalled-for wars that ever afflicted humanity. What will be said? Shall Germany pay reparations when the American Congress is voting that Germany is in such a state of penury and distress and want that she can not even take care of her own starving children? Are we to place ourselves in that attitude in the discussion and debate now pending in world finance with reference to the payment of the reparations between Germany and France? I am not willing by my vote to say that Germany is starving, is in such wretched and helpless condition that she can not relieve her own distress, but that America had to go there to do it. It puts us in a bad attitude in connection with the question of reparations.

We have been generous to Germany. We have demanded no reparations. We have demanded no payments. To-day $1,600,000,000 of taxes are wrung from the American people on account of Germany's outrages. We did not seek to enter the war. We tried to avoid it, but Germany went out on the sea and made it a war zone, a zone 1,200 miles broad, reaching 600 miles west of the Irish coast and extending around the coast of Spain, to the Arctic Circle, and the entire Mediterranean Sea, and served notice on us that if a ship of ours dared to sail those seas, whatever its purpose, even going from a neutral port to a neutral port, that we were outcasts, we were violating their will, and that the ship would be sunk and destroyed. Through that zone which they marked out passed more than three-quarters of all the commerce of the world, and every one of us who were self-respecting men voted when that occurred that we would declare war and maintain the right of our commerce on the seas.

Germany's conduct in that respect brought onto us an annual taxation of $1,600,000,000, and that enormous sum is wrung from the taxpayers of America to pay for an unjust war that we were driven into, and yet I am told that I must vote for a joint resolution that will put the hand of taxation heavily on our people—why? Not for starving children, not for people in penury and want, but because they have in Germany a government so unjust and so nerveless that it dare not tax the wealth of Germany to take care of its own destitute people.

I shall not vote for the joint resolution. I do not believe the American people will approve of anybody voting to tax them because the German Government refuses to tax its own wealth to take care of its own destitute.

Mr. ADAMS. Mr. President, the first day when I came into this Chamber I was led to the rostrum, my hand was raised, and I was required to take an obligation to support and maintain the Constitution of the United States. This question is one which to me involves the sacredness of that particular obligation. I do not believe that for the solution of this question it is necessary to go into elaborate and extended discussion of conditions in Europe. I do not think it is a question of the condition of the German people, of their participation in the war, of the right or wrong of it. The Constitution limits the taxing power of this body to certain specific purposes, and the only basis upon which it is sought to justify this action is the welfare of the United States. Money may be raised for the common defense and for the welfare of the United States, but not for the welfare of Europe. I would be compelled to vote against the joint resolution, whether there were inserted the name of Germany, France, England, Serbia, or any other nation on the face of the globe.

I have no enmity toward Germany. I would that lawful and legitimate means might be found to help her; but I, for one, do not propose, upon the next to the last day, perhaps, of my service in the United States Senate, to be, in my judgment, unfaithful to the obligation I took upon the day when I first came here. I may be wrong in my interpretation of the Constitution. The Senator from New York [Mr. COPELAND] has sought to explain the clause and to bring this particular instance within the general welfare clause. I can not concur in his argument, and I am compelled to abide by the decision of my own conscience on the question. I had hoped to be able to vote with the senior Senator from Wisconsin to bring his joint resolution before the Senate, as I wanted to see that it should have full and fair discussion and consideration, but it seems that such discussion and consideration has been had, and I now see that there will be but one vote upon the question, and, as I do not wish my opinion to be recorded incorrectly, I shall vote against the pending motion.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. LA FOLLETTE. Is not the first question to be submitted to the Senate the question whether the committee shall be discharged?

The PRESIDENT pro tempore. That is the only question at the present time.

Mr. LA FOLLETTE. I supposed the pending question to be whether the committee should be discharged from the further consideration of the joint resolution. If that motion prevails, it would bring the joint resolution before the Senate, would it not?

The PRESIDENT pro tempore. Upon that question the Chair reads paragraph 2 of Rule XXVI:

> All reports of committees and motions to discharge a committee from the consideration of the subject, and all subjects from which a committee shall be discharged, shall lie over one day for consideration, unless by unanimous consent the Senate shall otherwise direct.

Mr. LA FOLLETTE. Would the Chair hold, assuming that the motion before the Senate prevailed, that the question as to the passage of the joint resolution could not come up before adjournment to-night?

The PRESIDENT pro tempore. The Chair is so inclined to believe.

Mr. LA FOLLETTE. Mr. President, I wish to say, before the vote is taken, just a word on the pending question. The question before the Senate is, Shall the Senate be repossessed of the joint resolution? The committee having charge of it is but the agent of this body. That committee having voted, as shown by its proceedings, against a favorable consideration of the joint resolution, having acted upon the subject in so far as the committee is capable of action at all upon the subject, I submit that the motion to bring the joint resolution before the Senate for consideration is a motion upon which there ought not to be any division of opinion. The Senate merely is asked to decide by the motion which I have submitted that it will repossess itself of the joint resolution, and then it is within the power of the Senate to act upon it favorably or unfavorably, as it chooses to act.

Therefore I press upon the attention of the Senate the consideration that upon this question there should be no division of opinion; that the Senate should take the joint resolution back into its own hands and, if it is opposed, to affirm the action of the committee, well and good, when it shall come to act upon that question. If not, it will proceed otherwise.

The PRESIDENT pro tempore. The question is upon agreeing to the motion of the Senator from Wisconsin to discharge the Committee on Foreign Relations from the further consideration of the joint resolution.

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered, and the principal clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). I have a general pair with the Senator from Maine [Mr. FERNALD], who is absent. But I am advised that if he were present he would vote as I intend to vote. I will therefore vote. I vote "nay."

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I am informed, however, that if he were present he would vote as I am about to vote. I will therefore vote. I vote "nay."

Mr. OWEN (when his name was called). I have a pair with the Senator from West Virginia [Mr. ELKINS], who is absent, and I withhold my vote.

Mr. PHIPPS (when his name was called). I have a pair with the junior Senator from North Carolina [Mr. DIAL], but I am informed that if he were present he would vote as I intend to vote. I therefore am at liberty to vote, and vote "nay."

Mr. REED of Missouri (when his name was called). Mr. President, on this question I am paired with the Senator from Tennessee [Mr. SHIELDS]. The Senator from Tennessee is compelled to be absent from the Chamber because of his state of health. If he were present he would vote against the motion to discharge the committee from the further consideration of the resolution, and if I were permitted to vote I should vote in favor of the motion.

The roll call was concluded.

Mr. ERNST. I transfer my pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Vermont [Mr. GREENE], and vote "nay."

Mr. GERRY. Mr. President, I desire to announce that the Senator from Maryland [Mr. BRUCE] is paired with the junior Senator from Ohio [Mr. FESS]. If present, the Senator from Maryland would vote "nay," and the Senator from Ohio, if present, would vote "yea."

I also wish to announce that the Senator from Louisiana [Mr. RANSDELL] is unavoidably absent. If present, he would vote "nay."

The result was announced—yeas 23, nays 53, as follows:

YEAS—23

| | | | |
|---|---|---|---|
| Ashurst | Frazier | La Follette | Shipstead |
| Brookhart | Howell | Lenroot | Spencer |
| Copeland | Johnson, Calif. | McNary | Stanfield |
| Cummins | Johnson, Minn. | Norbeck | Walsh, Mont. |
| Dill | Kendrick | Norris | Wheeler |
| Edwards | Ladd | Pittman | |

NAYS—53

| | | | |
|---|---|---|---|
| Adams | Fletcher | Lodge | Simmons |
| Ball | George | McKellar | Smith |
| Bayard | Gerry | McLean | Smoot |
| Brandegee | Glass | Mayfield | Stephens |
| Broussard | Gooding | Moses | Sterling |
| Bursum | Hale | Neely | Swanson |
| Cameron | Harreld | Oddie | Trammell |
| Capper | Harris | Overman | Wadsworth |
| Caraway | Harrison | Pepper | Walsh, Mass. |
| Colt | Heflin | Phipps | Warren |
| Curtis | Jones, N. Mex. | Reed, Pa. | Willis |
| Dale | Jones, Wash. | Robinson | |
| Ernst | Keyes | Sheppard | |
| Ferris | King | Shortridge | |

NOT VOTING—20

| | | | |
|---|---|---|---|
| Borah | Elkins | McKinley | Shields |
| Bruce | Fernald | Owen | Stanley |
| Couzens | Fess | Ralston | Underwood |
| Dial | Greene | Ransdell | Watson |
| Edge | McCormick | Reed, Mo. | Weller |

So the Senate refused to discharge the Committee on Foreign Relations from the further consideration of House Joint Resolution 180.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9429) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes; that the House receded from its disagreement to the amendments of the Senate Nos. 24 and 25 to the said bill, and agreed to the same; also that the House receded from its disagreement to the amendment of the Senate No. 18, and agreed to the same with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills of the Senate:

S. 2799. An act to provide for quarters, fuel, and light for employees of the Indian field service; and

S. 3324. An act to amend section 5 of the trade-mark act of 1905, as amended, relative to the unauthorized use of portraits.

LEGISLATIVE APPROPRIATIONS

Mr. WARREN. I ask the Chair to lay before the Senate the message from the House of Representatives relative to House bill 9429, the legislative appropriation bill.

The PRESIDENT pro tempore. The Chair lays before the Senate the action of the House of Representatives, which will be read.

The reading clerk read as follows:

IN THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
*June 6, 1924.*

*Resolved*, That the House recedes from its disagreement to the amendments of the Senate Nos. 24 and 25, to the bill (H. R. 9429) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes, and concurs therein.

That the House recedes from its disagreement to the amendment of the Senate No. 18, and concurs therein with an amendment, as follows:

On page 20 of the bill, line 25, strike out "$9,830" and insert in lieu thereof "$10,190."

Mr. WARREN. I move that the Senate agree to the amendment of the House to the amendment of the Senate No. 18.

The motion was agreed to.

ADDITIONAL BILLS INTRODUCED

Mr. BROOKHART introduced the following bills, which were each read twice by title, and referred to the Committee on Pensions:

A bill (S. 3484) granting an increase of pension to Nelson W. Adams; and

A bill (S. 3485) granting a pension to David T. Brady (with accompanying papers).

AGRICULTURAL RELIEF

Mr. NORBECK submitted an amendment intended to be proposed by him to the bill (H. R. 6817) to provide for the construction of a vessel for the Coast Guard, which was ordered to lie on the table and to be printed.

INVESTIGATION OF CAMPAIGN EXPENDITURES

Mr. ROBINSON submitted the following resolution (S. Res. 255), which was ordered to lie on the table:

*Resolved*, That to aid the Senate in preparing and considering legislation to limit and regulate contributions and expenditures in connection with the election of Federal officers a special committee of five Senators be elected forthwith to investigate and report to the Senate on December 5, 1924, the campaign expenditures made by or on behalf of, or in support of, or in opposition to, any and all candidates for President and Vice President and presidential electors; the names of the persons, firms, or corporations contributing to the said candidate or candidates or their party committee or committees, or any other agency, debts or other liabilities contracted, the amounts contributed, pledged, loaned, or otherwise made available for use, the method of expenditure of said sums, and all the facts in relation thereto not only as to the subscriptions of money and the expenditures thereof, but as to the use of any other means of influence, including the promise of patronage, and all other facts in relation thereto that would not only be of public interest but would aid the Congress in any necessary remedial legislation.

That said committee is hereby empowered to sit and act during the adjournment of Congress at such time and place as it may deem necessary; to require by subpœna, or otherwise, the attendance of witnesses, the producton of books, papers, and documents. The chairman of the committee, or any member thereof, may administer oaths to witnesses. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee. Every person who, having been summoned as a witness by authority of said committee, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

NATIONAL OUTDOOR RECREATION CONFERENCE

Mr. MOSES. Out of order, from the Committee on Printing, I ask unanimous consent to report an original Senate resolution, and ask unanimous consent for its present consideration.

Mr. ROBINSON. Mr. President, will the Senator state what the resolution is?

Mr. MOSES. It relates to a manuscript of the proceedings of the recent national conference on outdoor recreation at which the President made an address, which has come down to me from one of the secretaries of the President, with the request that it be printed as a Senate document.

Mr. ROBINSON. I have no objection to the request.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 254) was read, considered, and agreed to, as follows:

*Resolved*, That the manuscript entitled "Proceedings of National Conference on Outdoor Recreation" be printed as a Senate document.

VETERANS' BUREAU INVESTIGATION

Mr. WALSH of Massachusetts. I submit the third preliminary report of the select committee on investigation of the Veterans' Bureau, which was appointed pursuant to Senate Resolution 466, agreed to March 2, 1923. (Rept. No. 103, p. 3.)

The PRESIDENT pro tempore. The report will be received.

RETIREMENT OF CIVIL-SERVICE EMPLOYEES

Mr. STANFIELD. I move that the Senate now proceed to the consideration of the bill (S. 3011) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Oregon.

Mr. SMOOT. Mr. President——

Mr. STANFIELD. Mr. President, I shall be content with a very brief consideration of this bill, but I hope at this time to have the opportunity to bring the bill to a vote. I am willing to waive all argument, so far as that is concerned, except for a brief statement as to the purpose of the bill, for I am sure that the Senate is familiar with the terms of the bill.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. The Chair recognizes the Senator from Utah.

Mr. STANFIELD. I have not yielded the floor, Mr. President. I have been on my feet constantly.

Mr. SMOOT. Does the Senator wish to speak on the bill?

Mr. STANFIELD. I have the floor, but I will yield to the Senator from Utah if he wishes me to do so.

The PRESIDENT pro tempore. The Chair recognized the Senator from Oregon to move that the Senate proceed to the consideration of the bill to which he has referred.

Mr. STANFIELD. I have the floor, and I wish to speak to the question.

The PRESIDENT pro tempore. The motion of the Senator is before the Senate for its action.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. The Senate will be in order. The question is on the motion of the Senator from Oregon.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. The Chair has recognized the Senator from Utah, but he does not proceed to debate the question.

Mr. SMOOT. The Senator from Utah thought the Chair was trying to get order in the Chamber. I am not going to proceed, Mr. President, so long as there is so much confusion in the Chamber that Senators can not be heard.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. SMOOT. Mr. President, as I understand the motion of the Senator from Oregon is to take up Order of Business 479.

Mr. STANFIELD. My motion was to consider Senate bill 3011, being Order of Business 479, the civil service retirement bill.

Mr. SMOOT. Mr. President, I ask Senators to turn to their calendar of bills and find Order of Business 479, being Senate bill 3011, a bill to amend an act entitled "An act for retirement of employees in the classified civil service, and for other purposes," approved March 22, 1920, and acts in amendment thereof.

There is no report on the bill. The committee reports a measure here that involves hundreds of millions of dollars in the end, and asks that it shall be considered without a word of explanation by way of a report.

I wish briefly at this time, Mr. President, to call attention to some of the changes made in the existing law and what they involve.

Mr. STANFIELD. Mr. President, will the Senator from Utah yield?

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Oregon?

Mr. SMOOT. Yes; I yield.

Mr. STANFIELD. The Senator refers to this bill as not having been before the Congress and to the lack of a report. I should like to ask the Senator if he is not the one who has blocked the progress of this bill ever since its introduction in the Senate? I should like to ask the Senator from Utah if he has not left word with the whip of the Senate, the Senator from Kansas [Mr. CURTIS], that he should block the consideration of the bill?

Mr. SMOOT. Certainly I have, because I have some regard for the Treasury of the United States. I know it is very popular, particularly this year, to bring in measures here to take a hundred million dollars or two hundred million dollars out of the Treasury of the United States, but I do not believe that if the Senate understood this bill they would ever vote for it. That is why I have been interested in seeing that the bill should not pass at this session of Congress, in the hope, at least, that before imposing such a burden upon the Treasury of the United States some consideration would be given to the measure.

This question has been threshed out on the floor of the Senate for years. This is the old fight over again.

Mr. WILLIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Ohio?

Mr. SMOOT. Yes.

Mr. WILLIS. Would it disturb the Senator to state what probable annual increase in the expenditures of the Government would be caused by this proposed legislation?

Mr. SMOOT. Mr. President, the maximum annuity under existing law is $720. Under this bill it is $1,200. There is not any doubt that in the end it will cost the Government of the United States between two and three hundred million dollars.

Mr. STANFIELD. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Oregon?

Mr. SMOOT. I do.

Mr. STANFIELD. The Senator does not mean to lead the Senate to believe that this bill will make that difference, does he? Is not the Senator referring to the obligation of the United States already under the act of 1920, that there is a deficiency which over a period of time is going to cost the Government that much, but the Government must meet that eventually? It can not escape it.

I should like to ask the Senator if he has seen the actuary's report on the cost of this bill? If he has not, I should like to hand it to him.

Mr. SMOOT. I have seen the report, I will say to the Senator.

Mr. STANFIELD. I know the Senator has; but the Senator is not giving the actuary's report on the bill.

Mr. SMOOT. I know this bill very well, and I know the original legislation that was proposed here; and there is not any of the old Senators here but that knew when the bill passed in 1920, when the Senator from Ohio and the honorable Senator now presiding here [Mr. CUMMINS] and one or two others of us passed the existing law, modified as it was over a proposition that was even as bad as the present one——

Mr. FLETCHER. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Florida?

Mr. SMOOT. I do.

Mr. FLETCHER. Are we not just wasting time?

Mr. SMOOT. Yes; we are, to-night.

Mr. FLETCHER. This is a Senate bill. It would not be possible to get it through the House even if we should pass it. It seems to me that we are simply wasting time by talking about it when we have a calendar here with 40 or 50 bills on it, and some reports of committees yet to come in and be considered. The Naval Affairs Committee have a report that they want to get considered. We are just taking up time here with a bill when we would get nowhere even if we were to pass it.

Mr. STANFIELD. Mr. President, will the Senator yield?

Mr. SMOOT. Yes; I yield.

Mr. STANFIELD. I wish to say to the Senator that I have had assurances from the chairman of the Civil Service Committee in the House that if we pass this bill here to-night he thinks he can pass it in the House to-morrow. That is the reason why I am pressing the bill.

Mr. FLETCHER. That is a most extraordinary statement in view of the fact that we can not get through the House Senate bills that have been on the calendar for months.

Mr. McKELLAR. Mr. President, does the Senator from Florida say that this bill is not going to be voted on to-night? Is that what I understand the Senator to say? If so, some Senator ought to move to adjourn. I do not see any use in staying here all night.

Mr. FLETCHER. What I said was that even if we did vote on the bill it could not be gotten through the House.

Mr. SMOOT. I will assure the Senator that it will take quite a long time to explain the various features of the bill.

Mr. McKELLAR. I see no reason in the world why we should stay here and let Senators quarrel about something that we are not going to get anywhere with.

The PRESIDENT pro tempore. The Senator from Utah has the floor.

Mr. ROBINSON. Mr. President, if it is perfectly apparent that the bill can not be disposed of to-night—and I take it, from the statements which have been made about me here, that that is the case—I do not see any necessity for longer remaining in session. The Senate has been in session a long time to-day and will be in session for a considerable period to-morrow. I, myself, should be glad to see the bill taken up if

it could be done, but I am informed that that is impossible; so, if the Senator from Utah will yield to me for that purpose, I will make a motion.

Mr. SMOOT. I do not want to lose the floor. I will yield for a motion to adjourn if I do not lose the floor.

Mr. LODGE. Mr. President, there is a bill here that has passed the Senate and the House. There was some misunderstanding about the opportunity of the colleague of the Senator from Utah to speak, and he entered a motion to reconsider with reference to that bill.

Mr. LA FOLLETTE. What bill is it?

Mr. LODGE. The naval bill. If the Senator should withdraw that motion, of course the bill would be out of the way. I see the Senator here now, and I want to ask him if it is not possible to make some arrangement so that that bill can be disposed of as soon as the Senator has spoken.

Mr. KING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to his colleague?

Mr. SMOOT. I yield if I do not lose the floor.

Mr. STERLING. Mr. President, will the Senator from Utah yield to me for just a moment?

Mr. SMOOT. Yes; if I do not lose the floor.

Mr. STERLING. The question in my mind was this, and it was suggested by the statement of the Senator from Arkansas [Mr. ROBINSON]: If this matter could be laid before the Senate to-night on a motion, I think the Senator from Oregon [Mr. STANFIELD], who has the bill in charge, would be willing that an adjournment might be taken, and that we might adjourn to such hour to-morrow as will enable us to dispose of this bill.

Mr. SMOOT. I may not have time to-morrow to say all I have to say on this bill before adjournment, if the Senate is going to consider it.

Mr. KING. Mr. President, will my colleague yield?

The PRESIDENT pro tempore. Does the Senator from Utah yield to his colleague?

Mr. SMOOT. I yield to my colleague, as I did before, with the understanding that I do not yield the floor.

Mr. KING. Mr. President, I am trespassing upon the time of the senior Senator from Utah at the instance of the Senator from Massachusetts. I was about to observe that I had stated to the Senator from Maine [Mr. HALE], the chairman of the Committee on Naval Affairs, that I should ask to take up and have considered the motion I have made for the reconsideration of the vote by which the naval appropriation bill was passed. I propose to speak upon that motion at considerable length. When I have concluded what I have to say upon that motion, of course, it will be before the Senate, and they can vote as to whether the motion to reconsider shall prevail or whether it shall be defeated. I am bound to keep faith with the Senator from Maine and seek the earliest opportunity I can to have the Chair recognize me to move to take up the motion which is now upon the table to reconsider the vote by which that bill was passed; and I had risen for the purpose of moving to take up that motion, but the Senator from Oregon, with greater celerity than myself, obtained the floor.

Mr. STERLING. Mr. President, if the senior Senator from Utah will yield, may I ask the junior Senator from Utah, in regard to a motion to reconsider another bill, whether he expects to press that motion or not? I refer to the vocational rehabilitation bill.

Mr. KING. Yes; and I shall take that up to-morrow. I have no desire now to press them, and I have been seeking opportunity all day. Of course I have been in the committee, as the Senator knows, but I have returned frequently to the floor for the purpose of pressing each of those motions, and I am not willing that any motion shall supersede them or that any matter shall be made the unfinished business until those important measures have been presented to the Senate.

Mr. McKELLAR. Mr. President, will the Senator from Utah yield to me for the purpose of making a motion? In view of what the Senator from Utah has said, it is absolutely certain that we are not going to get anywhere with this matter to-night, and I move that the Senate adjourn.

Mr. SMOOT. Mr. President, before the Senator makes that motion——

Mr. McKELLAR. I will withhold it.

Mr. SMOOT. I am perfectly willing to have this bill made the unfinished business before we adjourn ultimately, or to have an agreement made to take it up on a certain day at the next session; but it can not be gotten through the House, and it is perfectly useless to undertake to do it. Congress is to adjourn to-morrow evening at 7 o'clock.

I am perfectly willing to have the bill taken up when we can have a fair chance to consider it, not at the close of the session, when business is crowding and we never know whether we are going to be interrupted for a conference report or not, but when we are fresh and when we can discuss the whole question as to whether or not we want to pass it, and take into consideration the finances of the country at that time. I am willing to do that.

Mr. STANFIELD. Mr. President, will the Senator yield?

Mr. SMOOT. Yes; I yield.

Mr. STANFIELD. I ask unanimous consent to have a statement of the estimated cost of retirement, as given to me by the Actuary of the Treasury Department, Mr. McCoy, and a statement as to the cost of retirement printed in the RECORD.

Mr. ROBINSON. Mr. President, will the Senator from Utah yield to me for the purpose of making a motion to adjourn?

Mr. SMOOT. Yes; I will yield to the Senator for that purpose.

Mr. ROBINSON. I move that the Senate adjourn.

Mr. STANFIELD. Mr. President——

The PRESIDENT pro tempore. The question is upon the motion to adjourn, which is not debatable.

Mr. STANFIELD. Mr. President——

The PRESIDENT pro tempore. Those in favor of the motion to adjourn——

Mr. STANFIELD. Mr. President, I had submitted a request which I think was intended to be put before the motion to adjourn.

The PRESIDENT pro tempore. The motion to adjourn is not debatable.

Mr. STANFIELD. I am not attempting to debate it. I admit that the motion to adjourn is not debatable.

The PRESIDENT pro tempore. Does the Senator from Arkansas withhold his motion?

Mr. ROBINSON. I withhold the motion.

Mr. STANFIELD. I asked unanimous consent that a statement be published in the RECORD; and the question was not put, nor consent secured.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Oregon? The Chair hears no objection.

The matter referred to is as follows:

*Estimated cost of retirement*

[The estimate for S. 3011 is not newly computed but is a fairly close approximation]

| | Normal cost as— | | Deficiency cost as— | | Total cost as— | |
|---|---|---|---|---|---|---|
| | Percentage of pay roll | Annual amounts as of June 30, 1921 | Percentage of pay roll | Annual amounts as of June 30, 1921 | Percentage of pay roll | Annual amounts as of June 30, 1921 |
| Under existing law: | *Per cent* | | *Per cent* | | *Per cent* | |
| Total | 3.82 | $16,505,652 | 2.55 | $11,016,630 | 6.37 | $27,522,282 |
| Payable by employees | 2.50 | 10,788,075 | ------ | ------ | 2.50 | 10,788,075 |
| Payable by Government | 1.32 | 5,717,577 | 2.55 | 11,016,630 | 3.87 | 16,734,207 |
| Under plan proposed by board of actuaries: | | | | | | |
| Total | 5.09 | 21,979,656 | 3.33 | 14,377,017 | 8.42 | 36,348,673 |
| Payable by employees | 2.50 | 10,788,075 | ------ | ------ | 2.50 | 10,788,075 |
| Payable by Government | 2.59 | 11,183,581 | 3.33 | 14,377,017 | 5.92 | 25,560,598 |
| Under the provisions of S. 3011: | | | | | | |
| Total | 5.35 | 23,085,480 | 3.55 | 15,319,066 | 8.90 | 38,405,546 |
| Payable by employees | 3.50 | 15,103,305 | ------ | ------ | 3.50 | 15,103,305 |
| Payable by Government | 1.85 | 7,983,175 | 3.55 | 15,319,066 | 5.40 | 23,302,241 |

NOTE.—The provisions on page 7, section 3, S. 3011, fixing the maximum annuity at 30/45 of the average salary is equivalent to a maximum annuity to the employee of two-thirds of his average salary, so with the 30-year maximum limitation, the 75 per cent limitation becomes surplusage.

COST OF RETIREMENT

In estimating the cost of the Government retiring those incapacitated by age or by physical or mental disability, little attention has been given to the saving to the Government incidental to this retirement. No longer do we see physical wrecks, yes, and even mental wrecks, assisted to their offices and desks by dependent relatives—widowed daughters or daughters-in-law, or by stalwart young negroes. No longer is provision necessary for invalid chairs to bring those unable to walk to their desks, there to doze the livelong day and bother their fellow employees.

Prior to 1920 this was a common sight. These incapacitated employees had given the best years of their life to faithful service. In their old age, with impaired health, energy, and mentality, they found themselves with no resources other than their meager salaries. Often, not only themselves depended upon this salary, but, through misfortune, families of orphan grandchildren, widowed daughters, etc.

Very few Cabinet officers or others in authority were so cold-blooded as to separate these veterans from the service, knowing the result and consequences. Most of these old employees had at one time, through long and efficient service, reached the top of the ladder, so far as their respective offices were concerned. With failing powers, often due to their work, they were demoted, their salary being cut from time to time, until it was reduced from 25 to 50 per cent. Had these unfortunates been marked for efficiency, 50 per cent of them would have received zero marks; another 40 per cent from one-tenth to one-fifth of a perfect mark; and of the remaining, none would have received a good mark.

Under the provisions of the retirement act this practice has been eliminated. It must be confessed, however, that, because of the low retirement annuity as compared with the salaries previously earned by many of the annuitants, together with high prices, many who have even reached the high retirement age of the present law are kept in service, although the Government would be benefited by their retirement. It is possible to make a close estimate of the gain to the Government through the present retirement act—an act which has not as yet cost the Government one penny.

There have been retired 12,785 employees, to whom was granted an average annuity of $551.64. That is, instead of receiving an average of from $1,000 to $1,400 per year in salary, they are receiving $551.64 in annuity from the Government, who borrows the necessary cash from the fund held in trust for those now contributing. That is, the Government saves in salary an average of over $600 a year on every employee retired. Before retirement these employees cost the Government over $15,000,000 per annum. After retirement the cost, as long as they live, is less than one-half of this amount, or about $7,000,000 of borrowed money. It is true that when this $15,000,000 was paid them the Government received in return some three or four million dollars worth of service in return. Again, the mortality among those retired is very great—some 20 per cent of those heretofore retired having died. Let this matter be considered from as cold-blooded and money-grasping point of view as is possible, and under the provisions of pending bills we have the following results: Suppose that the average annuity to be paid is $1,000. This would save the Government directly about $300 a year. But in addition, of this $1,000 annuity the employees normally would themselves contribute some $600, thus saving some $900 to the Government, much more than the value of their services immediately prior to retirement. So normally instead of costing the Government, retirement will be saving it money.

Those now on the retired list will be costing the Government from $200 to $300 less per year than before retirement. Of course, with retirement under the proposed legislation, probably three or four times as many will be retired before being practically worthless to the Government. This would make the average immediate cost to the Government of the retirement of those who have not contributed, or contributed only for a limited time, more than the saving in retirement. This is somewhat in the nature of the original capital invested in a profitable business—a capital that will later earn enormous profits.

The annuities of those to be retired from now until the employees that have entered the service since the enactment of such legislation reach retirement age will cost the Government at the beginning probably about $300 to $400 per year, and this cost will gradually decrease until it will finally be eliminated. That is, for a comparatively short period the Government, because of retirement, will have to pay more than before retirement, this steadily decreasing until the net cost reaches zero. After that time all the contributions on the part of the Government will probably be less than the actual amount of cash saved to it by the retirement system. This is all based upon a contribution on the part of the employee of 3 per cent of his salary.

That is, retirement will weed the service of all the inefficient and enable the employee to devote his undivided efforts to the Government without continually thinking of the future of himself and of his dear ones, his future being guaranteed, and this at no additional cost to the Government. Is this not an attractive cold-blooded business proposition? Throughout the country large employers of men and women are finding it cheaper to have liberal retirement systems than it would be without them. This action is being followed by many States and municipalities, especially as to school-teachers, police, firemen, municipal employees, etc. This all tends to a better Government and a more contented and prosperous people.

There is no charity in it. Not only does it cost nothing, but it actually saves money to the employer. The old and incapacitated give way to the young and energetic, with the result that taxes need not be increased, as there is no increased cost of the Government, while the taxes necessary to support eleemosynary and penal institutions will be reduced.

The United States is always proud of its record of being the first and most generous to help the hungry or the afflicted in all parts of the world—the Armenians, the Greeks, the Russians, the German children, the Japanese. All of which is commendable charity and fills the headlines. On the other hand, this suggested way of helping those, together with their dependents, who have become incapacitated through long service for the United States is not charity and is practically without cost. Therefore why deny it?

From this we plainly see that the cost to the Government, as contained in the reports of the board of actuaries of the various retirement systems, does not take into consideration the saving to the Government through the operation of these systems. It is plainly evident that the annual cost to the Government of its civil service without the present retirement law would be greater than is its present cost, together with the amounts now paid in annuities to retired employees, and this statement of cost will hold good under the present law indefinitely. Whatever is paid in the way of retirement annuities is more than saved in the current payments on account of the civil service. This must be taken into consideration in any cost estimate of retirement.

It is a question whether it would not be more charitable, if the civil service employee can not have a retirement law that will properly take care of the superannuated and disabled, to say nothing of their unfortunate widow and orphan dependents.

## DEPRESSION IN CALF-LEATHER TANNING INDUSTRY

The PRESIDENT pro tempore. The Senator from Arkansas moves that the Senate adjourn.

Mr. COPELAND. Mr. President——

Mr. ROBINSON. Before that question is put, I yield to the Senator from New York.

Mr. COPELAND. Mr. President, I submit a Senate resolution and ask that it be read, and then I shall ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. Is there objection to the receipt of the resolution?

Mr. McKELLAR. What is it, Mr. President?

The PRESIDENT pro tempore. The Secretary will state the title of the resolution.

The READING CLERK. A resolution (S. Res. 256) directing the Secretary of Commerce to furnish to the Senate all available facts regarding the depression in the calf-leather tanning industry.

The PRESIDENT pro tempore. Without objection, the resolution will be received. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered by the Senate and agreed to as follows:

Whereas for a considerable period there has been a tremendous depression throughout the calf-leather tanning industry, a period during which the calf-leather tanners of the United States have shown steady and consistent financial losses, and there has been attendant a decrease in production of from 30 to 70 per cent and general unemployment and consequent want and depression in communities where these tanneries are located: Therefore be it

*Resolved*, That the Secretary of Commerce be, and hereby is, directed to furnish to the Senate as expeditiously as possible, if not incompatible with the public interests, all available facts requested hereinafter:

1. Is the present depression in the calf-leather tanning industry confined to the United States or is it world-wide?

2. To what extent and for how long a period has the present depression in the calf-leather tanning industry of this country been apparent?

3. To what extent has the domestic calf-leather industry been affected by the post-war increases in the importations of calf leather?

4. To what extent has there been an increase in imports of calf leathers from the European countries?

5. Do those countries exporting leather to the United States have a tariff against our calf-leather products?

6. What is the difference in the wages paid calf tannery labor in Europe and that paid in this country?

7. Have the countries of Europe a potential calf-leather production large enough to enable them to dump a substantial portion of their product in this country?

8. Do these European countries require the United States as a market for their calf leathers for aid in their reconstruction problems?

9. To what extent are the calf tanners of Europe able to buy their tanning materials, etc., cheaper than can the calf tanners in the United States?

10. Are the European calf tanners establishing agencies throughout the United States to exploit the sale of their calf leathers?

11. Have European countries during the past year maintained an embargo or export tariff on raw calfskins offered for shipment to the United States?

12. Do certain European countries enable their own calf tanners to buy raw calfskins at lower prices than the tanners of the United States can buy them?

13. Is labor an important factor in the tanning of calf leather?

14. To what extent have the importations of calf leather in the United States from Canada increased in the past three years?

15. Does Canada have a heavy duty on calf leathers shipped there from the United States?

16. To what extent is Canadian labor paid less than the labor in the calf tanneries of the United States?

17. Would a tariff on calf leathers based solely on the differential in labor existing between competing countries be of material assistance in stimulating production and restoring prosperity to this industry?

Mr. ROBINSON. I move that the Senate adjourn.

The motion was agreed to; and (at 11 o'clock and 40 minutes p. m.) the Senate adjourned until to-morrow, Saturday, June 7, 1924, at 12 o'clock meridian.

## NOMINATIONS

*Executive nominations received by the Senate June 6, 1924*

UNITED STATES ATTORNEY

John W. Wilson, of New Mexico, to be United States attorney, district of New Mexico, vice George R. Craig, resigned.

APPOINTMENT IN THE REGULAR ARMY

CAVALRY

*To be Chief of Cavalry, with the rank of major general for a period of four years from date of acceptance, with rank from July 24, 1924*

Brig. Gen. Malin Craig, United States Army, vice Maj. Gen. Willard A. Holbrook, Chief of Cavalry, to be retired by operation of law July 23, 1924.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

AIR SERVICE

Capt. Ivan Benson Snell, Infantry (detailed in Air Service), with rank from July 1, 1920.

POSTMASTERS

CALIFORNIA

Pearl S. Snider to be postmaster at Fellows, Calif., in place of J. H. Bacon. Incumbent's commission expired June 4, 1924.

CONNECTICUT

George W. Fairgrieve to be postmaster at Bantam, Conn., in place of G. W. Fairgrieve. Incumbent's commission expired June 5, 1924.

GEORGIA

Tilden A. Adkins to be postmaster at Vienna, Ga., in place of T. A. Adkins. Incumbent's commission expired July 28, 1923.

IDAHO

William R. Ogle to be postmaster at Glenns Ferry, Idaho, in place of C. O. Dice, resigned.

ILLINOIS

George E. Carlson to be postmaster at Moline, Ill., in place of C. V. Gould. Incumbent's commission expired March 9, 1924.

Oren V. Grant to be postmaster at Hollywood, Ill., in place of O. V. Grant. Incumbent's commission expired June 5, 1924.

John S. Redshaw to be postmaster at Granville, Ill., in place of J. S. Redshaw, jr. Incumbent's commission expired August 29, 1923.

David A. Howard to be postmaster at Glasford, Ill., in place of J. L. Saylor, deceased.

William Brent to be postmaster at Colchester, Ill., in place of J. F. Bushmeyer. Incumbent's commission expired March 9, 1924.

KANSAS

Enos F. Halbert to be postmaster at Chapman, Kans., in place of T. J. Foley. Incumbent's commission expired June 4, 1924.

KENTUCKY

Samuel H. McMurray to be postmaster at Stearns, Ky., in place of O. H. Marcum, resigned.

LOUISIANA

Cyrus E. Roberts to be postmaster at Merryville, La., in place of C. E. Roberts. Incumbent's commission expired February 24, 1924.

MAINE

Frank P. Freeman to be postmaster at Harrison, Me., in place of J. T. Kneeland. Incumbent's commission expired June 5, 1924.

Henry W. Perry to be postmaster at Fort Fairfield, Me., in place of G. S. Henneberry. Incumbent's commission expired June 5, 1924.

Arthur A. Dinsmore to be postmaster at Dover-Foxcroft, Me., in place of B. B. Anderson. Incumbent's commission expired June 5, 1924.

George H. Williams to be postmaster at Alfred, Me., in place of G. H. Williams. Incumbent's commission expired June 5, 1924.

MARYLAND

George C. Eichelberger to be postmaster at Union Bridge, Md., in place of F. J. Shriner. Incumbent's commission expired June 4, 1924.

MASSACHUSETTS

Edmund Daly to be postmaster at Hingham, Mass., in place of Edmund Daly. Incumbent's commission expired June 4, 1924.

MICHIGAN

Mary M. Smith to be postmaster at Thompsonville, Mich., in place of C. L. Bennett. Incumbent's commission expired June 4, 1924.

Curtis Van Prentice to be postmaster at South Haven, Mich., in place of E. S. Dyckman. Incumbent's commission expired June 4, 1924.

G. Leslie Runner to be postmaster at Shelby, Mich., in place of H. M. Royal. Incumbent's commission expired June 4, 1924.

Clinton E. Aukerman to be postmaster at Montgomery, Mich., in place of Elmer Breiner. Incumbent's commission expired June 4, 1924.

Jacob M. Paul to be postmaster at Eau Claire, Mich., in place of W. L. Ferry. Incumbent's commission expired June 4, 1924.

Charles Plowman to be postmaster at Copemish, Mich., in place of T. T. Fralick. Incumbent's commission expired June 4, 1924.

David E. Cleary to be postmaster at Clawson, Mich., in place of T. P. DeClaire, removed.

NEBRASKA

George A. Ayer to be postmaster at Oxford, Nebr., in place of T. O. Norman. Incumbent's commission expired June 4, 1924.

Herbert L. Wichman to be postmaster at Norfolk, Nebr., in place of B. C. Gentle, removed.

Charles E. Cook to be postmaster at Franklin, Nebr., in place of John Wilson. Incumbent's commission expired June 4, 1924.

Joe G. Crews to be postmaster at Culbertson, Nebr., in place of J. M. Crews. Incumbent's commission expired June 4, 1924.

Archie E. Cates to be postmaster at Beemer, Nebr., in place of H. A. Crosby. Incumbent's commission expired June 4, 1924.

NEVADA

William H. Ayres to be postmaster at Winnemucca, Nev., in place of M. A. Macfarlane. Incumbent's commission expired June 4, 1924.

Arthur H. Keenan to be postmaster at Tonopah, Nev., in place of J. J. McQuillan. Incumbent's commission expired June 4, 1924.

Charles W. Brown to be postmaster at Gardnerville, Nev., in place of C. W. Brown. Incumbent's commission expired June 5, 1924.

NEW HAMPSHIRE

Ralph Berry to be postmaster at Rye Beach, N. H., in place of E. M. P. Fraser, resigned.

NEW JERSEY

Sealah P. Clark to be postmaster at Pitman, N. J., in place of D. S. Pancoast. Incumbent's commission expired June 5, 1924.

Preston Pedrick to be postmaster at Pedricktown, N. J., in place of K. A. Cooney. Incumbent's commission expired June 4, 1924.

Harry W. Mutchler to be postmaster at Rockaway, N. J., in place of William Gerard. Incumbent's commission expired June 5, 1924.

NEW YORK

Henry I. Brenzel to be postmaster at Red Hook, N. Y., in place of Mary Van de Bogart. Incumbent's commission expired May 6, 1924.

NORTH CAROLINA

Thomas L. Green to be postmaster at Waynesville, N. C., in place of F. W. Miller. Incumbent's commission expired June 4, 1924.

OHIO

Grace Fisher to be postmaster at Canal Fulton, Ohio, in place of P. J. Blank. Incumbent's commission expired June 4, 1924.

George H. Sheetz to be postmaster at Bridgeport, Ohio, in place of T. M. Duncan. Incumbent's commission expired June 4, 1924.

OKLAHOMA

Anna H. Figley to be postmaster at Hastings, Okla., in place of Minnie Davis. Incumbent's commission expired May 18, 1924.

John J. Gayman to be postmaster at Chandler, Okla., in place of J. A. McLaughlin. Incumbent's commission expired September 18, 1922.

OREGON

Willis E. Everson to be postmaster at Waldport, Oreg., in place of Aira Head. Incumbent's commission expired February 11, 1924.

Gaylord G. Godfrey to be postmaster at Independence, Oreg., in place of H. S. Wood. Incumbent's commission expired June 4, 1924.

Elbert Smith to be postmaster at Cottage Grove, Oreg., in place of K. B. Veatch. Incumbent's commission expired June 4, 1924.

PENNSYLVANIA

Claude S. Yeager to be postmaster at Orwigsburg, Pa., in place of A. F. Smith. Incumbent's commission expired February 14, 1924.

Enos A. Freed to be postmaster at Souderton, Pa., in place of A. E. Hiltebeitel. Incumbent's commission expired May 28, 1924.

Grant Umberger to be postmaster at Langhorne, Pa., in place of J. A. McGinley. Incumbent's commission expired June 5, 1924.

Clarence G. Young to be postmaster at Bristol, Pa., in place of J. A. McGinley. Incumbent's commission expired June 5, 1924.

SOUTH DAKOTA

Loretta Stromme to be postmaster at Garretson, S. Dak., in place of J. A. Stromme. Incumbent's commission expired June 4, 1924.

TEXAS

Paul A. Taylor to be postmaster at Winfield, Tex., in place of Lode Miller. Incumbent's commission expired September 5, 1922.

Millard H. Edwards to be postmaster at Nixon, Tex., in place of O. G. Wilson. Incumbent's commission expired June 4, 1924.

Charles I. Snedecor to be postmaster at Needville, Tex., in place of W. F. Lehmann. Incumbent's commission expired January 31, 1924.

William R. Dickens to be postmaster at Eden, Tex., in place of W. R. Dickens. Incumbent's commission expired June 4, 1924.

Phillip L. Swatzell to be postmaster at De Kalb, Tex., in place of C. S. Braswell. Incumbent's commission expired April 5, 1924.

Elizabeth Ingenhuett to be postmaster at Comfort, Tex., in place of Rudolph Flach, jr. Incumbent's commission expired June 4, 1924.

UTAH

Joseph Odell to be postmaster at Logan, Utah, in place of J. M. Blair. Incumbent's commission expired June 4, 1924.

VERMONT

Archie S. Haven to be postmaster at Vergennes, Vt., in place of J. H. Donnelly. Incumbent's commission expired June 5, 1924.

Oscar M. Waterman to be postmaster at Morrisville, Vt., in place of C. L. Gates. Incumbent's commission expired June 5, 1924.

Charles H. Stetson to be postmaster at Enosburg Falls, Vt., in place of J. B. Kimball. Incumbent's commission expired June 5, 1924.

WEST VIRGINIA

Benjamin F. McGinnis to be postmaster at Pennsboro, W. Va., in place of J. A. Wooddell. Incumbent's commission expired June 5, 1924.

Conrad H. Forst to be postmaster at Mount Hope, W. Va., in place of W. R. Moore, deceased.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate June 6, 1924*

COLLECTOR OF CUSTOMS

Thomas P. Gable to be collector of customs for customs collection district No. 24, with headquarters at El Paso, Tex.

UNITED STATES ATTORNEY

John W. Wilson to be United States attorney, district of New Mexico.

POSTMASTERS

ARIZONA

Blaine W. Hugo, Clarkdale.
June S. Haymond, Claypool.
George E. Bowen, Seligman.
Harry O. Parks, Wilcox.

ARKANSAS

William H. Tucker, Casa.
Fletcher G. Kennedy, Cotton Plant.
Douglas O. Dover, Cove.
Legrand K. Charles, Eureka Springs.
George E. Crosby, Pangburn.
Marvin Vanhooser, Siloam Springs.

CALIFORNIA

Belle Hicks, Armona.
Roland L. Curran, Bakersfield.
Charles F. W. Rapp, La Mesa.
Winifred M. Whitney, Oceanside.
Edward A. Baker, Point Loma.
Edward F. Halbert, Porterville.
John H. Strauch, jr., San Gabriel.
Nannie H. Phiney, Tustin.
Harry E. Meyers, Yuba City.

CONNECTICUT

Arthur F. Connor, Bridgeport.

FLORIDA

Edwin L. Raby, Littleriver.

ILLINOIS

John H. Wehrley, Beecher.
James F. Armentrout, Dongola.
Robert R. Davis, Equality.
Samuel T. Little, Hillsboro.
Edwin B. Gardner, Mazon.
William Georger, New Baden.
Hiram B. Rutherford, Newman.
Edward E. Gott, Norris City.
Charles H. Cottrell, Quincy.
Jesse L. Jones, Rantoul.
Walter E. Dimick, Rosiclare.
John Wacker, Techny.

IOWA

Theodore B. Satory, Albert City.
William M. Bausch, Ashton.
Rose M. Fischbach, Granville.
Louis C. Giencke, Guttenburg.
Henry W. Huibregtse, Hull.
Jay J. Merwin, Peterson.
William A. Grummon, Rockwell.
Ira Soop, Sanborn.
Lyle J. McLaughlin, Schaller.
Frank C. McClaskey, Toledo.
Arthur O. Reinhardt, Van Horn.
Zene C. Thornburg, Des Moines.

KANSAS

William T. Perry, Belleville.
Gerald G. Smith, Burr Oak.
Arnold C. Heidebrecht, Burrton.

KENTUCKY

Henry O. Hausgen, Anchorage.
James I. Harlan, Barlow.
John H. Stone, Burgin.
Alice R. Bristow, Georgetown.
Mary F. Potts, Jeffersontown.
Oliver R. Carpenter, Lancaster.
Robert Vanbever, Pineville.
Leota P. Cranor, St. Charles.
Ruby M. Wood, Salt Lick.
Thoughty Y. Oliver, Scottsville.
James T. Davis, Sunnydale.
William J. Deboe, Marion.

MAINE

Louis F. Higgins, Ellsworth.
Luther G. Cushing, Freeport.
Elsie J. McKenney, Jackman Station.
Linwood B. Jones, Winthrop.
Arthur A. Dinsmore, Dover-Foxcroft.
Henry W. Perry, Fort Fairfield.

MASSACHUSETTS

David L. Kelley, Fairhaven.
John Adams, Provincetown.
John P. McKay, Wellfleet.

MINNESOTA

Henning O. Mickelson, Carson Lake.
Herbert M. Hauck, Mankato.
Sidney D. Wilcox, Park Rapids.
Frederick S. Purdy, Russell.

MONTANA

Oswald M. Johnson, Chinook.

NEBRASKA

Lorena W. Doe, Arcadia.
Carl P. Smiley, Beaver Crossing.
Louis H. Beaver, Cody.
Charls B. Morey, College View.
George W. Nicholas, De Witt.
J. Ned Allison, Gering.
Earl F. Fishel, Guide Rock.
Charles O. Lewis, Marquette.
Gust S. Jollensten, Ogallala.
Floyd M. Ritchie, Table Rock.
Carl Carlson, Valparaiso.

NEW HAMPSHIRE

John H. Garvin, jr., Sanbornville.

NEW JERSEY

Wilson S. Frederick, Dunellen.

NEW YORK

Clayton M. Card, Amenia.
James H. Huntington, Naples.
Henry F. Blessing, Pawling.

OHIO

Pearl W. Athey (Mr.), Belpre,
Nestor J. Taylor, Beverly.
Roy S. Grunder, Creston.

OKLAHOMA

Wilmer C. Brown, Kingfisher.
Leslie C. Mendenhall, Seiling.

OREGON

William D. Hardesty, Freewater.
William E. Reed, Mitchell.
James W. Dunn, St. Benedict.

PENNSYLVANIA

William H. Harper, Avondale.
Calvin W. Saylor, Berlin.
William C. Drager, Boiling Springs.
George A. Frantz, Confluence.
Mertie T. Gillies, Devon.
John H. Lyter, Elizabethville.
Cornelia A. Read, Factoryville.
David M. Gilbert, Hellam.
Margaret V. Roush, Marysville.
S. Charles McClellan, Mifflin.
Stanley L. Campbell, New Albany.
Clarence G. Welker, Pennsburg.
Homer D. Sarge, Pine Grove.
Oscar G. Darlington, Radnor.
William Percy, Scottdale.
Martin T. Weaver, Strasburg.
William H. Deppen, Sunbury.
Cornelius L. Corson, Willow Grove.

SOUTH DAKOTA

Harry R. Wood, Redfield.
Edna L. Brown, Timber Lake.
Charles Sundling, Vermilion.

TENNESSEE

James Rogers, Dyer.
Bessie P. Downing, South Pittsburg.

TEXAS

Maurice M. Boynton, Bronte.
Herbert D. F. Nienstedt, Burton.
William A. Reese, Groveton.
Ulvah Ramsey, Haslam.
John W. Stegall, Holliday.
Bassett R. Miles, Luling.
Humphrey M. Fowler, West.

UTAH

Mattie S. Larsen, Castle Dale.
John O. Anderson, Salina.

VERMONT

John S. Kimball, Bethel.
Claude C. Duval, West Burke.

WASHINGTON

Robert J. Robertson, White Salmon.

## HOUSE OF REPRESENTATIVES

FRIDAY, *June 6, 1924*

The House met at 11 o'clock a. m., and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, Heavenly Father, come to us in wisdom and in understanding. Keep us in harmony with Thy plans and enable us to get at the very soul of things. In all questions and problems, direct us in our deliberations. Do Thou, dear Lord, help us to carry our manhood to the very highest point of attainment; may it conform to the best that we know. Give range and vision to the thoughts that we think and to the life that we live. May they in all ways be according to Thy will. Be not far away, and continue to create in us the noblest conceptions of life, character, and duty. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

PENSIONS

Mr. FULLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 6941, with Senate amendments, disagree to all of the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take from the Speaker's table the bill H. R. 6941, with Senate amendments, disagree to all the Senate amendments, and ask for a conference. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 6941) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. CRAMTON. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Illinois if this bill is loaded down with a lot of extraneous matter?

Mr. FULLER. Yes. That is why we are asking to go into conference.

Mr. CRAMTON. There is a lot of extraneous legislation on it?

Mr. FULLER. Yes.

Mr. CRAMTON. Personally, I think the House should indicate that that policy of putting extraneous laws on bills ought not, in its opinion, to be encouraged.

Mr. FULLER. I agree with the gentleman.

The SPEAKER. Is there objection?

There was no objection, and the Speaker announced as the conferees on the part of the House Mr. FULLER, Mr. ELLIOTT, and Mr. COOK.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 147. An act for the relief of Albert Wood;
S. 149. An act for the relief of Almeda Lucas;
S. 336. An act for the relief of Harry Ross Hubbard;
S. 354. An act for the relief of J. H. Toulouse;

S. 1740. An act to provide relief for the victims of the airplane accident at Langin Field;

S. 2035. An act for the relief of Albert O. Tucker;

S. 3319. An act authorizing the extension and operation of the transcontinental airplane mail service to Boston, Mass.;

S. 3464. An act granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River; and

S. J. Res. 146. Joint Resolution to amend section 13 of the act entitled "An act to provide for the classification of civilian positions within the District of Columbia and the field service."

The message also announced that the Senate had passed with amendments the bill (H. R. 6426) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and certain soldiers and sailors of wars other than the Civil War and to widows of such soldiers and sailors, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed with amendments the bill (H. R. 7996) to regulate and fix rates of wages for employees of the Government Printing Office, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 192. An act to provide for a girls' dormitory at the Fort Lapwai Sanatorium, Lapwai, Idaho;

H. R. 1438. An act for the relief of D. H. MacAdam;

H. R. 2123. An act for the relief of the Thompson-Vache Boat Co., of Bonnots Mill, Mo.;

H. R. 2126. An act for the relief of C. C. Carson;

H. R. 2647. An act for the relief of Lena Garagnon Owens;

S. 412. An act authorizing the President of the United States to appoint Sergt. Alvin C. York as a captain in the United States Army and then place him on the retired list;

S. 513. An act for the relief of Eustacio B. Davison;

S. 893. An act for the relief of John H. Rheinlander;

S. 1707. An act appropriating money to purchase lands for the Clallam Tribe of Indians in the State of Washington, and for other purposes;

H. R. 2821. An act authorizing the erection of a sanitary fireproof hospital at the National Home for Disabled Volunteer Soldiers at Santa Monica, Calif.;

H. R. 4012. An act to reimburse William H. Flagg and others for property destroyed by mail airplane *No. 73*, operated by the Post Office Department;

H. R. 4442. An act to extend the insurance and collect-on-delivery service to third-class mail, and for other purposes;

H. R. 5541. An act for the relief of Herbert Reynolds; and

H. R. 8237. An act for the relief of Bruusgaard Kiosteruds Dampskibs Aktieselskab, a Norwegian corporation of Drammen, Norway.

SENATE BILLS REFERRED

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 3319. An act authorizing the extension and operation of the transcontinental airplane mail service to Boston, Mass.; to the Committee on the Post Office and Post Roads.

S. 147. An act for the relief of Albert Wood; to the Committee on Claims.

S. 149. An act for the relief of Almeda Lucas; to the Committee on Military Affairs.

S. 1740. An act to provide relief for the victims of the airplane accident at Langin Field; to the Committee on Claims.

S. 1707. An act appropriating money to purchase lands for the Clallam Tribe of Indians in the State of Washington, and for other purposes; to the Committee on Indian Affairs.

S. 893. An act for the relief of John H. Rheinlander; to the Committee on Claims.

S. 513. An act for the relief of Eustacio B. Davison; to the Committee on Military Affairs.

S. 412. An act authorizing the President of the United States to appoint Sergt. Alvin C. York as a captain in the United States Army and then place him on the retired list; to the Committee on Military Affairs.

S. 354. An act for the relief of J. H. Toulouse; to the Committee on Claims.

S. 336. An act for the relief of Harry Ross Hubbard; to the Committee on Claims.

S. 149. An act for the relief of Almeda Lucas; to the Committee on Claims.

The message also announced that the Senate had passed the following concurrent resolution:

Senate Consurrent Resolution 3

*Resolved by the Senate (the House of Representatives concurring)*, That the report of the United States Coal Commission relative to the anthracite and bituminous coal industry, with accompanying papers, charts, diagrams, and illustrations (including not to exceed one supplemental volume), be printed as a Senate document, with contents and index, and that 5,000 additional copies shall be for the use of the Senate document room, 100 copies for the use of the Committee on Mines and Mining of the Senate, 3,500 copies for the use of the House document room, and 300 copies for the use of the House Committee on Interstate and Foreign Commerce.

S. 2803. An act to regulate within the District of Columbia the sale of milk, cream, and ice cream, and for other purposes; to the Committee on the District of Columbia.

AMENDMENT OF VETERANS' BUREAU ACT

Mr. JOHNSON of South Dakota. Mr. Speaker, I call up the conference report on the Senate bill 2257, to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended, and ask for its consideration.

The SPEAKER. The gentleman from South Dakota calls up the conference report on the bill S. 2257.

Mr. JOHNSON of South Dakota. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from South Dakota asks unanimous consent that the statement accompanying the conference report be read in lieu of the report. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the statement.

The statement was read.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2257) to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

"TITLE I.—GENERAL

"SECTION 1. This act may be cited as the 'World War veterans' act, 1924.'

"SEC. 2. When used in this act—

"The term 'bureau' means the United States Veterans' Bureau.

"The term 'director' means the Director of the United States Veterans' Bureau.

"SEC. 3. In Titles II, III, and IV of this act unless the context otherwise requires—

"(1) The term 'child' includes—

"(a) A legitimate child.

"(b) A child legally adopted.

"(c) A stepchild, if a member of the man's household.

"(d) An illegitimate child, but, as to the father only, if acknowledged in writing signed by him, or if he has been judicially ordered or decreed to contribute to such child's support, or has been judicially decreed to be the putative father of such child.

"(2) The term 'grandchild' means a child as above defined of a child as above defined.

"(3) Except as used in section 301 and in section 302, the term 'child' and 'grandchild' are limited to unmarried persons either (a) under 18 years of age, or (b) of any age, if permanently incapable of self-support by reason of mental or physical defect.

"(4) The term 'parent' includes a father, mother, grandfather, grandmother, father through adoption, mother through adoption, stepfather, and stepmother, either of the persons in the service or of the spouse.

"(5) The terms 'father' and 'mother' include stepfathers and stepmothers, fathers and mothers through adoption, and persons who have stood in loco parentis to a member of the military or naval forces at any time prior to his enlistment or induction for a period of not less than one year.

"(6) The terms 'brother' and 'sister' include brothers and sisters of the half blood as well as those of the whole blood, stepbrothers and stepsisters, and brothers and sisters through adoption.

"(7) The terms 'brother' and 'sister' include the children of a person who, for a period of not less than one year, stood in loco parentis to a member of the military or naval forces of the United States at any time prior to his enlistment or induction, or another member of the same household as to whom such person during such period likewise stood in loco parentis.

"(8) The term 'commissioned officer' includes a warrant officer, but includes only an officer in active service in the military or naval forces of the United States.

"(9) The terms 'man' and 'enlisted man' mean a person, whether male or female, and whether enlisted, enrolled, or drafted into active service in the military or naval forces of the United States, and include noncommissioned and petty officers and members of training camps authorized by law.

"(10) The term 'enlistment' includes voluntary enlistment, draft, and enrollment in active service in the military or naval forces of the United States.

"(11) The term 'injury' includes disease.

"(12) The term 'pay' means the pay for service in the United States according to grade and length of service, excluding all allowances.

"(13) The term 'military or naval forces' means the Army, the Navy, the Marine Corps, the Coast Guard, the Naval Reserves, the National Naval Volunteers, and any other branch of the United States service while serving pursuant to law with the Army or the Navy.

"(14) The terms 'World War,' 'during the period of the war,' and 'during the World War,' mean the period beginning April 6, 1917, and ending July 2, 1921.

"(15) The terms 'date of termination of the war' and 'termination of the war,' mean July 2, 1921.

"SEC. 4. There is established an independent bureau under the President to be known as the United States Veterans' Bureau, the director of which shall be appointed by the President by and with the advice and consent of the Senate. The Director of the United States Veterans' Bureau shall receive a salary of $10,000 per annum, payable monthly.

"There shall be included on the technical and administrative staff of the director such staff officers, experts, inspectors, and assistants as the director shall prescribe; and there shall be in the United States Veterans' Bureau such sections and subdivisions thereof as the director shall prescribe. With such exceptions as the President may deem advisable, all employees shall be subject to the civil service law and regulations made thereunder.

"SEC. 5. The director, subject to the general direction of the President, shall administer, execute, and enforce the provisions of this act, and for that purpose shall have full power and authority to make rules and regulations, not inconsistent with the provisions of this act, which are necessary or appropriate to carry out its purposes, and shall decide all questions arising under this act, and all decisions of questions of fact affecting any claimant to the benefits of Titles II, III, or IV of this act shall be conclusive except as otherwise provided herein. All officers and employees of the bureau shall perform such duties as may be assigned them by the director. All official acts performed by such officers or employees specially designated therefor by the director shall have the same force and effect as though performed by the director in person. Wherever under any provision or provisions of the act regulations are directed or authorized to be made, such regulations, unless the context otherwise requires, shall or may be made by the director. The director shall adopt reasonable and proper rules to govern the procedure of the divisions and to regulate and provide for the nature and extent of the proofs and evidence and the method of taking and furnishing the same in order to establish the right to benefits of compensation, insurance, vocational training, or maintenance and support allowance provided for in this act, the forms of application of those claiming to be entitled to such benefits, the methods of making investigations and medical examinations, and the manner and form of adjudications and awards.

"SEC. 6. That the bureau shall have the power, and it shall be its duty, to provide for the placement of rehabilitated persons in suitable or gainful occupations. The director is authorized and directed to utilize, with the approval of the Secretary of Labor, the facilities of the Department of Labor, in so far as may be practicable, in the placement of rehabilitated persons in suitable or gainful occupations.

"SEC. 7. The director shall establish a central office in the District of Columbia, and such regional offices and suboffices, not exceeding 100 in number, within the territory of the United States and its outlying possessions as may be deemed necessary by him and in the best interests of the work committed to the Veterans' Bureau and to carry out the purposes of this act. Such regional offices and suboffices, may, subject to final action by the director in case of an appeal, and under such rules and regulations as may be prescribed by the director, exercise such powers for hearing complaints and for examining, rating, and awarding compensation claims, granting medical, surgical, dental, and hospital care, convalescent care, and necessary and reasonable after care, granting vocational training and all other matters delegated to them, or some of them, by the director as could be performed lawfully under this act by the central office.

"The director may abolish any regional offices or suboffices when in his judgment this may be done without detriment to the administration of this act, and upon such termination all records and supplies pertaining thereto shall be delivered to the central office, or as the director shall otherwise prescribe.

"SEC. 8. That for the purposes of this act the director, and such persons as the director may designate, shall have the power to issue subpœnas for and compel the attendance of witnesses within a radius of 100 miles from the place of hearing, to require the production of books, papers, documents, and other evidence, to administer oaths, and to examine witnesses upon any matter within the jurisdiction of the bureau. In case of disobedience to a subpœna the bureau may invoke the aid of any district court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence, and such court, within the jurisdiction of which the inquiry is carried on, may, in case of contumacy or refusal to obey a subpœna issued to any officer, agent, or employee of any corporation or other person, issue an order requiring such corporation or other person to appear before the bureau or to give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. Any person so required to attend as a witness shall be allowed and paid the same fees and mileage as are paid witnesses in the district courts of the United States.

"For the purpose of this act the director is authorized to detail from time to time clerks or persons employed in the bureau to make examinations into the merits of compensation and insurance claims, whether pending or adjudicated, as he may deem proper, and to aid in the preparation, presentation, or examination of such claims; and any such person so detailed shall have power to administer oaths, take affidavits, and certify to the correctness of the papers and documents pertaining to the administration of this act.

"SEC. 9. In addition to the services of the legal assistants employed by the bureau, the director may require the opinion of the Attorney General on any questions of law arising in the administration of the bureau.

"SEC. 10. The director, subject to the general directions of the President, shall be responsible for the proper examination, medical care, treatment, hospitalization, dispensary, and convalescent care, necessary and reasonable after care, welfare of, nursing, vocational training, and such other services as may be necessary in the carrying out of the provisions of this act, and for that purpose is hereby authorized, at the direction of the President or with the approval of the head of the department concerned, to utilize the now existing or future facilities of the United States Public Health Service, the War Department, the Navy Department, the Interior Department, the National Home for Disabled Volunteer Soldiers, and such other governmental facilities as may be made available for the purposes set forth in this act; and such governmental agencies are hereby authorized to furnish such facilities, including personnel, equipment, medical, surgical, and hospital services and supplies as the director may deem necessary and advisable in carrying out the provisions of this act, in addition to such governmental facilities as are hereby made available.

"When, in the opinion of the director, the facilities and services utilized for the hospitalization, medical care, and treatment for beneficiaries under this act are unsatisfactory, the director shall make arrangements for the further hospitalization, care, and treatment of such beneficiaries by other means.

"In the event that there is not sufficient Government hospital and other facilities for the proper medical care and treatment of beneficiaries under this act, and the director deems it necessary and advisable to secure additional Government facilities, he may, within the limits of appropriations made for carrying out the provisions of this paragraph, and with the approval of the President, improve or extend existing governmental facilities, or acquire additional facilities by purchase or otherwise.

Such new property and structures as may be improved, extended, or acquired shall become part of the permanent equipment of the United States Veterans' Bureau or of some one of the now existing agencies of the Government, including the War Department, Navy Department, Interior Department, Treasury Department, the National Home for Disabled Volunteer Soldiers, in such way as will best serve the present emergency, taking into consideration the future services to be rendered the veterans of the World War, including the beneficiaries under this act.

"In the event Government hospital facilities are insufficient or inadequate the director may contract with State, municipal, or, in exceptional cases, with private hospitals for such medical, surgical, and hospital services and supplies as may be required, and such contracts may be made for a period of not exceeding three years and may be for the use of a ward or other hospital unit or on such other basis as may be in the best interest of the beneficiaries under this act.

"There are hereby permanently transferred to the Veterans' Bureau all hospitals now or formerly under the jurisdiction of the Public Health Service or of the Treasury Department, the operation, management, or control of which have heretofore been transferred by the President to said bureau pursuant to the authority contained in section 9 of the act entitled 'An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau and further to amend and modify the war risk insurance act, approved August 9, 1921.'

"SEC. 11. The director is hereby authorized to make such rules and regulations as may be deemed necessary in order to promote good conduct on the part of persons who are receiving care or treatment in hospitals, homes, or institutions as patients or beneficiaries of said bureau during their stay in such hospitals, homes, institutions, or training centers. Penalties for the breach of such rules and regulations may, with the approval of the director, extend to a forfeiture by the offender of such portion of the compensation payable to him, not exceeding three-fourths of the monthly installment per month for three months, for a breach committed while receiving treatment in such hospital, home, institution, or training center as may be prescribed by such rules and regulations.

"SEC. 12. That the bureau is hereby authorized and empowered to receive, for purposes of benefits provided by Title IV hereof, such gifts and donations from either public or private sources as may be offered unconditionally. All moneys so received as gifts or donations shall be paid into the Treasury of the United States, and shall constitute a permanent fund, to be called the 'Special fund for vocational rehabilitation,' to be used under the direction of the said bureau in connection with the appropriations hereby made or hereafter to be made, to defray the expenses of providing and maintaining courses of vocational rehabilitation; and a full report of all gifts and donations offered and accepted and all disbursements therefrom shall be submitted annually to Congress by the director.

"SEC. 13. All sums heretofore appropriated for use by the Federal Board for Vocational Education as a revolving fund, not exceeding $500,000, may be used by the bureau as a revolving fund for the purpose of making advancement to persons commencing or undergoing training under Title IV hereof, such advancements to bear no interest and to be reimbursed in such installments as may be determined by the director by proper deductions from the monthly maintenance and support allowances allowed by this act.

"SEC. 14. That the director of the United States Veterans' Bureau shall on the first Monday in December of each year file with the Speaker of the House of Representatives and the President of the Senate a full and complete report of all activities of the United States Veterans' Bureau, showing in detail the number of claimants and the amount of compensation paid, the number of veterans of the various wars and expeditions receiving hospitalization and medical treatment, the number of dependents drawing compensation and the amount of such compensation, the number of persons holding and paying for Government life insurance, and a full and itemized statement of all moneys received and disbursed by the director, or any of his agents, for the preceding year.

"SEC. 15. All sums heretofore appropriated for carrying out the provisions of the war risk insurance act and amendments thereto and to carry out the provisions of the act entitled 'An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes,' approved June 27, 1918, and amendments thereto, and all sums heretofore appropriated for carrying out the provisions of the act entitled 'An act to establish a veterans' bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act,' approved August 9, 1921, and amendments thereto shall, where unexpended, be made available for the bureau and may be expended in such manner as the director deems necessary in carrying out the purposes of this act.

"SEC. 16. All sums heretofore appropriated for the military and naval insurance appropriation and all premiums collected for the yearly renewable term insurance provided by the provisions of Title III deposited and covered into the Treasury to the credit of this appropriation, shall, where unexpended, be made available for the bureau. All premiums that may hereafter be collected for the yearly renewable term insurance provided by the provisions of Title III hereof shall be deposited and covered into the Treasury for the credit of this appropriation. Such sum, including all premium payments, is made available for the payment of the liabilities of the United States incurred under contracts of yearly renewable term insurance made under the provisions of Title III, including such liabilities as shall have been or shall hereafter be reduced to judgment in a district court of the United States or in the Supreme Court of the District of Columbia. Payments from this appropriation shall be made upon and in accordance with the awards by the director.

"SEC. 17. That all premiums paid on account of insurance converted under the provisions of Title III hereof shall be deposited and covered into the Treasury to the credit of the United States Government life insurance fund and shall be available for the payment of losses, dividends, refunds, and other benefits provided for under such insurance, including such liabilities as shall have been or shall hereafter be reduced to judgment in a district court of the United States or in the Supreme Court of the District of Columbia. Payments from this fund shall be made upon and in accordance with awards by the director.

"The bureau is authorized to set aside out of the fund so collected such reserve funds as may be required, under accepted actuarial principles, to meet all liabilities under such insurance; and the Secretary of the Treasury is hereby authorized to invest and reinvest the said United States Government life insurance fund, or any part thereof, in interest-bearing obligations of the United States or bonds of the Federal farm-loan banks and to sell said obligations of the United States or the bonds of the Federal farm-loan banks for the purposes of such fund.

"SEC. 18. That the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of the disbursing clerk of the bureau for all payments of insurance installments hereafter made, without verification of the deduction on the pay rolls, of such premiums as may have accrued prior to January 1, 1921, while the insured was in the service.

"SEC. 19. That no claim agent or attorney except the recognized representatives of the American Red Cross, the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars and such other organizations as shall be approved by the director, shall be recognized in the presentation or adjudication of claims under Titles II, III, and IV, except that in the event of disagreement as to claim under a contract of insurance between the bureau and any beneficiary or beneficiaries thereunder an action on the claim may be brought against the United States either in the Supreme Court of the District of Columbia or in the district court of the United States in and for the district in which such beneficiaries or any one of them resides, and that whenever judgment shall be rendered in an action brought pursuant to this provision, the court, as part of its judgment, shall determine and allow such reasonable attorney's fees, not to exceed 5 per cent of the amount recovered, to be paid by the claimant in behalf of whom such proceedings were instituted to his attorney, said fee to be paid out of the payments to be made to the beneficiary under the judgment rendered at a rate not exceeding one-tenth of each of such payments until paid. All persons having or claiming to have an interest in such insurance may be made parties to said suit, and such as are not inhabitants of or found within the district in which suit is brought, may be brought in by order of the court to be served personally or by publication as the court may direct. The procedure in such suits shall otherwise be the same as that provided for suits in the district courts by the act entitled 'An act providing for the bringing of suits against the United States,' approved March 3, 1887, as amended.

"SEC. 20. That for the purpose of this act the marriage of the claimant to the person on account of whom the claim is

made shall be shown by such testimony as the director may prescribe by regulations.

"SEC. 21. That where any payment under this act is to be made to a minor, other than a person in the military or naval forces of the United States, or to a person mentally incompetent, or under other legal disability adjudged by a court of competent jurisdiction, such payment may be made to the person who is constituted guardian, curator, or conservator by the laws of the State or residence of claimant, or is otherwise legally vested with responsibility or care of the claimant or his estate: *Provided*, That prior to receipt of notice by the bureau that any such person is under such other legal disability adjudged by some court of competent jurisdiction, payment may be made to such person direct: *Provided further*, That for the purpose of payments of benefits under Title II hereof, where no guardian, curator, or conservator of the person under a legal disability has been appointed under the laws of the State or residence of the claimant, the director shall determine the person who is otherwise legally vested with responsibility or care of the claimant or his estate: *And provided further*, That the director, in his discretion, may suspend such payments to any such guardian, curator, conservator, or other person who shall neglect or refuse, after reasonable notice, to render an account to the director from time to time showing the application of such payments for the benefit of such minor or incompetent beneficiary.

"SEC. 22. That the compensation, insurance, and maintenance and support allowance payable under Titles II, III, and IV, respectively, shall not be assignable; shall not be subject to the claims of creditors of any person to whom an award is made under Titles II, III, or IV; and shall be exempt from all taxation: *Provided*, That such compensation, insurance, and maintenance and support allowance shall be subject to any claims which the United States may have under Titles II, III, IV, and V, against the person on whose account the compensation, insurance, or maintenance and support allowance is payable.

"That the provisions of this section shall not be construed to prohibit the assignment by any person to whom converted insurance shall be payable under Title III of such act of his interest in such insurance to any other member of the permitted class of beneficiaries.

"SEC. 23. The discharge or dismissal of any person from the military or naval forces on the ground that he is guilty of mutiny, treason, spying, or any offense involving moral turpitude, or willful and persistent misconduct, of which he has been found guilty by a court-martial, or that he is an enemy alien, conscientious objector, or a deserter, shall terminate any insurance granted on the life of such person under the provisions of Title III and shall bar all rights to any compensation under Title II, or any insurance under Title III, or any maintenance and support allowance under Title IV: *Provided*, That as to converted insurance, the cash surrender value thereof, if any, on the date of such discharge or dismissal shall be paid the insured, if living, and if dead to the designated beneficiary; *Provided further*, That an enemy alien who volunteered or who was drafted into the Army, Navy, or Marine Corps of the United States during the World War, and who was not discharged from the service on his own application or solicitation by reason of his being an enemy alien, and whose service was honest and faithful, shall be entitled to the benefits under Titles II, III, and IV hereof: *Provided further*, That in case any person has been dishonorably discharged from the military or naval forces as a result of a court-martial trial, and it is thereafter established to the satisfaction of the director that at the time of the commission of the offense resulting in such court-martial trial and discharge that such person was insane, such person shall be entitled to the compensation, insurance, and vocational-training benefits under Titles II, III, and IV hereof: *Provided further*, That this section shall be deemed to be in effect as of April 6, 1917, and the director is hereby authorized and directed to make provision by bureau regulation for payment of any insurance claim or adjustment in insurance-premium account of any insurance contract which would not now be affected by this section as amended.

"SEC. 24. That if after induction by the local draft board, or after being called into Federal service as a member of the National Guard, but before being accepted and enrolled for active service, the person died or became disabled as a result of disease contracted or injury suffered in the line of duty and not due to his own willful misconduct involving moral turpitude, or as a result of the aggravation, in the line of duty, and not because of his own willful misconduct involving moral turpitude, of an existing disease or injury, he or those entitled thereto shall receive the benefits of compensation payable under Title II; and any insurance application made by such person after induction by the local draft board but before being accepted and enrolled for active service shall be deemed valid.

"SEC. 25. Any person who between the 6th day of April, 1917, and the 11th day of November, 1918, applied for enlistment or enrollment in the military or naval forces, and who was accepted provisionally and directed or ordered to a camp, post, station, or other place for final acceptance into such service, shall be deemed to have the same status as an inducted man not yet accepted and enrolled for active service during the period while such person was complying with such order or direction, and during such compliance, and until his final acceptance or rejection for enlistment or enrollment into the military or naval forces, shall be entitled to the same benefits under Titles II and III hereof as an inducted man not yet accepted and enrolled for active service.

"SEC. 26. That the amount of the monthly installments of compensation, yearly renewable term insurance, or accrued maintenance and support allowance which has become payable under the provisions of Titles II, III, or IV hereof, but which has not been paid prior to the death of the person entitled to receive the same, may be payable to the personal representatives of such person: *Provided*, That in cases where the estate of the decedent would escheat under the laws of the place of his residence, such installments shall not be paid to the estate of the decedent but shall escheat to the United States and shall be credited to the appropriation from which the original award was made.

"SEC. 27. That all payments of compensation and insurance heretofore made pursuant to a regulation permitting permanent and total disability to be presumed from hospitalization or ratings of less than permanent total disability shall be deemed valid and no recovery thereof shall be made: *Provided*, That nothing herein shall operate to validate insurance not in force on the date an award thereof was approved, except where premiums have been thereafter accepted.

"SEC. 28. There shall be no recovery of payments from any beneficiary who, in the judgment of the director, is without fault on his part, and where, in the judgment of the director, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience.

"SEC. 29. The director is authorized, in his discretion, to sell, lease, or exchange surplus equipment, supplies, products, or waste materials belonging to the bureau or any of its plants or institutions; and to lease for a term, not exceeding three years, lands or buildings, or parts or parcels thereof, belonging to the United States and under the control of the bureau. The net proceeds of all such sales, leases, or exchanges shall be covered into the Treasury of the United States as miscellaneous receipts.

"SEC. 30. That all files, records, reports, and other papers and documents pertaining to any claim for the benefits of this act, whether pending or adjudicated, shall be deemed confidential and privileged and no disclosure thereof shall be made except as follows:

"(a) To a claimant or his duly authorized representative, as to matters concerning himself alone, when in the judgment of the director such disclosure would not be injurious to the physical or mental health of the claimant;

"(b) Where required by the process of a United States court to be produced in any suit or proceeding therein pending; or when such production is deemed by the director to be necessary in any suit or proceeding brought under the provisions of this act;

"(c) In all proceedings in the nature of an inquest into the mental competency of a claimant, and in all other judicial proceedings when, in the judgment of the director, such disclosure is deemed necessary and proper;

"(d) The amount of compensation or training allowance of any beneficiary shall be made known to any person who applies for such information.

"Wherever the production of a file, record, report, or other document is required or permitted by this section a certified copy thereof may be produced in lieu of the original, and such certified copy shall be received in evidence with like force and effect as the original.

"SEC. 31. The provisions of this act shall not apply to any conscientious objector who refused to perform military duty or refused to wear the uniform, or to any alien who was discharged from the military or naval forces prior to November 11, 1918, on account of his alienage.

"TITLE II.—COMPENSATION AND TREATMENT

"SEC. 200. For death or disability resulting from personal injury suffered or disease contracted in the military or naval service on or after April 6, 1917, and before July 2, 1921, or for an aggravation or recurrence of a disability existing prior to examination, acceptance, and enrollment for service, when such aggravation was suffered and contracted in, or such recurrence was caused by, the military or naval service on or after April 6, 1917, and before July 2, 1921, by any commissioned officer or enlisted man, or by any member of the Army Nurse Corps (female), or of the Navy Nurse Corps (female) when employed in the active service under the War Department or Navy Department, the United States shall pay to such commissioned officer or enlisted man, member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female), or, in the discretion of the director, separately to his or her dependents, compensation as hereinafter provided; but no compensation shall be paid if the injury, disease, aggravation, or recurrence has been caused by his own willful misconduct: *Provided*, That no person suffering from paralysis, paresis, or blindness, or from constitutional lues requiring hospitalization, as the result of disease, shall be denied compensation while a patient in a Veterans' Bureau hospital by reason of willful misconduct. That for the purposes of this section every such officer, enlisted man, or other member employed in the active service under the War Department or Navy Department who was discharged or who resigned prior to July 2, 1921, and every such officer, enlisted man, or other member employed in the active service under the War Department or Navy Department on or before November 11, 1918, who on or after July 2, 1921, is discharged or resigns, shall be conclusively held and taken to have been in sound condition when examined, accepted, and enrolled for service, except as to defects, disorders, or infirmities made of record in any manner by proper authorities of the United States at the time of, or prior to, inception of active service, to the extent to which any such defect, disorder, or infirmity was so made of record: *Provided*, That an ex-service man who is shown to have or, if deceased, to have had, prior to January 1, 1925, neuropsychiatric disease, an active tuberculous disease, paralysis agitans, encephalitis lethargica, or amoebic dysentery, developing a 10 per cent degree of disability or more in accordance with the provisions of subdivision (4) of section 202 of this act shall be presumed to have acquired his disability in such service between April 6, 1917, and July 2, 1921, or to have suffered an aggravation of a preexisting neuropsychiatric disease, tuberculosis, paralysis agitans, encephalitis lethargica, or amoebic dysentery, in such service between said dates, and said presumption shall be conclusive in cases of active tuberculous disease, but in all other cases said presumption shall be rebuttable by clear and convincing evidence; but nothing in this proviso shall be construed to prevent a claimant from receiving the benefits of compensation and medical care and treatment for a disability due to these diseases of more than 10 per cent degree (in accordance with the provisions of subdivision (4), section 202, of this act) on or subsequent to January 1, 1925, if the facts of the case substantiate his claim.

"SEC. 201. That if death results from injury—

"If the deceased leaves a widow or child, or if he leaves a mother or father either or both dependent upon him for support, the monthly compensation shall be the following amounts:

"(a) If there is a widow but no child, $30.

"(b) If there is a widow and one child, $40, with $6 for each additional child.

"(c) If there is no widow, but one child, $20.

"(d) If there is no widow, but two children, $30.

"(e) If there is no widow, but three children, $40, with $5 for each additional child.

"(f) If there is a dependent mother (or dependent father), $20, or both, $30. The amount payable under this subdivision shall not exceed the difference between the total amount payable to the widow and children and the sum of $75. Such compensation shall be payable whether the dependency of the father or mother, or both, arises before or after the death of the person, but no compensation shall be payable if the dependency arises more than five years after the death of the person.

"(1) If death occur or shall have occurred subsequent to April 6, 1917, and before discharge or resignation from the service, the United States shall pay for burial expenses and the return of body to his home a sum not to exceed $150, as may be fixed by regulation. Where a veteran of any war dies after discharge or resignation from the service and does not leave sufficient assets to meet the expenses of his burial and the transportation of his body, and such expenses are not otherwise provided for, the United States Veterans' Bureau shall pay the following sums: For a flag to drape the casket, and after burial to be given to the next of kin of the deceased, a sum not exceeding $5; also for burial expenses, a sum not exceeding $100, to such person or persons as may be fixed by regulations: *Provided*, That when such person dies while receiving from the bureau compensation or vocational training, the above benefits shall be payable without reference to the indigency of the deceased: *Provided further*, That where such person, while receiving from the bureau medical, surgical, or hospital treatment or vocational training, dies away from home and at the place to which he was ordered by the bureau, or while traveling under orders of the bureau, the above benefits shall be payable without reference to the indigency of the deceased and in addition thereto the actual and necessary cost of the transportation of the body of the person (including preparation of the body) to the place of burial within the continental limits of the United States, and including also, in the discretion of the director, the actual and necessary cost of transportation of an attendant: *And provided further*, That no accrued pension or compensation due at the time of death shall be deducted from the sum allowed.

"(2) The payment of compensation to a widow shall continue until her death or remarriage, and the payment of compensation to a parent shall continue to the death of each parent.

"(3) The payment of compensation to or for a child shall continue until such child reaches the age of 18 years or marries, or if such child be permanently incapable of self-support by reason of mental or physical defect, then during such incapacity.

"(4) Whenever the compensation payable to or for the benefit of any person under the provisions of this section is terminated by the happening of the contingency upon which it is limited, the compensation thereafter for the remaining beneficiary or beneficiaries, if any, shall be the amount which would have been payable to them if they had been the sole original beneficiaries.

"(5) As between the widow and the children not in her custody, and as between children, the amount of compensation shall be apportioned as may be prescribed by regulation.

"(6) The term 'widow' as used in this section shall not include one who shall have married the deceased later than 10 years after the time of injury, and shall include widower whenever his condition is such that if the deceased person were living he would have been dependent upon her for support.

"(7) That this section shall be deemed to be in effect as of April 6, 1917: *Provided, however*, That the receipt of a gratuity, pension, or compensation by widow, or parent, on account of the death of any person shall not bar the payment of compensation on account of the death of any other person: *Provided*, That before compensation under this section shall be paid there shall first be deducted from said sum so as to be paid the amount of any payments made under any other law on account of the death or disability of the same person: *Provided further*, That no changes in rates or compensation made by this act shall be retroactive in effect.

"SEC. 202. That if disability results from the injury—

"(1) If and while the disability is rated as total and temporary, the monthly compensation shall be the following amounts, payable monthly or semimonthly as the director may prescribe:

"(a) If the disabled person has neither wife nor child living, $80.

"(b) If he has a wife but no child living, $90.

"(c) If he has a wife and one child living, $95, and $5 for each additional child.

"(d) If he has no wife and one child living, $90, with $5 for each additional child.

"(e) If he has a mother or father, either or both dependent on him for support, then, in addition to the above amounts, $10 for each parent so dependent.

"(2) If and while the disability is rated as partial and temporary, the monthly compensation shall be a percentage of the compensation that would be payable for his total and temporary disability, equal to the degree of the reduction in earning capacity resulting from the disability, but no compensation shall be payable for a reduction in earning capacity rated at less than 10 per cent.

"That any ex-service man shown to have had a tubercular disease of compensable degree, and who has been hospitalized for a period of one year, and who in the judgment of the director has reached a condition of complete arrest of his disease, and who shall be discharged from further hospitalization,

shall be rated as temporarily totally disabled, and such rating shall not be decreased within a period of six months.

"(3) If and while the disability is rated as total and permanent, the rate of compensation shall be $100 per month: *Provided, however,* That the permanent loss of the use of both feet or both hands, or of both eyes, or of one foot and one hand, or of one foot and one eye, or of one hand and one eye, or the loss of hearing of both ears, or becoming permanently helpless or permanently bedridden, shall be deemed to be total, permanent disability: *Provided further,* That the compensation for the loss of the use of both eyes shall be $150 per month, and that compensation for the loss of the use of both eyes and one or more limbs shall be $200 per month: *Provided further,* That for double, total, permanent disability the rate of compensation shall be $200 per month.

"That any ex-service man shown to have a tuberculous disease of compensable degree, and who has been hospitalized for a period of one year, and who, in the judgment of the director, will not reach a condition of arrest by further hospitalization, and whose discharge from hospitalization will not be prejudicial to the beneficiary or his family, and who is not, in the judgment of the director, feasible for training, shall, upon his request, be discharged from hospitalization and rated as temporarily and totally disabled, said rating to continue for the period of three years: *Provided, however,* That nothing in this subdivision shall deny the beneficiary the right, upon presentation of satisfactory evidence, to be adjudged to be permanently and totally disabled.

"(4) If and while the disability is rated as partial and permanent, the monthly compensation shall be a percentage of the compensation that would be payable for his total and permanent disability equal to the degree of the reduction in earning capacity resulting from the disability, but no compensation shall be payable for a reduction in earning capacity rated at less than 10 per cent.

"A schedule of ratings of reductions in earning capacity from injuries or combinations of injuries shall be adopted and applied by the bureau. Ratings may be as high as 100 per cent. The ratings shall be based, as far as practicable, upon the average impairments of earning capacity resulting from such injuries in civil occupations similar to the occupation of the injured man at the time of enlistment and not upon the impairment in earning capacity in each individual case, so that there shall be no reduction in the rate of compensation for individual success in overcoming the handicap of an injury. The bureau in adopting the schedule of ratings of reduction in earning capacity shall consider the impairment in ability to secure employment which results from such injuries. The bureau shall from time to time readjust this schedule of ratings whenever actual experience shall show that it is unjust to the disabled veteran.

"(5) If the disabled person is so helpless as to be in constant need of a nurse or attendant, such additional sum shall be paid, but not exceeding $50 per month, as the director may deem reasonable.

"(6) In addition to the compensation above provided, the injured person shall be furnished by the United States such reasonable governmental medical, surgical, and hospital services, including payment of court costs and other expenses incident to proceedings heretofore or hereafter taken for commitment of mentally incompetent persons to hospitals for the care and treatment of the insane, and shall be furnished with such supplies, including wheel chairs, artificial limbs, trusses, and similar appliances, as the director may determine to be useful and reasonably necessary, which wheel chairs, artificial limbs, trusses, and similar appliances may be procured by the bureau in such manner, either by purchase or manufacture, as the director may determine to be advantageous and reasonably necessary: *Provided,* That nothing in this act shall be construed to affect the necessary military control over any member of the Military or Naval Establishments before he shall have been discharged from the military or naval service.

"(7) Where any disabled person having neither wife, child, nor dependent parent shall, after July 1, 1924, have been maintained by the bureau for a period or periods amounting to six months in a neuropsychiatric hospital or hospitals, and shall be deemed by the director to be permanently insane, the compensation for such person shall thereafter be $20 per month so long as he shall thereafter be maintained by the bureau in a neuropsychiatric hospital or hospitals; and such compensation may, in the discretion of the director, be paid to the chief officer of said hospital to be used for the benefit of such patient: *Provided, however,* That if such patient shall recover his reason and shall be discharged from such hospital as cured, an additional amount of $60 per month shall be paid to him for each month the rate of compensation was reduced as provided by this subdivision.

"The compensation of any inmate of an asylum or hospital for the insane, or any part thereof, may, in the discretion of the director, be paid to the chief officer of said asylum or hospital to be used for the benefit of such inmate.

"After June 30, 1927, the monthly rate of compensation for all veterans (other than those totally and permanently disabled), who are being maintained by the bureau in a hospital of any description and who are without wife, child, or dependent parent, shall not exceed $40.

"(8) The director shall prescribe by regulation the conditions and limitations whereby all patients or beneficiaries of the bureau who are receiving treatment through the bureau as patients in a hospital may allot any proportion or proportions or any fixed amount or amounts of their monthly compensation for such purposes and for the benefit of such person or persons as they may direct.

"In case such patient has not allotted three-fourths of his monthly compensation, and in case the director shall find that by gross dissipation he is retarding his own progress to recovery, then regulations to be made by the director may provide that (except in the case of neuropsychiatric patients who are within the terms of the first paragraph of subdivision (7) hereof) any unallotted portion of such three-fourths compensation shall be deposited to the patient's credit with the Treasurer of the United States, to accumulate at such rate of interest as the Secretary of the Treasury may determine, but at a rate never less than 3½ per cent per annum; and when such patient shall be discharged by the bureau from hospital care the said deposit and interest shall be paid to such patient, if living; otherwise to any beneficiary or beneficiaries he may have designated, or, if there be no such beneficiary, then to the executor or administrator of the estate of such deceased person: *Provided,* That this paragraph shall not be so construed as to prevent payment by the bureau from the amounts due to the decedent's estate of his funeral expenses, expenses of last illness, board, rent, lodging, or other household expenses for which the decedent is liable, provided a claim therefor is presented by the creditors or by the person or persons who actually paid the same before settlement by the bureau.

"The Secretary of the Treasury is hereby authorized to invest and reinvest the said allotments deposited with him, or any part thereof, in interest-bearing obligations of the United States and to sell the obligations for the purposes of said funds.

"(9) In addition to the care, treatment, and appliances now authorized by law, said bureau also shall provide, without charge therefor, hospital, dental, medical, surgical, and convalescent care and treatment and prosthetic appliances for any member of the military or naval forces of the United States, not dishonorably discharged, disabled by reason of any wound or injury received or disease contracted, or by reason of any aggravation of a preexisting injury or disease, specifically noted at examination for entrance into or employment in the active military or naval service, while in the active military or naval service of the United States on or after April 6, 1917, and before July 2, 1921: *Provided,* That the wound or injury received or disease contracted or aggravation of a preexisting injury or disease, for which such hospital, dental, medical, surgical, and convalescent care and treatment and prosthetic appliances shall be furnished, was incurred in the military or naval service and not caused by his own willful misconduct: *Provided,* That where a beneficiary of the bureau suffers or has suffered an injury or contracted a disease in service entitling him to the benefits of this subdivision, and an emergency develops or has developed requiring immediate treatment or hospitalization on account of such injury or disease, and no bureau facilities are or were then feasibly available and in the judgment of the director delay would be or would have been hazardous, the director is authorized to reimburse such beneficiary the reasonable value of such service received from sources other than the bureau.

"(10) That all hospital facilities under the control and jurisdiction of the bureau shall be available for every honorably discharged veteran of the Spanish-American War, the Philippine insurrection, the Boxer rebellion, or the World War suffering from neuropsychiatric or tubercular ailments and diseases, paralysis agitans, encephalitis lethargica, or amoebic dysentery, or the loss of sight of both eyes regardless whether such ailments or diseases are due to military service or otherwise, including traveling expenses as granted to those receiving compensation and hospitalization under this act. The director is further authorized, so far as he shall find that existing Gov-

ernment facilities permit, to furnish hospitalization and necessary traveling expenses to veterans of any war, military occupation, or military expedition since 1897, not dishonorably discharged, without regard to the nature or origin of their disabilities: *Provided*, That preference to admission to any Govment hospital for hospitalization under the provisions of this subdivision shall be given to those veterans who are financially unable to pay for hospitalization and their necessary traveling expenses.

"(11) The director shall have the same power, and shall be subject to the same limitations, in the sale of surplus or condemned supplies, material, and other personal property as now pertain to the Secretary of War. The director is authorized to make regulations governing the disposal of articles produced by patients of such bureau in the course of their curative treatment, or to allow the patients to sell or to retain such articles.

"(12) Where the disabled person is a patient in a hospital or where for any other reason the disabled person and his wife are not living together, or where the children are not in the custody of the disabled person, the amount of the compensation shall be apportioned as may be prescribed by regulations.

"(13) The term 'wife' as used in this section shall include 'husband' if the husband is dependent upon the wife for support.

"(14) That the bureau is authorized to furnish transportation, also the medical, surgical, and hospital services and the supplies and appliances provided by subdivision (6) hereof, to discharged members of the military or naval forces of those governments which have been associated in war with the United States since April 6, 1917, and come within the provisions of laws of such governments similar to this act, at such rates and under such regulations as the director may prescribe; and the bureau is hereby authorized to utilize the similar services, supplies, and appliances provided for the discharged members of the military and naval forces of those governments which have been associated in war with the United States since April 6, 1917, by the laws of such governments similar to this act, in furnishing the discharged members of the military and naval forces of the United States who live within the territorial limits of such governments and come within the provisions of subdivision (6) hereof, with the services, supplies, and appliances provided for in such subdivision; and any appropriations that have been or may hereafter be made for the purpose of furnishing the services, supplies, and appliances provided for by subdivision (6) hereof are hereby made available for the payment to such governments or their agencies for the services, supplies, and appliances so furnished at such rates and under such regulations as the director may prescribe.

"(15) That any person who is now receiving a gratuity or pension from the United States under existing law shall not receive compensation under this section unless he shall first surrender all claim to further payments of such gratuity or pension, except as provided in subdivision 7 of section 201.

"(16) No compensation hereunder shall be paid for the period during which any such person is being furnished by the bureau a course of vocational rehabilitation and support as authorized in Title IV hereof: *Provided, however*, That in the event any person pursuing a course of vocational rehabilitation is entitled under Title II of this act to compensation in an amount in excess of the payments made to him under Title IV hereof for his support and the support of his dependents, if any, the bureau shall pay monthly to such person such additional amount as may be necessary to equal the total compensation due under Title II hereof.

"(17) That no changes in rates of compensation made by this act shall be retroactive in effect.

"SEC. 203. That every person applying for or in receipt of compensation for disability under the provisions of this title and every person applying for treatment under the provisions of subdivisions (9) or (10) of section 202 hereof, shall, as frequently and at such times and places as may be reasonably required, submit himself to examination by a medical officer of the United States or by a duly qualified physician designated or approved by the director. He may have a duly qualified physician designated and paid by him present to participate in such examination. For all examinations he shall, in the discretion of the director, be paid his reasonable traveling and other expenses and also loss of wages incurred in order to submit to such examination. If he shall neglect or refuse to submit to such examination, or shall in any way obstruct the same, his right to claim compensation under this title shall be suspended until such neglect, refusal, or obstruction ceases. No compensation shall be payable while such neglect, refusal, or obstruction continues, and no compensation shall be payable for the intervening period.

"SEC. 204. Every person in receipt of compensation for disability shall submit to any reasonable medical or surgical treatment furnished by the bureau whenever requested by the bureau; and the consequences of unreasonable refusal to submit to any such treatment shall not be deemed to result from the injury compensated for.

"SEC. 205. Upon its own motion or upon application the bureau may at any time review an award and, in accordance with the facts found upon such review, may end, diminish, or increase the compensation previously awarded, or, if compensation is increased, or if compensation has been refused, reduced, or discontinued, may (subject to the provisions of section 210 hereof) award compensation in proportion to the degree of disability sustained as of the date such degree of disability began, but not earlier than the date of discharge or resignation. Except in cases of fraud participated in by the beneficiary, no reduction in compensation shall be made retroactive, and no reduction or discontinuance of compensation shall be effective until the 1st day of the third calendar month next succeeding that in which such reduction or discontinuance is determined.

"SEC. 206. That no compensation shall be payable for death or disability which does not occur prior to or within one year after discharge or resignation from the service, except as provided in section 200 of this act, and except where there is an official record of the injury during service or at the time of separation from active service, or where within one year from the approval of this act, satisfactory evidence is furnished the bureau to establish that the injury was suffered or aggravated during active service. Where there is official record of injury during service compensation shall be payable in accordance with the provisions of this title, for death or disability whenever occurring, proximately resulting from such injury.

"SEC. 207. That compensation shall not be payable for death in the course of the service until the death be officially recorded in the department under which the person may be serving. No compensation shall be payable for a period during which the man has been reported 'missing' and a family allowance has been paid for him under the provisions of Article II of the act of October 6, 1917.

"SEC. 208. That no compensation shall be payable for death inflicted as a lawful punishment for crime or military offense except when inflicted by the enemy. A dismissal or discharge by sentence of court-martial from the service shall bar and terminate all right to any compensation under the provisions of this title for the period of service from which such discharge is given.

"SEC. 209. That no compensation shall be payable and that (except as provided by subdivision (10) of section 202 hereof) no treatment shall be furnished unless a claim therefor be filed in case of disability within five years after discharge or resignation from the service, or, in case of death during the service, within five years after such death is officially recorded in the department under which he may be serving: *Provided, however*, That where compensation is payable for death or disability occurring after discharge or resignation from the service, claim must be made within five years after such death or the beginning of such disability.

"The time herein provided may be extended by the director not to exceed two years for good cause shown. If at the time that any right accrues to any person under the provisions of this title such person is a minor, or is of unsound mind or physically unable to make a claim, the time herein provided shall not begin to run until such disability ceases.

"SEC. 210. That no compensation shall be payable for any period more than one year prior to the date of claim therefor, nor shall increased compensation be awarded to revert back more than six months prior to the date of claim therefor. Except in case of fraud participated in by the beneficiary, no reduction in compensation shall be made retroactive.

"SEC. 211. Compensation because of disability or death of members of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) shall be in lieu of any compensation for such disability or death under the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes,' approved September 7, 1916.

"SEC. 212. This act is intended to provide a system for the relief of persons who were disabled, and for the dependents of those who died as a result of disability suffered in the military service of the United States between April 6, 1917, and July 2, 1921. For such disabilities and deaths no other pension laws or laws providing for gratuities or payments in

the event of death in the service shall be applicable: *Provided, however*, That the laws relating to the retirement of persons in the regular military or naval service shall not be considered to be laws providing for pensions, gratuities, or payments within the meaning of this section: *And provided further*, That compensation under this title shall not be paid while the person is in receipt of active service or retirement pay. Titles II and IV of this act shall not be applicable to any disability or resultant death in the service if such disability occurred as a result of service prior to April 6, 1917, or after July 2, 1921.

"SEC. 213. That where any beneficiary of this bureau suffers or has suffered an injury or an aggravation of an existing injury as the result of training, hospitalization, or medical or surgical treatment awarded to him by the director and not the result of his misconduct, and such injury or aggravation of an existing injury results in additional disability to or the death of such beneficiary, the benefits of this title shall be awarded in the same manner as though such disability, aggravation, or death was the result of military service during the World War. The benefits of this section shall be in lieu of the benefits under the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes,' approved September 7, 1916; and from any payments due hereunder shall be deducted all amounts paid by any person other than United States as damages or compensation for such injury, aggravation, or death: *Provided*, That application be made for such benefits within one year after such injury or aggravation was suffered or such death occurred or after the passage of this act or whichever is the latest date.

"TITLE III.—INSURANCE

"SEC. 300. That in order to give to every commissioned officer and enlisted man and to every member of the Army Nurse Corps (female) and of the Navy Nurse Corps (female) when employed in active service under the War Department or Navy Department protection for themselves and their dependents, the United States, upon application to the bureau and without medical examination, shall grant insurance in such form or forms as is prescribed in section 301 hereof, against the death or total permanent disability of any such person in any multiple of $500, and not less than $1,000 or more than $10,000, upon the payment of the premiums as hereinafter provided. Such insurance must be applied for within 120 days after enlistment or after entrance into or employment in the active service and before discharge or resignation.

"The insurance shall be payable only to a spouse, child, grandchild, parent, brother, sister, uncle, aunt, nephew, niece, brother-in-law or sister-in-law, or to any or all of them, and also during total and permanent disability to the injured person.

"The United States shall bear the expenses of administration and the excess mortality and disability cost resulting from the hazards of war. The premium rates shall be the net rates based upon the American Experience Table of Mortality and interest at 3½ per cent per annum.

"SEC. 301. Not later than July 2, 1928, all term insurance held by persons who were in the military service after April 6, 1917, shall be converted, without medical examination, into such form or forms of insurance as may be prescribed by regulations and as the insured may request. Regulations shall provide for the right to convert into ordinary life, 20-payment life, endowment maturing at age of 62, and into other usual forms of insurance, and shall prescribe the time and method of payment of the premiums thereon, but payments of premiums in advance shall not be required for periods of more than one month each and may be deducted from the pay or deposit of the insured or be otherwise made at his election.

"All term insurance shall cease on July 2, 1926, except when death or total permanent disability shall have occurred before July 2, 1926.

"In case where an insured whose yearly renewable term insurance has matured by reason of total permanent disability is found and declared to be no longer permanently and totally disabled, and where the insured is required under regulations to renew payment of premiums on said term insurance, and where this contingency is extended beyond the period during which said yearly renewable term insurance otherwise must be converted, there shall be given such insured an additional period of two years from the date on which he is required to renew payment of premiums in which to convert said term insurance as hereinbefore provided.

"The bureau may make provision in the contract for converted insurance for optional settlements, to be selected by the insured, whereby such insurance may be made payable either in one sum or in installments for 36 months or more. The bureau may also include in said contract a provision authorizing the beneficiary to elect to receive payment of the insurance in installments for 36 months or more, but only if the insured has not exercised the right of election as hereinbefore provided; and even though the insured may have exercised his right of election, the said contract may authorize the beneficiary to elect to receive such insurance in installments spread over a greater period of time than that selected by the insured.

"SEC. 302. Whenever benefits under United States Government life insurance (converted insurance) become, or have become, payable because of total permanent disability of the insured or because of the death of the insured as a result of disease or injury traceable to the extra hazard of the military or naval service, as such hazard may be determined by the director, the liability shall be borne by the United States, and the director is hereby authorized and directed to transfer from the military and naval insurance appropriation to the United States Government life-insurance fund a sum which, together with the reserve of the policy at the time of maturity by total permanent disability or death, will equal the then value of such benefits. When a person receiving total permanent disability benefits under a United States Government life policy (converted policy), recovers from such disability, and is then entitled to continue a reduced amount of insurance, the director is hereby authorized and directed to transfer to the military and naval insurance appropriation all of the loss reserve to the credit of such policy claim except a sum sufficient to set up the then required reserve on the reduced amount of the insurance that may be continued, which sum shall be retained in the United States Government life-insurance fund for the purpose of such reserve.

"SEC. 303. If no person within the permitted class of beneficiaries survive the insured, or if before the completion of payments the beneficiary or beneficiaries shall die and there be no surviving person within said permitted class, then there shall be paid to the estate of the insured the present value of the monthly installments thereafter payable under the provisions of this title: *Provided*, That in cases where the estate of the insured would escheat under the laws of the place of his residence the insurance shall not be paid to the estate of the insured, but shall escheat to the United States and shall be credited to the United States Government life-insurance fund or the military and naval insurance appropriation, as may be proper. This section shall be deemed to be in effect as of October 6, 1917.

"SEC. 304. In the event that all provisions of the rules and regulations other than the requirements as to the physical condition of the applicant for insurance have been complied with, an application for reinstatement, in whole or in part, of lapsed or canceled yearly renewable term insurance or United States Government life insurance (converted insurance) hereafter made may be approved if made within one year after the passage of this act or within two years after the date of lapse or cancellation: *Provided*, That the applicant's disability (if any) is the result of an injury or disease, or of an aggravation thereof, suffered or contracted in the active military or naval service during the World War: *Provided further*, That the applicant during his lifetime submits proof satisfactory to the director showing the service origin of the disability or aggravation thereof and that the applicant is not totally and permanently disabled. As a condition, however, to the acceptance of an application for the reinstatement of lapsed or canceled yearly renewable term insurance, where the requirements as to the physical condition of the applicant have not been complied with, or, for the reinstatement of United States Government life insurance (converted insurance) in any case, the applicant shall be required to pay all the back monthly premiums which would have become payable if such insurance had not lapsed, together with interest at the rate of 5 per cent per annum, compounded annually, on each premium from the date said premium is due by the terms of the policy: *Provided further*, That no term insurance shall be reinstated after July 2, 1926.

"SEC. 305. Where any person has heretofore allowed his insurance to lapse while suffering from a compensable disability for which compensation was not collected and dies or has died, or becomes or has become permanently and totally disabled and at the time of such death or permanent total disability was or is entitled to compensation remaining uncollected, then and in that event so much of his insurance as said uncollected compensation, computed in all cases at the rate provided by section 302 of the war risk insurance act as amended December 24, 1919, would purchase if applied as premiums when due, shall not be considered as lapsed; and the United States Veterans'

Bureau is hereby authorized and directed to pay to said soldier, or his beneficiaries, as the case may be, the amount of said insurance less the unpaid premiums and interest thereon at 5 per cent per annum compounded annually in installments as provided by law.

"SEC. 306. The bureau is authorized to make provision in accordance with regulations whereby the payment of premiums on yearly renewable term insurance and United States Government life insurance (converted insurance) on the due date thereof may be waived and the insurance may be deemed not to lapse in the cases of the following persons, to wit: (a) Those who are confined in a hospital under said bureau for a compensable disability during the period while they are so confined; (b) those who are rated as temporarily totally disabled by reason of any injury or disease entitling them to compensation during the period of such total disability and while they are so rated; (c) those who, while mentally incompetent and for whom no legal guardian had been or has been appointed, allowed or may allow their insurance to lapse while such rating is effective during the period for which they have been or hereafter may be so rated, or until a guardian has notified the bureau of his qualification, but not later than six months after appointment as guardian, the waiver in such cases to be made without application and retroactive when necessary: *Provided*, That such relief from payment of premiums on yearly renewable term insurance on the due date thereof shall be for full calendar months, beginning with the month in which said confinement to hospital, temporary total disability rating, or in cases of mental incompetents for whom no guardian has been appointed with the month in which such rating or mental incompetency began or begins and ending with that month during the half or major fraction of which the person is confined in hospital is rated as temporarily totally disabled or had or has no legal guardian while rated as mentally incompetent or until a guardian has notified the bureau of his qualification, but not later than six months after appointment as guardian: *Provided further*, That all premiums the payment of which when due is waived as above provided shall bear interest at the rate of 5 per cent per annum, compounded annually from the due date of each premium, and if not paid by the insured shall be deducted from the insurance in any settlement thereunder or when the same matures either because of permanent total disability or death: *And provided further*, That in the event any lien or other indebtedness established by this act exists against any policy of converted insurance in excess of the then cash surrender value thereof at the time of the termination of such policy of converted insurance for any reason other than by death or total permanent disability the director is hereby authorized to transfer and pay from the military or naval insurance appropriation to the United States Government life insurance fund a sum equal to the amount such lien or indebtedness exceeds the then cash surrender value.

"SEC. 307. All such policies of insurance heretofore or hereafter issued shall be incontestable after the insurance has been in force six months from the date of issuance or reinstatement, except for fraud or nonpayment of premiums and subject to the provisions of section 23: *Provided*, That a letter mailed by the bureau to the insured at his last known address informing him of the validity of his insurance shall be deemed a contest within the meaning of this section: *Provided further*, That this section shall be deemed to be in effect as of April 6, 1917.

"TITLE IV

"SEC. 400. That every person who was enlisted, enrolled, drafted, inducted, or appointed in the military or naval forces of the United States, including members of training camps authorized by law, and who has resigned or has been discharged or furloughed therefrom, having a disability incurred, increased, or aggravated after April 6, 1917, and before July 2, 1921, in the military or naval service and not the result of his own willful misconduct, while a member of such forces, or later developing a disability traceable in the opinion of the director to service during said period with such forces, and not the result of his own willful misconduct, and who, in the opinion of the director, is in need of vocational rehabilitation to overcome the handicap of such disability, shall be furnished by the bureau, where vocational rehabilitation is feasible, such course of vocational rehabilitation as the bureau shall prescribe and provide: *Provided*, That nothing in this section shall operate to terminate any course of vocational training heretofore prescribed and actually commenced under the vocational rehabilitation act as originally enacted and subsequently amended where such course was actually commenced prior to the approval of this act.

"SEC. 401. The bureau shall have the power, and it shall be its duty until June 30, 1926, to furnish the persons included in section 400 hereof suitable courses of vocational rehabilitation, to be prescribed and provided by the bureau; and every person electing to follow such a course of vocational rehabilitation shall, while following the same, be paid by the bureau monthly or semimonthly as the director may prescribe such sum as in the judgment of the director is necessary for his maintenance and support and for the maintenance and support of persons depending upon him, if any: *Provided, however*, That in no event shall the sum so paid such person while pursuing such course be more than $80 per month for a single man without dependents, or for a man with dependents $100 per month plus the following family allowances:

"(a) If there is a wife, but no child, $15.

"(b) If there is a wife and one child, $25, with $5 per month additional for each additional child.

"(c) If there is no wife, but one child, $10.

"(d) If there is no wife, but two children, $15, with $5 per month additional for each additional child.

"That the bureau may pay, subject to the conditions and limitations prescribed by this title, to all trainees undergoing training hereunder, residing where the cost of maintenance and support is above the average and comparatively high, in lieu of the monthly payments for maintenance and support prescribed by this title, such sum as in the judgment of the director is necessary for the trainee's maintenance and support and for the maintenance and support of persons dependent upon him, if any: *Provided, however*, That in no event shall the sum so paid such person while pursuing such course be more than $100 per month for a single man without dependents or for a man with dependents $120 per month, plus the several sums prescribed as family allowances under this section: *Provided further*, That payments for the support and maintenance of persons dependent upon any trainee of the bureau as provided herein may, in the discretion of the director, be paid either direct to such dependent or dependents or to the trainee upon whom they are dependent.

"SEC. 402. That until June 30, 1926, the courses of vocational training provided for under this act shall, as far as practicable, and under such conditions as the director may prescribe, be made available without cost for instruction for the benefit of any person who is disabled under circumstances entitling him, after discharge from the military or naval forces of the United States, to compensation under Title II hereof and who is not included in section 400 hereof.

"SEC. 403. That no person who has been declared eligible for training under the provisions of this title, for whom training has been prescribed, and who has been notified by the bureau to begin training, shall be eligible to the benefits of this title in the event of his failure to commence training within a reasonable time after notice has been sent such person by the bureau: *Provided further*, That, except when such failure is due, in the opinion of the director, to physical incapacity, such time shall not be longer than 12 months after notice shall have been given for persons declared eligible and notified to begin training: *And provided further*, That no training shall be furnished to any person under any of the provisions of this title unless such person shall actually commence such training on or before June 30, 1925.

"SEC. 404. The test of rehabilitation shall be employability, to be determined by the director. The allowance for maintenance and support provided by this title shall be payable for two months after the employability of the rehabilitated person is determined, and thereupon all duty and obligation of the United States toward such person with respect to his vocational rehabilitation shall cease and determine.

"SEC. 405. That vocational training provided by this act shall be granted to persons entitled under the provisions of said title only where application therefor has been made on or prior to June 30, 1923.

"SEC. 406. That no vocational training shall be granted or continued to any person whatsoever after June 30, 1926, and no training allowance shall thereafter be paid to any person.

"TITLE V.—PENALTIES

"SEC. 500. That payment to any attorney or agent for such assistance as may be required in the preparation and execution of the necessary papers in any application to the bureau shall not exceed $10 in any one case.

"Any person who shall, directly or indirectly, solicit, contract for, charge, or receive, or who shall attempt to solicit, contract for, charge, or receive, any fee or compensation, except as herein provided, shall be guilty of a misdemeanor, and for each and every offense shall be punishable by a fine of not more than $500 or by imprisonment at hard labor for not more than two years, or by both such fine and imprisonment: *Provided*, That the provisions of this section shall not apply

to professional services required in the prosecution of any action in any court of law.

"SEC. 501. That whoever in any claim for compensation, insurance, or maintenance and support allowance, or in any document required by this act, or by regulation made under this act, makes any sworn statement of a material fact knowing it to be false shall be guilty of perjury and shall be punished by a fine of not more than $5,000 or by imprisonment for not more than two years, or both.

"SEC. 502. That if any person entitled to payment of compensation, or maintenance and support allowance under this act, whose right to such payment under this act ceases upon the happening of any contingency, thereafter fraudulently accepts any such payment, he shall be punished by a fine of not more than $2,000 or by imprisonment for not more than one year, or both.

"SEC. 503. That whoever shall obtain or receive any money, check, compensation, or insurance under Titles II, III, or IV of this act without being entitled thereto, with intent to defraud the United States or any person in the military or naval forces of the United States, shall be punished by a fine of not more than $2,000 or by imprisonment for not more than one year, or both.

"SEC. 504. Any person who shall knowingly make or cause to be made, or conspire, combine, aid, or assist in, agree to, arrange for, or in any wise procure the making or presentation of a false or fraudulent affidavit, declaration, certificate, statement, voucher, or paper or writing purporting to be such, concerning any claim or the approval of any claim for compensation or the payment of any money, for himself or for any other person, under Title II hereof, shall forfeit all rights, claims, and benefits under such Title II, and in addition to any and all other penalties imposed by law shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than $1,000 or imprisonment for not more than one year, or by both such fine and imprisonment, for each such offense.

"TITLE VI.—MISCELLANEOUS PROVISIONS

"SEC. 600. The following acts are hereby repealed, subject to the limitations provided in section 602 of this title:

"(1) An act entitled 'An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department,' approved September 2, 1914.

"(2) An act entitled 'An act to amend an act entitled "An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September 2, 1914,' approved March 3, 1917.

"(3) An act entitled 'An act to amend an act entitled "An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September 2, 1914,' approved March 3, 1917.

"(4) An act entitled 'An act to amend an act entitled "An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes,' approved June 12, 1917.

"(5) An act entitled 'An act to amend an act entitled "An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes,' approved October 6, 1917; saving and excepting from repeal sections 313 and 314 of Article III of said act.

"(6) An act entitled 'An act to amend the war risk insurance act,' approved July 11, 1918.

"SEC. 601. That the following acts are hereby repealed. The sections of this codification herein applicable thereto shall be in force in lieu thereof, subject to the limitations contained in this title.

"(1) The war risk insurance act as amended.

"(2) The vocational rehabilitation act as amended.

"(3) The act entitled 'An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau, and, further, to amend and modify the war risk insurance act.'

"SEC. 602. The repeal of the several acts as provided in sections 600 and 601 hereof shall not affect any act done or any right or liability accrued, or any suit commenced before the said repeal, but all such rights and liabilities under said acts shall continue and may be enforced in the same manner as if said repeal had not been made; nor shall said repeal in any manner affect the right to any office or change the term or tenure thereof.

"SEC. 603. All offenses committed and all penalties or forfeiture incurred under any law embraced in this codification prior to said repeal may be prosecuted and punished in the same manner and with the same effect as if said repeal had not been made.

"SEC. 604. All acts of limitation, whether applicable to civil causes and proceedings or to the prosecution of offenses embraced in this codification and covered by said repeal, shall not be affected thereby, but all suits, proceedings, or prosecutions, whether civil or criminal, for causes arising or acts done or committed prior to said repeal, may be commenced and prosecuted within the same time as if said repeal had not been made.

"SEC. 605. That if any clause, section, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment has been rendered."

And the House agree to same.

ROYAL C. JOHNSON,
HOMER P. SNYDER,
A. L. BULWINKLE,
*Managers on the part of the House.*

DAVID A. REED,
REED SMOOT,
DAVID I. WALSH,
*Managers on the part of the Senate.*

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes on the House amendment to S. 2237, to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended, submit the following written statement explaining matters agreed upon by the conference committee and recommended in the text of the conference report:

The Senate bill provides a veterans' code, and for the codification of all the laws affecting the United States Veterans' Bureau, the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended. The managers on the part of the House accepted this codification with the insertion of many of the provisions of the House amendment.

The managers on the part of the Senate accepted the provision of the House bill providing for the filing with the House and Senate of a yearly report of the activities of the Veterans' Bureau.

The House provisions refusing Veterans' Bureau aid to conscientious objectors and certain classes of aliens were accepted.

The provisions of the House amendment referring to ex-service men suffering from tuberculosis, paresis, blindness, or constitutional lues were accepted with an amendment.

They accepted the presumptive clauses in the House amendment so far as tuberculosis is concerned, but the presumption is made rebuttable in the cases of other diseases enumerated in the House amendment. The presumptive clause carried in the House amendment was six years, in the Senate bill five years; the conference report extends the presumption to January 1, 1925.

The dependency allowance as agreed to by the conferees is $30 per month to widows, $10 per month for the first child, and $6 per month for each additional child. This is an increase of $5 per month for widows and at least $1 per month for each additional child.

The managers on the part of the Senate accepted the House provisions with reference to burial of ex-service men.

The managers on the part of the House accepted the Senate provision providing for the rating of tubercular patients, with the provision that such rating should not be decreased within a period of six months, and such patients should be rated as temporarily totally disabled instead of permanently disabled.

In the cases of men discharged from hospitals in certain tubercular cases where the disease is not arrested the compensation is given for three years on a temporary total instead of a permanent total basis.

An emergency treatment of veterans is authorized when Government facilities are not available.

The Senate accepted the vocational training provision of the House amendment.

The managers on the part of the House receded from the provision of the Senate bill making embezzlement by a guardian a Federal offense, and accepted the Senate amendment authorizing the director to withhold moneys from a guardian who did not make certain required reports to the director of the Veterans' Bureau.

ROYAL C. JOHNSON,
HOMER P. SNYDER,
A. L. BULWINKLE,
*Managers on the part of the House.*

Mr. JOHNSON of South Dakota. Mr. Speaker, the Senate and the House proceeded on entirely different theories in preparing this bill, affecting the Veterans' Bureau and the men who come under the jurisdiction of that bureau. The Senate proceeded on the theory of codifying the law. The House proceeded on the theory of amending the existing law and inserting such provisions as it thought were necessary to take care of men. Therefore when this bill went to conference we had to decide first on the general policy. After considerable debate both policies were accepted, and the first part of this bill is a complete recodification of all the laws affecting the Veterans' Bureau, so that the men who receive compensation or hospitalization and the Members of Congress or anyone else who is interested can pick up this codification and there find all the laws on the subject. We have eliminated many provisions that have been inserted in the law since 1919. Then after this codifying was done practically every liberalizing provision of the House bill was accepted, although some of them were amended. Anyone who desires to refer to Report No. 763 on House bill 8860, and will turn to page 11, will find that many of the provisions of the House bill have been accepted.

Mr. LONGWORTH. This is a complete agreement, is it not?

Mr. JOHNSON of South Dakota. Yes; this is a complete agreement. And I should say at this time that in the way this bill was brought up, wherein we were compelled to strike out all of the provisions of the Senate bill except the enacting clause and insert the House bill, this report will be accepted as it stands or voted down. In other words, it is not subject to amendment.

The first change which we had in the House bill, giving the director authority to delegate some of his work, is accepted. We have made a very drastic change in section 2 of our bill, wherein we have accepted the Senate provision eliminating the Public Health Service from the Veterans' Bureau, and providing that all of its doctors now assigned shall be taken in by the Veterans' Bureau, and we have given the President authority to assign those doctors until such time as the Veterans' Committee of the House and the Senate committee can work out some other plan. In other words, those doctors will be taken over by the Veterans' Bureau.

We have made the files of the Veterans' Bureau confidential. Some Members of the House might think they would not have authority to go into those files; but if there is any patient of the Veterans' Bureau who desires any Member of the House or the Senate or anyone else to go into his case for him, all he has to do is to write a letter conferring that authority.

Mr. NEWTON of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. NEWTON of Minnesota. There are times when it is necessary to look those files over, where you are not in a position to get the written authority of the claimant. A Member of the Congress can not be going down to the office on all of these files, and if he goes down there on a matter it may come up and then he must look up the files. I would like to know if the right would be refused under those circumstances?

Mr. JOHNSON of South Dakota. I think it would be refused, and I think it ought to be refused, unless he can show that he represents the claimant. In other words, you have there the military records of thousands of men. Each military record contains a chapter of some man's life history.

It contains the medical testimony that touches his life during the war and those records should not be open to inspection by everyone. However, I would say to the gentleman that I am absolutely satisfied that no Member of Congress will have any difficulty in securing anything he ought to secure there or any record or paper which any claimant would wish him to secure. I can give the gentleman no greater assurance than that.

Mr. NEWTON of Minnesota. The gentleman does not think that if a Member happens to be at the bureau on a case and it becomes material to look into the evidence on a certain phase of the case that unless he has a power of attorney, or something closely akin to it, that they are going to turn him down and not permit him to check up on that evidence?

Mr. JOHNSON of South Dakota. Would the gentleman like to have me tell him exactly what I think about that?

Mr. NEWTON of Minnesota. I would, because I think that is important in the consideration of this provision.

Mr. JOHNSON of South Dakota. If the gentleman from Minnesota, or any man like him in the House, went down to the Veterans' Bureau and said he was representing a certain soldier, naming him, and was trying to see that his case was considered, I feel sure that the Director of the Veterans' Bureau we have to-day, or any director we shall ever have, would not raise any question, because any Director of the Veterans' Bureau would know that the gentleman from Minnesota was authorized to make the statement. This provision was inserted only to prevent unauthorized persons from the inspection of records.

Mr. NEWTON of Minnesota. That might be all right if we had not had the experience we have had on other matters, where they have been extremely technical. I want to say to the gentleman, and I am sure the gentleman will agree with me, that if it had not been for the fact that a great number of Members of Congress have gone to the bureau, gone over the evidence and pointed out mistakes they have made, there would have been literally thousands of men who would not have had compensation or rehabilitation.

Mr. JOHNSON of South Dakota. I think, Mr. Speaker, the gentleman from Minnesota has stated an absolute fact, considering conditions with which we have both been familiar in our service in Congress since the close of the late war, but I am just as satisfied as that I am standing here that no Member of Congress will be refused this information, and I will say that if it were refused to a Member of Congress who was acting in a legitimate capacity, that the House and the Senate would control this law, and it would not take the committee of which I am chairman more than 35 minutes to report a bill correcting any such situation.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. CHINDBLOM. Will not the gentleman concur in the opinion that a letter from an ex-service man, or from a member of his family, addressed to a Member of Congress, ought to be considered as authority, even under the provision now proposed?

Mr. JOHNSON of South Dakota. Unless that letter was written by a member of his family for the purpose of interfering in some civil suit; then I would say no.

Mr. CHINDBLOM. Certainly. The gentleman's modification is absolutely correct.

Mr. SNELL. Will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. SNELL. Will the gentleman please explain the change in the rating of tubercular patients, and what the provision is for pay, and so forth, after three years? That seems to be important.

Mr. JOHNSON of South Dakota. I will say to the gentleman that I will come to that in a moment, because that is the only controversial matter.

We have decentralized these offices so that there will be no difference between those offices and regional offices, and that will eliminate much of the red tape.

We have authorized the director of the bureau to secure legal opinions from the Attorney General.

We have taken care—I think, by a very proper amendment—of cases of blindness, of paralysis, of paresis, and men afflicted with constitutional lues, the latter only during the time they are in a hospital, which restricts to some extent the House bill, but the members of the conference committee on the part of the House thought perhaps that was a wise restriction.

We have opened the door for the hospitalization of all service men of all wars, but adopted the House provision giving preference to those men who are financially unable to pay for their own hospitalization.

Mr. HASTINGS. Will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. HASTINGS. But if there are sufficient accommodations all will be accepted?

Mr. JOHNSON of South Dakota. Yes. We are not going to build new hospitals in order to take care of men not disabled in time of war.

Mr. HASTINGS. But if there are sufficient accommodations all will be accepted?

Mr. JOHNSON of South Dakota. Yes. All men will be accepted up to the limit of the accommodations we have.

Mr. HASTINGS. While I am on my feet, as I understand, this presumptive period——

Mr. JOHNSON of South Dakota. As I said to the gentleman from New York [Mr. SNELL], I am coming to that in a moment. We have put in many provisions that are in both the House and Senate bills, of which there was no disagreement, and I shall not discuss them.

There has never been any opposition to those provisions. For instance, overpayments were made to some of the dependents and to some of the men, through no fault of their own. They do not have a dollar in the world; we have collected all we can collect, and we have simply stricken those out and started in anew.

We have given the director the power to make investigations throughout the United States. In the Senate bill there was a provision to authorize the director to empower people to drag people in and administer oaths. The House conferees thought that was a sort of informal grand jury. We have enough grand juries in the United States without permitting the director, whoever he happens to be, to appoint some one to go out, bring men in, administer oaths. The Senate receded, and we have eliminated that.

We have taken care of the National Guard, who were discriminated against as compared with the men who came in under the draft act.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. NEWTON of Minnesota. Did they change the House provision in any way in that respect?

Mr. JOHNSON of South Dakota. I do not think so. It is exactly the same provision.

Mr. NEWTON of Minnesota. It will not take care of a situation out in Minnesota which I think in justice should be taken care of.

Mr. JOHNSON of South Dakota. It will not take care of every situation, I know, but we would have been compelled to have gone outside of both bills if we had put in a provision to cover that.

We come now to the matter of the presumptive period. Instead of accepting the Senate provision of a conclusive presumption period of five years or the House provision of six years, we made it practically five years and seven months, so that every man will have until January 1, 1925, to come in under this law.

And I want to say right at this time that we have taken in men where there is no legal testimony in the world will show they contracted some of these diseases in the service, and the rule ought to be laid down right now that this conclusive presumptive period is over with reference to any action of Congress, because a man who does not show he has contracted this disease in time of service by five years and seven months after the war is over can not prove after that time that the diseases have been received in the service.

Mr. SNELL. That means that in the case of any man, up to the 1st day of next January, who has any one of these diseases, there is a presumption that the disease has arisen out of service in the war.

Mr. JOHNSON of South Dakota. Any of the enumerated diseases.

Mr. SNELL. Yes.

Mr. MAPES. It is conclusive, is it not?

Mr. JOHNSON of South Dakota. I will come to that point. It is conclusive with reference to tuberculosis. It is not conclusive with reference to the neuropsychiatric cases and the other cases, and why should it be? A man to-morrow, if we should make this conclusive, might be kicked by a horse and become a neuropsychiatric, and yet, until January 1, 1925, he could show that it came from war service.

Mr. SNELL. That is the point I wanted to bring out.

Mr. JOHNSON of South Dakota. And we have inserted in this bill a provision that upon clear and convincing evidence the Government may rebut that presumption, and that ought to be in the bill. Suppose a man is run over by an automobile to-morrow and becomes a mental case, he should not be able to come in and say he secured his disability in the Argonne. Nobody can successfully argue that side of the case.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. LAGUARDIA. But the law makes it clear, does it not, that the acceptance of enlistment in the Army is presumption that the man was in good physical condition at that time?

Mr. JOHNSON of South Dakota. Oh, certainly. That naturally goes with this presumption.

Mr. CHINDBLOM. And an aggravation of a latent condition does not bar him from these benefits.

Mr. JOHNSON of South Dakota. No; aggravation is considered as much as the original diseases in this conference report.

Mr. LAGUARDIA. If the gentleman will yield, suppose after January 1, 1925, there is a case of a man who was wounded and the results from that wound cause him to be incapacitated, would he not then be entitled to compensation?

Mr. JOHNSON of South Dakota. Absolutely.

Mr. LAGUARDIA. Only the burden of proof would be upon him.

Mr. JOHNSON of South Dakota. Yes; absolutely.

We come now to features of this report that are rather controversial in the minds of men in reference to these tubercular cases.

The House provision provided that a man who, under certain conditions with active tuberculosis, wanted to get out of the hospital could receive for three years permanent total rating. Under that construction it might very well be possible he could collect his insurance. Every man who has active tuberculosis we want in a hospital. Some of these men who are in the hospitals say they want to get out. As a matter of fact, this committee, consisting of many men of combat units, are insistent upon the belief that these men should be in the hospitals until they are cured.

If under certain conditions they can not be cured and they are allowed to leave the hospital, we have given them a temporary total rating for three years, and that treats the tubercular man just the same as every other man in the United States. They have been trying to get a preference. I am just as sorry for them as I am for any other class of men, but why should we prefer the man with tuberculosis over the man who contracted Bright's disease or diabetes in the Army, and there are many of them? There is another class of men who secured the enactment in the Senate of the so-called Shields amendment, which gave the man who is released from a hospital as cured a permanent rating for three years, and then a permanent rating for life of not less than $50 a month. If you are going to do this for the tubercular patient, you must do it for every other man.

This must have been adopted on two theories—one is that Congress is never going to be in session again and therefore could not enact any legislation affecting disabled men, and the other that a man with tuberculosis can never possibly be cured, although he is discharged from the hospital as cured. The conference committee did not accept either or both of those two theories. This Congress will be in session, this Veterans' Committee will run, and these men are going to be treated with every consideration that can be given them. This bill adds to the burden of the Government $35,000,000 on top of what we are doing now, and I say without hesitation that it will satisfy the disabled men who do not want to be preferred over some other class of service men. I think that answers the question.

Mr. SNYDER. Suppose you state what this does for those men.

Mr. JOHNSON of South Dakota. For those men who have their cases arrested and are cured of tuberculosis, we give them full compensation for six months to start again in life. If a man is discharged from the hospital because he can not be cured, we give him for three years total temporary disability. Now we have taken care of the blind men—raised them from $100 to $150. For the man who has lost an arm or a leg and also blind, we give him $200.

Mr. DYER. Will the gentleman yield?

Mr. JOHNSON of South Dakota. I will.

Mr. DYER. Is there anything in this legislation that changes the authority of the Chief of the Medical Division in charge?

Mr. JOHNSON of South Dakota. It is not changed except as law is codified and liberalized.

Mr. DYER. It is understood that it is the intention of Congress to liberalize it?

Mr. JOHNSON of South Dakota. Absolutely.

Mr. DYER. The man who had been there previously was autocratic and very unreasonable, but he has been transferred and given a very good berth, getting a bigger salary, I think—$6,500, with allowances.

Mr. JOHNSON of South Dakota. It was our intention to liberalize the law. I have no brief for the director, but the director has been so busy coming before our committee and before the Senate investigating committee and the Senate committee considering this bill that I do not see how he has had a chance to draw his breath. After Saturday he will have a chance to go into some other things besides appearing before committees. I hardly know the man, but I think he ought to be given a chance. There is no politics in it.

Mr. DYER. I was not making reference to the director but to the man who had been chief surgeon for years, but he is out now and in another office.

Mr. JOHNSON of South Dakota. I will say to the gentleman that in my opinion the director of the bureau could well consider making drastic changes in the personnel, but he has not had a chance yet to do it. May I add that these matters have been brought to his attention?

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. JOHNSON of South Dakota. I will.

Mr. NEWTON of Minnesota. In relation to the recodification, is there anything in the new bill pertaining to the central board of appeals?

Mr. JOHNSON of South Dakota. Nothing.

Mr. NEWTON of Minnesota. I want to make this observation: It has been my opinion from personal contact with them that they are more intent upon hunting out technicalities whereby they can sustain themselves and sustain the bureau than they are in doing justice to the claimants. I think one of the first things the director ought to do this summer is to make some sort of change in relation to the central board of appeals.

Mr. JOHNSON of South Dakota. I think the director will read the RECORD and consider what changes should be made.

Mr. VESTAL. Will the gentleman yield?

Mr. JOHNSON of South Dakota. I will.

Mr. VESTAL. Take the tubercular patient that is discharged from the hospital with the disease arrested. I understand the bill provides a temporary disability for six months. Suppose six months after his tubercular trouble breaks out and becomes active again?

Mr. JOHNSON of South Dakota. Under this bill there is a specific provision whereby he would be rerated and come back.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. JOHNSON of South Dakota. I yield.

Mr. LAGUARDIA. Is there any provision made in this bill for men who have been rehabilitated to secure employment?

Mr. JOHNSON of South Dakota. No; we give them two months' pay on going out and still pay compensation.

Mr. LAGUARDIA. Along the line of what the gentleman from Minnesota said, does not the gentleman believe that the veterans would receive more sympathetic treatment if they were to come in contact with their "buddies," men who had been in the service, rather than men who did not render any service?

Mr. JOHNSON of South Dakota. I think that is true.

Mr. LAGUARDIA. I have a case in mind, of a legal adviser, a man who never was admitted to the bar, only 30 years of age, not a veteran; and the gentleman can see that he would be antagonistic.

Mr. JOHNSON of South Dakota. I can see how that man ought to be removed and some one else put in his place.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. JOHNSON of South Dakota. I yield for one more question.

Mr. CHINDBLOM. In order to do complete justice I want to dissent from any wholesale criticism of the central board of appeals. I have been turned down, but I think they have been trying to do right.

Mr. JOHNSON of South Dakota. Mr. Speaker, I desire to yield whatever time remains to the gentleman from New York [Mr. SNYDER], a member of the conference committee.

The SPEAKER. The gentleman has 21 minutes remaining.

Mr. SNYDER. Mr. Speaker and gentlemen, it is not my desire or purpose to take more than two or three minutes of your time as I appreciate the necessity of hurrying everything along at this period. I just want to say that the reorganization and the codifying of these laws and modifying the activities of this bureau and taking care of the interests of the men has been a tremendous work and the committee, under the leadership of its distinguished chairman, who is, himself, an ex-service man, has been more assiduously at work during the period than any other committee on which I ever served. We worked with an eye single to one purpose, and that purpose was to treat with full justice every single man or woman who served in any capacity in the Great War, and I believe that upon careful consideration by the Members of this House of the final result of the work and the work of the conferees you will agree that it is a splendid piece of legislation and one that will give entire satisfaction not only to those who are benefited by it but also to the people of this country who are interested in the disabled. At the same time the Treasury of the United States has been carefully protected, and since both sides of the House have dealt with the conference report in detail, I will simply finish my statement by saying that I am proud to have had a part in the making of this legislation, and that I did all that I could do with the ability that I have to bring about this very satisfactory result.

Mr. TILSON. Will the gentleman yield?

Mr. SNYDER. Yes; I yield.

Mr. TILSON. We all agree that everything possible should be done that no worthy veteran should fail to receive not only justice but generosity from this Government in his treatment by the Veterans' Bureau. There is one thing that I would like to ask the gentleman and that is the matter of those few unworthy ones who to the disgrace of their worthy comrades faked the Government and in that particular brought discredit upon their comrades. I desire to ask whether this bill has looked out so far as it can to safeguard not only the interests of the Government, but to safeguard the good name of those men who have worthily served their country?

Mr. SNYDER. I am very pleased the gentleman brought that up because this bill distinctly points out those who are undeserving, particularly those who failed to put on the uniform when called, and disqualifies them from any benefits of this act in any way, shape, or form. That is the very thing in mind I think the gentleman has, to protect the good name and patriotism and loyalty of those who were loyal, and no man, under this act, who failed to do his duty can receive any benefits from its enactment.

Mr. KINDRED. Will the gentleman yield?

Mr. SNYDER. I will yield to the gentleman from New York.

Mr. KINDRED. I want to ask my colleague if the conferees have agreed to give the same privilege to those suffering from neuropsychiatric diseases as they have given to those suffering from tuberculosis? I consider it just as important to give the privilege of making application for compensation within six years from the date of honorable discharge of neuropsychiatric patients as well as tubercular patients.

Mr. SNYDER. I will say to the gentleman that there is a distinction made between tubercular and neuropsychiatric cases. The tubercular patient is conclusively assumed to have contracted his disability in the service or to have had it aggravated since then, and he is enabled to come in under this act up to January 31, 1925. In the case of a neuropsychiatric he must prove the connection of his disability with the service.

Mr. KINDRED. Does the bill contain what I consider a most important and just provision with regard to those who have what is known as luetic infection? Does the bill provide for that?

Mr. SNYDER. To some extent. They must prove their cases the same as the neuropsychiatric, but they are taken into the hospital and treated there and compensated while in the hospital.

Mr. KINDRED. One question more. Is the burden of proof with regard to the nonexistence of this infection on the applicant himself?

Mr. SNYDER. We have reserved the right to the Government in this bill to rebut the testimony.

Mr. KINDRED. I suppose there is nothing else but to take the bill as it is?

Mr. SNYDER. Yes; and it will be perfectly satisfactory to the men.

Mr. WEFALD. Mr. Speaker, will the gentleman yield?

Mr. SNYDER. Yes.

Mr. WEFALD. In that connection, in view of the question asked by the gentleman from Connecticut [Mr. TILSON] and the answer given, does this bill take care of all drafted men?

Mr. SNYDER. Yes; it takes care of all drafted men who qualified and saw service.

Mr. WEFALD. I thank the gentleman.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. SNYDER. Yes.

Mr. CHINDBLOM. The gentleman from Connecticut referred to cases where, unfortunately, men sought to defraud the Government by false claims under the act. Of course, there are laws under which anyone doing such a thing can be prosecuted?

Mr. SNYDER. Certainly.

I yield back the balance of my time, Mr. Speaker, and I thank the House.

Mr. JOHNSON of South Dakota. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. CRAMTON].

Mr. CRAMTON. I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the gentleman's request?

There was no objection.

Mr. CRAMTON. Mr. Speaker, in this connection I think it is proper to call attention of the Nation to what ex-service men are doing in behalf of disabled ex-service men and their dependents. The pending legislation, which is about to go to the President for his signature, means much to disabled men suffering from the results of their service for our country in the World War. It will make less rough the pathway of life for many a veteran. Many times will it enable the United States to assume, as it ought to assume, but in cases where it has not heretofore been legally possible, financial responsibility for hospitalization

and treatment of the wounded and diseased, as well as their maintenance and the maintenance of their dependents. This legislation has had cordial support from the American Legion and other organizations of former service men, and to their diligence in looking out for the interests of their stricken members its passage is in no small part due. It is to be noted, however, that one service organization, the Service Men's Anti-Bonus League, whose propaganda the past year has so reeked with sympathy for the disabled, is declared by the committee in charge of this legislation to have given no attention to this legislation and to have manifested no interest in, and exerted no influence for any legislation pending before Congress for relief of the disabled. But the Legion and other bona fide service organizations, while they have urged the bonus, have labored for more hospitals and better hospitals, and $8,000,000 of authorizations by this Congress have resulted, besides the authority to sell the old marine hospital and site in Detroit and build a new hospital on a more suitable site. They have labored for more equitable relief legislation, and this law results, which means so much. And with the presentation of concrete proposals and well-thought-out legislation for the better care of the disabled they have found Congress always ready to lend an attentive ear to their pleas and to do what ought to be done for the disabled.

The World War left upon our Nation burdens that must be borne, responsibilities that must be met. It was because I had seen the American service man in action, had seen him under fire of the enemy perform without a murmur his fullest responsibility, had seen him in completest generosity of courage lay down his very life for the common good—it was because I had seen such things that I supported the adjusted compensation measure from its first appearance in this House until it became a law. I would not even permit "party regularity" to overcome the regularity of my conscience, which tells me the Nation could do no less than grant that evidence of its appreciation of services beyond price, given without thought of payment. Some one has defined generosity as "a lively sense of favors to be received." That is not a suitable language for a democracy. This democracy will perpetuate itself so long as its people are willing, in war or in peace, to sacrifice freely for the common good. But the freer the spirit of sacrifice the readier the response in emergency, the more appreciative should be the democracy, and the more certain should be the acknowledgment of the service performed.

America's burdens from the World War are therefore to be borne and should be borne cheerfully. Our desire should be to seek out burdens justly to be met rather than to allow unmet obligations to hound our footsteps in the great highway of national life. America will accordingly approve heartily the whole program enacted by this Congress for veteran relief.

Especially notable is the spirit of the service men themselves. Not only are they conspicuous in securing governmental action for protection of the interests of their disabled fellows, but they are assuming many responsibilities themselves, assuming burdens the Government might very well carry, but which they feel can be better met by their own efforts. This is notably true in connection with the care for the orphans of the service men.

The first Children's Billet of the American Legion was formally dedicated at Otter Lake, Lapeer County, in the district I have the honor to represent, Sunday, June 15. The Legion expression of the genesis of this institution, the first of its kind in the United States, is, in the words of Mark McKee, the most active spirit in this movement:

> John Doughboy came back from the war apparently quite well, but really with a touch of gas in his lungs. The girl who had smiled good-by as he marched away was waiting. Soon they were married, and John went back to his job.
>
> That happened thousands of times. All went well until a cluster of tuberculosis germs found their way to that diseased spot in John Doughboy's lungs. And then everything went wrong.
>
> Maybe John died. Maybe he is in a hospital with the war still on in full force so far as he is concerned. In either case there is very likely to be a child or two.
>
> What will the Nation do for these war orphans—surely the most helpless and tragic figures of the whole war?
>
> Will it leave the mother to fight the uneven battle alone? Will it forget the promises of justice and everlasting gratitude which it made John Doughboy as he left for camp?
>
> Will the heroism and sacrifice of the father be repaid by sentencing these children to the dreary routine and semipauperism of an orphanage or "institution"?
>
> The American Legion says no! The Legion summons with it the patriotic and unselfish public in a fight for a better way.

Already this program of practical aid is under way. At Otter Lake, one of Michigan's myriad inland lakes, there has been opened the first unit of the Children's Billet—a home, not an "institution." It is to be a truly and sure-enough home for those boys and girls whose daddies are dead or incapacitated because of what they did in America's greatest war. The site was originally chosen by the Michigan department of the American Legion, which started the work and for a time had it under operation. Then the outstanding merit of this work caught the attention of the National Legion, and it asked Michigan to turn the unit over as the first step in a country-wide program. This has been done, and all the work is now officially under the direction of the national children's welfare committee of the American Legion.

The ideal back of this movement is that the home shall be erected as a living memorial to the men who gave their lives or their soundness of body to their country.

Instead of useless marble or bronze this memorial is to be built of the future hopes and careers of war-orphaned children. It is the obligation of the American people to the men who died or were maimed for them. It is the salute of legionnaires to their comrades who have gone west.

Fortunately for the physical welfare of the children, Otter Lake furnishes every opportunity for happy outdoor play. Food is fresh from the countryside and so economical that the most plentiful and scientific diet is costing not to exceed 35 cents a day. The sleeping accommodations are on an especially designed and constructed porch overlooking the waters and wooded shores of the lake. In these conditions the training of the child in right habits of health is simplicity itself.

The 96-acre farm which surrounds the home has its important economic function. Large parts of it are available for cultivation, and these activities will have an important educational influence. On the farm are cows, horses, pigs, chickens, turkeys, geese, and ducks. On the farm itself a diversity of crops can be raised which will train those children who are interested in farming in a great variety of ways.

The home at Otter Lake is situated on the brow of a hill which directly overlooks the lake itself. Around about are about even portions of arable fields and open woods. About a half mile away are two more spring lakes. The country is all rolling in character and is the highest in altitude in this part of the State. With the 96-acre site now owned in fee there is every opportunity for future expansion.

The present development has been brought about partly by the activities of the legionnaires of Michigan, partly by a substantial appropriation of the Michigan Legislature, and lastly, and probably most important, by the national sponsorship and efforts of the national American Legion.

The future of the Otter Lake home must be based on a realization of the greatness of the task. The number of eligible children is very large. Already the existence of the home has become known and the demand for its benevolent aid is growing far, far beyond the possibilities of the present facilities.

Because of the plan of building small cottages, the expansion can be made gradually and economically without the danger of overbuilding or unwise expenditure.

The fact that all overhead expenditures are absorbed by the Legion itself guarantees that the contributions of donors will go directly to the purposes intended. Building materials and costs in Otter Lake are free from inflation.

Something of the magnitude of the task to which the legionnaires of the seventh district of Michigan so resolutely set themselves and in which the State and National organizations have now joined them is to be glimpsed from this statement of Garland W. Powell, director of the National Americanism Commission:

> Perhaps the greatest immediate need is represented in the problem of the war orphan. There are to-day more than 5,000 war waifs to be cared for, the lonely orphans of the mute glorious dead. Think of it! Innocent victims of war facing the black future of a childhood denied its birthrights of love and interest, standing forlornly in the shadows of an orphans' home, but one step removed from the grim stigma of the almshouse. The American Legion has said that this thing can not be. It has aroused itself to its finest fighting mood to save these children from the drabness of routine in orphan institutions. It has said that every one of these babies shall be found a home, shall receive its heritage of kindness and individual attention. It shall have a chance to develop personality and character and start even in life with more favored children, without the misfortune of being reared in an orphanage, with a fair chance in the race of life.

At the dedication of the Billet Sunday, June 15, 1924, National Commander John R. Quinn was not able to be present, but was represented by F. Ryan Duffy, of Fond du Lac, Wis.,

national first vice president. In his impressive address he said, in part:

Home life is the foundation on which the security of the Nation rests. Seventy-five per cent of the criminals to-day were deprived of home life in their childhood, and we must not let that condition exist for children of ex-service men. The Legion showed what they could do in battle, and now they are putting forth the same spirited effort to make this a real home for children of their buddies. We are proud of the opportunity Michigan has afforded us to share in this wonderful work, and the national organization is indebted to Michigan for showing the solution to this great problem of caring for the children of our unfortunate comrades.

Judge Ernest P. La Jole, of Detroit, youngest member of the circuit bench in Michigan, said, in part:

This is, indeed, a notable pilgrimage to a shrine dedicated to the children of our unfortunate comrades, and the movement challenges the best wishes of all who have the welfare of children at heart. There is nothing more patriotic than this opportunity to help these children and give them a real home environment. They deserve every opportunity that time, attention, and money can provide. Here there is no distinction between class or creed, only the molding of these little lives into true men and women, the building up and maintaining of true citizenship—this all accomplished without a suggestion of institutionalism. In this building we have essentially a shrine built to American childhood.

William Davis, of Washington, D. C., brother of the Secretary of Labor, stated that he had grown up with the Mooseheart institution, where 1,200 orphans are cared for, and predicted that the Legion home at Otter Lake would rival Mooseheart in time. He emphasized the importance of the home life of the child, stating that good children make good citizens, good citizens make a good country, and a good country meant the flag safe for everyone.

Mrs. W. H. Morgan, national chairman of child welfare, American Legion Auxiliary, and department president of Illinois, gave a most enthusiastic talk on good citizenship, and stated that the Children's Billet at Otter Lake was a monument to our soldier dead and proof that we had kept our promise to the departed soldiers and that they were not forgotten.

Mark McKee, chairman of the board of directors of the Billet, presided, and brief speeches were also made by Dr. O. G. Johnson, medical director and manager of the Billet; Joseph Gilles, commander of Larned Post, Detroit; Clarence Myers, of Caro, Mich, treasurer of the Billet; and Doctor Spawr, State commander of the Legion.

The dedication services were concluded with a flag drill by the children of the Billet and the singing of America by all present.

To the task of supplying the sinews of war with which these children will be assured the heritage of their childhood, the American Legion has summoned equally every legionnaire and all Americans who desire to voluntarily assume a share in the easiest of burdens—the care of children. This great work of the Legion is under the national children's welfare committee, whose officers are: Chairman, George A. Withers, Clay Center, Kans.; vice chairman and treasurer, Mark T. McKee, Mount Clemens, Mich.

In The Young Knight, John S. Arkright, the British poet, who wrote The Supreme Sacrifice, says:

> For love of those he leaves behind,
> For all that home and honor mean,
> For the long centuries that have been
> And for the future of mankind—
>
> He lifts the cross, he draws the blade,
> He gives his manhood—scarce begun;
> God shield him till the set of sun
> On this the holiest, last crusade!

And with his passing with the setting sun, the holiest obligation left to us is the care and protection of his children. In the words of Edgar A. Guest, in his For Your Boy and Mine:

> They must be shielded well from woe and kept secure from care,
> And if we could, upon our backs, their burdens we would bear.

Mr. CRAMTON. I yield back the remainder of my time.

Mr. JOHNSON of South Dakota. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. CULLEN].

Mr. CULLEN. Mr. Speaker, if there is nobody else on our side who wants time on this bill I will say that we are ready to vote on it. I was going to suggest to the gentleman from South Dakota that he might ask the privilege for Members wishing to do so that they may have five days in which to extend their remarks in the RECORD.

Mr. JOHNSON of South Dakota. At the time we secured the passage of this bill I made a request that was granted to the effect that Members should have the privilege of extending their remarks for five legislative days.

Mr. MADDEN. Permission was granted yesterday to everybody to extend their remarks within 10 days.

Mr. JOHNSON of South Dakota. With that understanding, Mr. Speaker, then, I will not make that unanimous-consent request.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

POSTAL SALARY INCREASE

Mr. GRIEST. Mr. Speaker, I call up the conference report on the bill S. 1898, the postal salary bill, and ask for its immediate consideration. I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Pennsylvania calls up the conference report on the bill S. 1898 and asks that the statement be read in lieu of the report. Is there objection?

There was no objection.

[For text of conference report see page 10613, Senate proceedings of June 5, 1924.]

The Clerk read the statement, as follows:

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes on the House amendment to S. 1898 to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service submit the following written statement explaining matters agreed upon by the conference committee and recommended in the text of the conference report.

The House disagreed to the entire text of the Senate bill and offered its bill as an amendment thereto. The Senate disagreed to the House amendment and voted for a conference. The House agreed to the conference. The conferees, therefore, found the entire subject readjusting the compensation of postmasters and reclassifying and readjusting the salaries and compensation of employees in the Postal Service open, and the bill is now offered with an amendment which strikes out the House amendment and offers in lieu thereof the text printed in the conference report.

CLERK HIRE—THIRD-CLASS POST OFFICES

In the allowance for clerk hire in third-class post offices the Senate recedes from its disagreement to the House amendment and agrees to the same with an amendment striking out the words "exceeded or" where they occur in the proviso giving the Postmaster General authority to modify this allowance, and striking out in the same proviso the numeral "10" before the words "per centum," and inserting in lieu thereof the numeral "25."

This agreement of the conferees makes the clerk hire in third-class post offices statutory, except that the Postmaster General is given discretion to reduce the allowance not more than 25 per cent to meet the varying needs of the service.

ALLOWANCES FOR FOURTH-CLASS POSTMASTERS

The Senate recedes from its disagreement to the amendment of the House.

Under this agreement of the conferees the salaries of fourth-class postmasters are increased approximately 10 per cent.

SALARIES AND ALLOWANCES OF POST-OFFICE INSPECTORS

In section 2, under salaries of post-office inspectors, the House recedes from its amendment providing that inspectors shall be promoted successively to grade 4 at the beginning of the quarter following a year's satisfactory service in the next lower grade. The House also recedes from its amendment striking out the words "and not to exceed 35 per cent of the force to grade 6 for meritorious service after not less than one year's service in grade 5," and also recedes from its amendment adding the following, "and to grade 5 at the beginning of the quarter following a year's meritorious service in grade 4, and not to exceed 35 per cent of the force to grade 6 for specially meritorious service after not less than one year's service in grade 5."

The Senate recedes from its disagreement to the amendment of the House fixing travel allowances of inspectors and supervisory employees of the Railway Mail Service and post offices.

This agreement of the conferees restores this allowance as provided for under existing law and involves no increase.

CLERKS AT DIVISION HEADQUARTERS

The House recedes from its amendment fixing the salary of chief clerk at each division headquarters at $2,900.

This agreement of the conferees restores the Senate provision giving chief clerks at division headquarters $3,000.

The Senate recedes from its disagreement to the amendment of the House providing that carriers in the City Delivery Service may be transferred from post offices at which division headquarters of post-office inspectors are located to the position of clerk in such division headquarters.

CLERKS AND CITY LETTER CARRIERS

The Senate recedes from its disagreement to the House amendment providing that in all special clerk promotions the senior competent employee shall have preference.

The House recedes from its amendment which strikes out of the Senate bill the language "and it is not practicable to employ substitutes," and insert the words "that whenever practicable, in case of emergency or otherwise, a substitute is available, the postmaster is prohibited from employing a regular clerk, special clerk, or letter carrier overtime."

The House recedes from its amendments allowing compensatory time for employment on Sundays and holidays during the Christmas and New Year season under this title and wherever else such provisions or exceptions occur in the bill.

WATCHMEN, MESSENGERS, AND LABORERS

The Senate recedes from its disagreement to the amendment of the House.

Under this agreement of the conferees the salaries of watchmen, messengers, and laborers are fixed at $1,500 for the first grade and $1,600 for the second grade.

MOTOR-VEHICLE SERVICE

The Senate recedes from its disagreement to the amendment of the House fixing the salaries of special mechanics.

This agreement of the conferees fixes salaries of $2,100, $2,200, and $2,300 for special mechanics.

The Senate recedes from its disagreement to the amendment of the House fixing the salaries for garage-men drivers.

This agreement of the conferees fixes the salaries at $1,550 for the first grade and $1,650 for the second grade.

RAILWAY MAIL SERVICE

The Senate recedes from its disagreement to the amendment of the House fixing the salaries of assistant superintendents at large at $3,600.

The House recedes from its amendment providing that postal clerks be divided into six grades, with a salary of $2,700 for grade 6.

This amendment restores the Senate provision dividing postal clerks into seven grades, fixing the salary of grade 6 at $2,600 and grade 7 at $2,700.

LABORERS IN THE RAILWAY MAIL SERVICE

The Senate recedes from its disagreement to the amendment of the House. This fixes the salaries of these laborers as follows:

Grade 1, $1,500.

Grade 2, $1,600.

SUBSTITUTE RAILWAY POSTAL CLERKS

The House recedes from its amendment.

This agreement of the conferees fixes these salaries at $1,850 per annum.

ORIGINAL APPOINTMENTS OF SUBSTITUTE POSTAL CLERKS

The Senate recedes from its disagreement to the House amendment.

This agreement of the conferees fixes the time for promotions following a total satisfactory service of 306 days instead of a year's satisfactory service as provided in the Senate amendment.

TRAVEL ALLOWANCE IN LIEU OF ACTUAL EXPENSES OF RAILWAY POSTAL CLERKS

The House recedes from its amendment which provides for allowance after eight hours from time of beginning initial run.

This agreement of the conferees makes the time 10 hours from the beginning of initial run.

TERMINAL RAILWAY POST OFFICES

The Senate recedes from its disagreement to the amendment of the House.

This agreement of the conferees provides that those terminals having less than 20 employees shall be assigned to class A, and those having 20 or more employees shall be assigned to class B.

The Senate also recedes from its disagreement to the amendment of the House providing that clerks in class A shall be promoted successively to grade 4, and strikes out the words "distributors to grade 4."

The Senate also recedes from its disagreement to the amendment of the House that clerks in class B terminals shall be promoted successively to grade 5 and strikes out the words "distributors to grade 4 and clerks in charge of crews within a tour to grade 5."

The Senate also recedes from its disagreement to the amendment of the House striking out the following paragraph:

"In terminals having more than 75 employees there may be a clerk in charge of the entire terminal of grade 7."

TRANSFER OFFICES

The Senate recedes from its disagreement to the amendment of the House providing that clerks in class A shall be promoted successively to grade 4, and striking out the words "distributors to grade 4"; also inserting, after the word "charge," the words "of tours"; also providing that clerks in class B shall be promoted successively to grade 5, and striking out the words "distributors to grade 4, clerks in charge of crews to grade 5."

CLERKS ASSIGNED TO OFFICE OF DIVISION SUPERINTENDENT OR CHIEF CLERK

The House recedes from its amendment which provides that in the office of division superintendent four clerks shall be promoted to grade 5, and in the office of chief clerk one clerk shall be promoted to grade 5.

This agreement of the conferees changes the word "shall" in both instances to "may."

CREDIT FOR ROAD DUTY

The Senate recedes from its disagreement to the amendment of the House providing that clerks assigned to road duty shall be credited with full time for delay to trains equal to a period of time between scheduled arrival and actual arrival of trains at destination of run.

VILLAGE DELIVERY SERVICE

The Senate recedes from its disagreement to the amendment of the House with an amendment fixing the salaries of carriers at $1,150 to $1,350.

SUBSTITUTE VILLAGE CARRIERS

The Senate recedes from its disagreement to the amendment of the House.

This agreement of the conferees fixes the hourly pay of these employees at 50 cents.

ANNUAL AND SICK LEAVE

The Senate recedes from its disagreement to the amendment of the House with an amendment as follows: Strike out the words "physician's certificate" and insert in this paragraph after the word "illness," the words "in accordance with regulations to be prescribed by the Postmaster General," and strike out the words "and if more than two days, the application therefor shall be accompanied by a."

This agreement of the conferees makes the paragraph read: "That sick leave shall be granted only upon satisfactory evidence of illness in accordance with regulations to be prescribed by the Postmaster General."

NIGHTTIME DIFFERENTIAL

The House recedes from its amendment.

This eliminates the provision for a nighttime differential.

MILITARY CREDIT

The House recedes from its amendment.

This agreement of the conferees restores the existing law.

PUBLICITY OF CONGRESSIONAL ELECTION CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

The Senate recedes from its disagreement to the amendment of the House, with an amendment changing the language of subdivision (c) of section 102 of Title II, defining the term "political committee" by striking out this subdivision and inserting a new subdivision, as follows:

(c) The term "political committee" includes any committee, association, or organization, which accepts contributions or makes expenditures for the purpose of influencing or attempting to influence the election of candidates or presidential and vice presidential electors (1) in two or more States, or (2) whether or not in more than one State if such committee, association, or organization—other than a duly organized State or local committee of a political party—is a branch or subsidiary of a national committee, association, or organization.

W. W. GRIEST,
CALVIN D. PAIGE,
THOS. M. BELL,
*Managers on the part of the House.*

Mr. GRIEST. Mr. Speaker, this is a unanimous report from the conferees. There were about 20 or more points of

difference between the House and Senate bills which the conferees settled very readily, including the elimination——

Mr. NEWTON of Minnesota. Mr. Speaker, it seems to me that on as important a matter as this we should have a quorum present to hear the statement, and I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Minnesota makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and seventy-three Members are present—not a quorum.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

| | | | |
|---|---|---|---|
| Aldrich | Drewry | Lilly | Reed, W. Va. |
| Anderson | Edmonds | Little | Robsion, Ky. |
| Bankhead | Free | Logan | Rogers, N. H. |
| Barkley | Geran | Lyon | Rosenbloom |
| Beck | Goldsborough | McKenzie | Rouse |
| Bland | Hammer | McKeown | Seger |
| Boies | Haugen | Magee, Pa. | Snyder |
| Britten | Howard, Okla. | Merritt | Spearing |
| Buckley | Hudspeth | Michaelson | Sproul, Kans. |
| Burtness | Hull, Morton D. | Morin | Sullivan |
| Burton | Humphreys | Mudd | Taylor, Tenn. |
| Byrnes, S. C. | Jost | Nelson, Me. | Ward, N. Y. |
| Campbell | Kahn | O'Brien | Ward, N. C. |
| Clark, Fla. | Kent | O'Connor, La. | Weaver |
| Curry | Kincheloe | Paige | Welsh |
| Davis, Minn. | King | Parker | White, Me. |
| Deal | Knutson | Peavey | Wood |
| Dominick | Kunz | Phillips | Woodrum |
| Doughton | Langley | Quayle | Wurzbach |
| Drane | Larson, Minn. | Reed, N. Y. | |

The SPEAKER. Three hundred and fifty-four Members have answered to their names, a quorum.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. GRIEST. Mr. Speaker, as I was about to say, this is a complete and unanimous report on the part of the conferees. There were about twenty or more points of difference between the House bill and the Senate bill, all of which were readily adjusted, including the elimination of the night differential item which, according to the department, would have cost us $12,000,000, and including also the elimination of the so-called Borah amendment and the adoption of the Cable amendment, as directed by the House.

The bill as it now stands, according to the figures of the department, or, rather, based on the figures of the department, is about $64,000,000 as against, according to the estimate of the department, $80,000,000 at the time the bill originally passed the House.

Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

Mr. GARRETT of Tennessee. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 361, nays 6, not voting 66, as follows:

YEAS—361

| | | | |
|---|---|---|---|
| Abernethy | Briggs | Connolly, Pa. | Faust |
| Ackerman | Browne, N. J. | Cook | Favrot |
| Allen | Browne, Wis. | Cooper, Ohio | Fenn |
| Allgood | Browning | Cooper, Wis. | Fish |
| Almon | Brumm | Corning | Fisher |
| Andrew | Buchanan | Cramton | Fitzgerald |
| Anthony | Buckley | Crisp | Fleetwood |
| Arnold | Bulwinkle | Croll | Foster |
| Aswell | Burdick | Crosser | Frear |
| Ayres | Burtness | Crowther | Fredericks |
| Bacharach | Busby | Cullen | Freeman |
| Bacon | Butler | Cummings | French |
| Bankhead | Byrns, Tenn. | Dallinger | Frothingham |
| Barbour | Cable | Darrow | Fulbright |
| Barkley | Canfield | Davey | Fuller |
| Beedy | Cannon | Davis, Minn. | Fulmer |
| Beers | Carew | Davis, Tenn. | Funk |
| Begg | Carter | Dempsey | Gallivan |
| Bell | Casey | Denison | Garber |
| Berger | Chindblom | Dickinson, Iowa | Gardner, Ind. |
| Bixler | Christopherson | Dickinson, Mo. | Garner, Tex. |
| Black, N. Y. | Clague | Dickstein | Garrett, Tenn. |
| Black, Tex. | Clancy | Dowell | Garrett, Tex. |
| Blanton | Clarke, N. Y. | Doyle | Gasque |
| Bloom | Cleary | Driver | Gibson |
| Bowling | Cole, Iowa | Dyer | Gifford |
| Box | Collier | Eagan | Gilbert |
| Boyce | Colton | Elliott | Glatfelter |
| Boylan | Connally, Tex. | Evans, Mont. | Goldsborough |
| Brand, Ga. | Connery | Fairchild | Graham, Pa. |
| Green, Iowa | Longworth | Parks, Ark. | Sumners, Tex. |
| Greene, Mass. | Lowrey | Patterson | Swank |
| Greenwood | Lozier | Peery | Sweet |
| Griest | Luce | Perkins | Swing |
| Griffin | McClintic | Perlman | Swoope |
| Hadley | McDuffie | Phillips | Taber |
| Hardy | McFadden | Porter | Tague |
| Harrison | McKenzie | Pou | Taylor, Colo. |
| Hastings | McLaughlin, Mich. | Prall | Taylor, W. Va. |
| Haugen | McLaughlin, Nebr. | Purnell | Temple |
| Hawes | McLeod | Quin | Thatcher |
| Hawley | McNulty | Ragon | Thomas, Ky. |
| Hayden | McReynolds | Rainey | Thomas, Okla. |
| Hersey | McSwain | Raker | Thompson |
| Hickey | McSweeney | Rankin | Tillman |
| Hill, Md. | MacGregor | Ransley | Tilson |
| Hill, Wash. | MacLafferty | Rathbone | Timberlake |
| Holaday | Madden | Rayburn | Tincher |
| Hooker | Magee, N. Y. | Reece | Tinkham |
| Huddleston | Major, Ill. | Reed, Ark. | Treadway |
| Hudson | Major, Mo. | Reed, N. Y. | Tucker |
| Hull, Morton D. | Manlove | Reid, Ill. | Tydings |
| Hull, William E. | Mansfield | Richards | Underhill |
| Hull, Iowa | Mapes | Roach | Underwood |
| Hull, Tenn. | Martin | Robinson, Iowa | Upshaw |
| Jacobstein | Mead | Robsion, Ky. | Vaile |
| James | Michaelson | Rogers, Mass. | Vare |
| Jeffers | Michener | Romjue | Vestal |
| Johnson, Ky. | Miller, Ill. | Rubey | Vincent, Mich. |
| Johnson, S. Dak. | Miller, Wash. | Sabath | Vinson, Ga. |
| Johnson, Tex. | Milligan | Salmon | Vinson, Ky. |
| Johnson, Wash. | Minahan | Sanders, N. Y. | Voigt |
| Johnson, W. Va. | Montague | Sanders, Tex. | Wainwright |
| Jones | Mooney | Sandlin | Wason |
| Kearns | Moore, Ga. | Schafer | Watkins |
| Keller | Moore, Ill. | Schall | Watres |
| Kelly | Moore, Ohio | Schneider | Watson |
| Kendall | Moore, Va. | Sears, Fla. | Wefald |
| Kerr | Moores, Ind. | Sears, Nebr. | Weller |
| Ketcham | Morehead | Seger | Wertz |
| Kiess | Morgan | Shallenberger | White, Kans. |
| Kincheloe | Morin | Sherwood | Williams, Ill. |
| Kindred | Morris | Shreve | Williams, Mich. |
| King | Morrow | Simmons | Williams, Tex. |
| Kopp | Murphy | Sinclair | Williamson |
| Kurtz | Nelson, Me. | Sinnott | Wilson, Ind. |
| Kvale | Nelson, Wis. | Sites | Wilson, La. |
| LaGuardia | Newton, Minn. | Smith | Wilson, Miss. |
| Lampert | Newton, Mo. | Smithwick | Wingo |
| Lanham | Nolan | Snell | Winslow |
| Lankford | O'Connell, N. Y. | Speaks | Wolff |
| Larsen, Ga. | O'Connell, R. I. | Sproul, Ill. | Woodruff |
| Lazaro | O'Connor, La. | Sproul, Kans. | Wright |
| Lea, Calif. | O'Connor, N. Y. | Stalker | Wurzbach |
| Leatherwood | O'Sullivan | Steagall | Wyant |
| Leavitt | Oldfield | Stedman | Yates |
| Lee, Ga. | Oliver, Ala. | Stengle | Young |
| Lehlbach | Oliver, N. Y. | Stephens | Zihlman |
| Lindsay | Paige | Stevenson | |
| Lineberger | Park, Ga. | Strong, Pa. | |
| Linthicum | Parker | Summers, Wash. | |

NAYS—6

| | | | |
|---|---|---|---|
| Brand, Ohio | Graham, Ill. | Ramseyer | Sanders, Ind. |
| Evans, Iowa | Hoch | | |

NOT VOTING—66

| | | | |
|---|---|---|---|
| Aldrich | Drane | Langley | Rouse |
| Anderson | Drewry | Larson, Minn. | Scott |
| Beck | Edmonds | Lilly | Snyder |
| Bland | Fairfield | Little | Spearing |
| Boies | Free | Logan | Strong, Kans. |
| Britten | Geran | Lyon | Sullivan |
| Burton | Hammer | McKeown | Taylor, Tenn. |
| Byrnes, S. C. | Hill, Ala. | Magee, Pa. | Ward, N. Y. |
| Campbell | Howard, Nebr. | Merritt | Ward, N. C. |
| Celler | Howard, Okla. | Mills | Weaver |
| Clark, Fla. | Hudspeth | Mudd | Welsh |
| Cole, Ohio | Humphreys | O'Brien | White, Me. |
| Collins | Jost | Peavey | Winter |
| Curry | Kahn | Quayle | Wood |
| Deal | Kent | Reed, W. Va. | Woodrum |
| Dominick | Knutson | Rogers, N. H. | |
| Doughton | Kunz | Rosenbloom | |

So the conference report was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Kahn with Mr. Clark of Florida.
Mr. White of Maine with Mr. Byrnes of South Carolina.
Mr. Ward of New York with Mr. Jost.
Mr. Anderson with Mr. Kunz.
Mr. Little with Mr. Lilly.
Mr. Mudd with Mr. Rogers of New Hampshire.
Mr. Cole of Ohio with Mr. Sullivan.
Mr. Mills with Mr. Hammer.
Mr. Welsh with Mr. Doughton.
Mr. Aldrich with Mr. Deal.
Mr. Free with Mr. Hill of Alabama.
Mr. Strong of Kansas with Mr. Spearing.
Mr. Rosenbloom with Mr. Weaver.
Mr. Fairfield with Mr. Drewry.
Mr. Britten with Mr. Dominick.
Mr. Merritt with Mr. Geran.
Mr. Curry with Mr. Howard of Oklahoma.
Mr. Scott with Mr. Bland.
Mr. Edmonds with Mr. Humphreys.
Mr. Beck with Mr. McKeown.
Mr. Campbell with Mr. Rouse.
Mr. Peery with Mr. Kent.
Mr. Burton with Mr. Quayle.
Mr. Knutson with Mr. Howard of Nebraska.
Mr. Magee of Pennsylvania with Mr. Logan.

Mr. Larson of Minnesota with Mr. Drane.
Mr. Snyder with Mr. Hudspeth.
Mr. Wood with Mr. O'Brien.
Mr. Reed of West Virginia with Mr. Lyon.
Mr. Taylor of Tennessee with Mr. Celler.
Mr. Winter with Mr. Woodrum.
Mr. Boles with Mr. Collins.

Mr. CULLEN. Mr. Speaker, the gentlemen from New York, Mr. CELLER, Mr. QUAYLE, and Mr. SULLIVAN, are absent on account of severe illness. Had they been present they would have voted for this bill, but on account of their illness they are unable to be present.

Mr. HOWARD of Nebraska. Mr. Speaker, I desire to vote "yea."

The SPEAKER. Was the gentleman in the Hall and listening when his name was called?

Mr. HOWARD of Nebraska. No; I was stuck in the elevator.

The SPEAKER. The gentleman does not qualify.

Mr. MERRITT. Mr. Speaker, I desire to vote "yea."

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. MERRITT. No, sir.

The SPEAKER. The gentleman does not qualify.

Mr. WASON. Mr. Speaker, I desire to announce that my colleague, the gentleman from New Hampshire, Mr. ROGERS, if present, would have voted "yea."

The result of the vote was announced as above recorded.

### THE REVENUE BILL

Mr. TREADWAY. Mr. Speaker, I ask that the extension of remarks of the gentleman from Oregon [Mr. HAWLEY] on the revenue act, included in the CONGRESSIONAL RECORD of June 2, be printed as a public document. It contains a great deal of valuable statistical information on the new revenue bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. BANKHEAD. Reserving the right to object, what is the subject matter?

Mr. TREADWAY. In reply to the gentleman from Alabama, I would say that the statistical tables prepared by the gentleman from Oregon as to the amount of payments individuals and corporations will make under the new revenue act are carried out in great detail, and it will be a matter of very great convenience to the public to have this information in statistical form and to be able to use the material as a public document.

Mr. BANKHEAD. It has been prepared since the passage of the revenue act?

Mr. TREADWAY. Yes; it is in the RECORD, on page 10153.

Mr. GARRETT of Tennessee. Mr. Speaker, I object.

### REMOVAL OF THE REMAINS OF THE LATE GEORGE MAUGER BURKLIN AND ANTON LERCH BURKLIN

Mr. STALKER. Mr. Speaker, I call up from the Speaker's table the bill (S. 3220) authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, D. C., to Fort Lincoln, Prince Georges County, Md., a similar House bill having been reported by the committee.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the health officer of the District of Columbia be, and he is hereby, authorized to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, D. C., to Fort Lincoln Cemetery, Prince Georges County, Md. But such permit shall not be issued until there has been filed in the Health Department of the District of Columbia a permit from the proper State authorities at the place where said cemetery is located authorizing the interment there of said remains.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill was laid on the table.

### EXTENSION OF REMARKS

Mr. HOWARD of Nebraska. Mr. Speaker, I fear that yesterday evening I inadvertently by my haste worked a wrong upon my colleague, the gentleman from Maryland [Mr. HILL]. You will recall that I requested one-half of one minute in which to address the House and I hurried a little, I guess, and at the same time the gentleman from Maryland asked unanimous consent to insert something in the RECORD and no objection was lodged, and yet the RECORD does not show that he was granted permission. I asked that he be granted unanimous consent now.

The SPEAKER. The gentleman from Nebraska asks unanimous consent that the request of the gentleman from Maryland, made yesterday, be granted. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, what is it that the gentleman from Nebraska is asking to insert in the RECORD?

Mr. HOWARD of Nebraska. Nothing at all. I inserted mine yesterday. I talked about your friends, Gary and Butler, yesterday.

Mr. LAGUARDIA. Wait a minute. What request has the gentleman just made?

Mr. HOWARD of Nebraska. I just made a request that my inadvertence of yesterday, in my haste, might not work injury to another.

Mr. LAGUARDIA. No friend of mine?

Mr. HOWARD of Nebraska. No.

Mr. BEGG. Mr. Speaker, I shall object unless I know what it is about.

The SPEAKER. As the Chair recalls it was a request to insert a speech of Mr. Butler.

Mr. BEGG. I object.

Mr. HILL of Maryland. Mr. Speaker, I hope the gentleman will withdraw his objection. Yesterday a request was made which resulted in an attack on Doctor Butler's speech, and I said at the time that I would not object if permission was granted to put in the speech. I hope the gentleman will not object.

Mr. BEGG. It was the gentleman's own prerogative to let the attack go in the RECORD on that speech.

Mr. HILL of Maryland. I ask the gentleman to be fair and let me put the speech in the RECORD.

Mr. BEGG. I object.

### REVISION OF RAILROAD RATE STRUCTURE

Mr. HOCH. Mr. Speaker, I move to suspend the rules and pass Senate Joint Resolution 107, a joint resolution declaring agriculture to be the basic industry of the country, and for other purposes.

The Clerk read as follows:

That the Interstate Commerce Commission is authorized and directed to make a thorough investigation of the rate structure of common carriers subject to the interstate commerce act, in order to determine to what extent and in what manner existing rates and charges may be unjust, unreasonable, unjustly discriminatory, or unduly preferential, thereby imposing undue burdens, or giving undue advantage as between the various localities and parts of the country, the various classes of traffic, and the various classes and kinds of commodities, and to make, in accordance with law, such changes, adjustments, and redistribution of rates and charges as may be found necessary to correct any defects so found to exist. In making any such change, adjustment, or redistribution the commission shall give due regard, among other factors, to the general and comparative levels in market value of the various classes and kinds of commodities as indicated over a reasonable period of years, to a natural and proper development of the country as a whole, and to the maintenance of an adequate system of transportation. In the progress of such investigation the commission shall, from time to time, and as expeditiously as possible, make such decisions and orders as it may find to be necessary or appropriate upon the record then made in order to place the rates upon designated classes of traffic upon a just and reasonable basis with relation to other rates. Such investigation shall be conducted with due regard to other investigations or proceedings affecting rate adjustments which may be pending before the commission.

In view of the existing depression in agriculture, a basic industry, the commission is hereby directed to effect with the least practicable delay such reasonable and lawful changes in the rate structure of the country as will promote the freedom of movement by common carriers of the products of agriculture affected by that depression, including livestock, at the lowest possible reasonable and lawful rates compatible with the maintenance of adequate transportation service: *Provided*, That no investigation or proceeding resulting from the adoption of this resolution shall be permitted to delay the decision of cases now pending before the commission involving rates on products of agriculture, and that such cases shall be decided in accordance with this resolution.

Mr. BARKLEY. Mr. Speaker, I demand a second.

Mr. HUDDLESTON. I think, Mr. Speaker, that some one who is opposed to the bill should be recognized to demand a second.

Mr. BARKLEY. I am not very enthusiastic about it. If the gentleman from Alabama wishes to be recognized, I have no objection.

Mr. HUDDLESTON. I am against the bill.

The SPEAKER. The Chair will recognize the gentleman from Alabama to demand a second.

Mr. HOCH. I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from Kansas asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Kansas has 20 minutes and the gentleman from Alabama has 20 minutes.

Mr. HOCH. Mr. Speaker and gentlemen of the House, it is manifestly impossible to discuss adequately a subject like this in the time available, and I shall endeavor only to touch rapidly the chief points in this resolution.

This resolution consists of two paragraphs. The first paragraph is identical with House Resolution 141, which I introduced some weeks ago, and which was recently reported favorably from the committee. The second paragraph is matter taken substantially from a portion of the Senate resolution which is here amended by the House and which we have before us. The first part of this resolution proposes a general survey by the Interstate Commerce Commission of the freight structure of the country, and directs that such injustices and inequalities as found existing shall be corrected by the commission. It also directs the commission to take into consideration, among other things, the relation in prices of various classes and kinds of commodities as indicated over a reasonable average of years, and also does one or two other things which I will refer to later.

It has been generally agreed for a number of years, as all of you familiar with the freight structure in this country know, that revision of the freight structure is necessary. The freight structure of this country has grown up rather piecemeal through a great many years, and everyone who has studied the subject agrees that it is not by any means on a scientific basis at this time. It is out of joint.

If I had time, I would like to read you the statements of various people who have studied the subject. Let me refer briefly to one or two statements of that sort. You will recall that two or three years ago we had a joint commission on agricultural inquiry, which made a thorough study and issued a most complete compendium on the subject of transportation. One of their conclusions was as follows:

> The transportation rates on many commodities, more especially the products of agriculture, bear a disproportionate relation to the prices of such commodities; there should be immediate reductions in transportation rates applied to farm products and other basic commodities; greater consideration should be given in the future by public rate-making authorities and by the railroads in making of transportation rates to the relative value of commodities and existing and prospective economic conditions. The pyramided per cent advances in rates which have been authorized by the Interstate Commerce Commission or made by the United States Railroad Administration caused the dislocation of long-standing relationships between rates upon agricultural and industrial products, between competitive enterprises and competitive sections of the country.

The farm organizations have not been alone in the idea that the freight structure of the country needs adjustment. About a year ago the United States Chamber of Commerce appointed a committee to study the subject. Last November it made a full report, and let me quote from it:

> It can not be claimed that the railroad freight-rate structure of the United States has ever been organized on a scientific basis, or that it has ever been systematically revised with the purpose of eliminating disparities. The great economic changes incident to and resulting from the war have created additional disparities resulting from horizontal rate changes, from the dislocation of relative price levels, and from increases in labor costs and terminal expenses which have borne with greater weight on some classes of traffic than on others. This situation renders a readjustment of relative freight rates of great immediate importance.

President Coolidge, in his message to Congress last December, made this statement:

> Competent authorities agree that an entire reorganization of the rate structure for freight is necessary. This should be ordered at once by Congress.

The first paragraph of this resolution is in exact compliance with that recommendation, and proposes not that Congres shall make rates, for obviously Congress can not take upon itself that technical duty, but directs the Interstate Commerce Commission to enter upon a comprehensive study and survey of the freight structure and to remove disparities and inequalities, as far as possible, without injuring adequate transportation service.

I call attention to the fact that in the last few years there have been a number of flat, horizontal increases in the whole freight structure. Just prior to Federal control in the year 1917 there was a flat increase in the eastern territory of 15 per cent, with a few exceptions, which I shall not take time to name. During Federal control in 1918—in July, I believe—there was a flat increase in all freights in this country, without regard to the class or kind of commodity, of 25 per cent. In August, 1920, following Federal control, there were a number of flat, horizontal increases, ranging from 25 per cent in some sections of the country up to 40 per cent in other sections of the country. A moment's thought will show to anyone that flat, horizontal increases of that sort in the freight structure tend to throw the relative rates into dislocation. To make a specific illustration—and I have not time, of course, to give figures—the freight upon a bushel of wheat is a very large item, but the freight upon a highly fabricated article, as, for instance, a pair of shoes, is comparatively small.

When you increase by 15 to 25 or 35 or 40 per cent the whole freight structure, you see that you do something to the bulky commodities which you do not, in like effect at all, do to other articles. The effect of every one of these flat horizontal increases has been to throw into freight-rate structure of the country new disparities and to greatly accentuate the maladjustments which existed prior to that time. It is conceded that these flat horizontal increases were not scientific. If justified at all, the method must be justified on the grounds of expediency and the necessity for quick action.

The first part of this resolution goes to that proposition. It is generally agreed, I think, among students of the subject that the rates upon basic commodities should be adjusted and more favorable rates given.

Because my time is short I pass to the second part of this resolution. The second paragraph of this resolution is taken in substance from the Senate resolution. It makes special reference to agricultural products, including livestock. I want you to notice closely in order that there may be no misapprehension about it. I do not claim that this is any panacea or anything of that sort. It does not direct particular rates upon farm products, although I am firmly convinced that a study will show that those rates in many cases ought to be reduced, but it does call the attention of the Interstate Commerce Commission by the Congress, which has the right to speak to the commission, which is an agency of the Congress, to the great agricultural depression existing in the country and its says to the Interstate Commerce Commission, "We direct that you shall with the least practicable delay make such changes in the freight rates upon farm products, including livestock, as will as far as possible correct any injustices that may be found to exist and promote the freedom of movement of these products." But, as gentlemen will notice by reading the resolution, it does not contemplate that there shall be anything ruthless done; in fact, it specifically provides that it shall not interfere with the maintenance of an adequate transportation service.

The SPEAKER pro tempore. The gentleman has consumed 11 minutes.

Mr. HOCH. Mr. Speaker, I reserve the remainder of my time.

Mr. RAKER. Mr. Speaker, will the gentleman yield for a question?

Mr. HOCH. If it is a short question.

Mr. RAKER. I am very much interested in the transportation of livestock. May I ask the gentleman whether or not this commission has the power to adjust the rates properly now?

Mr. HOCH. Mr. Speaker, I think the commission has the power, but I say that it will be tremendously helpful to have this mandate from the Congress saying to the commission, "We call your special attention to the agricultural depression, and we direct that you shall give all possible consideration to agriculture, including livestock, consistent with the maintenance of an adequate transportation service." [Applause.]

The SPEAKER pro tempore. The gentleman from Alabama [Mr. HUDDLESTON] is recognized for 20 minutes.

Mr. HUDDLESTON. Mr. Speaker, I yield five minutes to the gentleman from Nebraska [Mr. SHALLENBERGER], and pending that I make the point of order that there is no quorum present. I am not willing that we shall discuss a measure of this kind without having somebody here to listen to the discussion.

The SPEAKER pro tempore. The gentleman from Alabama makes the point of order that there is no quorum present. Clearly there is not.

Mr. HOCH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

| | | | |
|---|---|---|---|
| Aldrich | Deal | Kent | Phillips |
| Anderson | Dempsey | Knutson | Quayle |
| Anthony | Dickinson, Mo. | Kunz | Reed, W. Va. |
| Aswell | Dominick | Langley | Rogers, N. H. |
| Beck | Doughton | Larson, Minn. | Rosenbloom |
| Berger | Drane | Lehlbach | Rouse |
| Boies | Drewry | Lilly | Snyder |
| Britten | Fairchild | Little | Spearing |
| Burton | Favrot | Logan | Sproul, Kans. |
| Byrnes, S. C. | Fish | Lozier | Steagall |
| Cable | Fitzgerald | Lyon | Sullivan |
| Campbell | Free | McDuffie | Taylor, Tenn. |
| Celler | Garner | McKeown | Tucker |
| Clark, Fla. | Geran | Madden | Voigt |
| Clarke, N. Y. | Hammer | Magee, Pa. | Ward, N. Y. |
| Cole, Iowa | Hill, Md. | Moore, Ill. | Ward, N. C. |
| Cole, Ohio | Howard, Okla. | Morin | Welsh |
| Collins | Hudspeth | Mudd | White, Me. |
| Corning | Humphreys | O'Brien | Wood |
| Crisp | Jacobstein | O'Connor, N. Y. | Wurzbach |
| Crowther | Johnson, S. Dak. | Parks, Ark. | |
| Curry | Jost | Patterson | |
| Davis, Minn. | Kahn | Peavey | |

The SPEAKER pro tempore (Mr. BEGG). Three hundred and forty-three gentlemen have answered to their names; a quorum is present.

Mr. HOCH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will open the doors. The gentleman from Nebraska [Mr. SHALLENBERGER] is recognized for five minutes.

Mr. SHALLENBERGER. Mr. Speaker and gentlemen, this resolution came to the Committee on Interstate and Foreign Commerce from the Senate carrying this language:

> That agriculture is hereby declared to be the basic industry of this country; that it is the policy of Congress to promote, encourage, and foster the agricultural industry.

When we consider the frozen face this Congress has shown to agriculture, that language is the very essence of satire.

In the face of what this Congress has done for the farmer, the Interstate and Foreign Commerce Committee, of which I am a member, did not have the courage to come before Congress with this resolution, so they have amended it, as has been stated to you by the gentleman from Kansas. This is the only legislation that is to be given to the country by this Congress in the interest of agriculture. When the farmers of America read and understand this bill they will say, "We asked for bread and they gave us a lemon." I have here a statement from the leader of the majority party [Mr. LONGWORTH] which says:

> While fully realizing the condition of agriculture, and with the most earnest desire to bring relief as far as legislatively possible, we have so far been unable to work out a plan which would command the necessary support.

The leader of the majority in this Congress admits that, so far as this Congress is concerned, agriculture has drawn a blank.

This, then, is all we are going to do for agriculture. This Congress has appropriated $3,000,000,000 of the taxpayers' money. It has handed out big favors for special interests, but it has done nothing for agriculture. So, after taking care of every special interest and every part of the country from Cape Cod to Timbucktoo, except the West, Congress is going to give three cheers for agriculture and adjourn and go home. We have been having hearings in the Committee on Interstate and Foreign Commerce upon the bill which I have been urging action upon, which reduces freight rates materially and repeals section 15a. Those hearings are not yet published. They have brought out some very interesting information concerning the effect upon agriculture of excessive railroad freight charges. The question was asked by myself as to the effect of freight reduction upon agricultural commodities, and Mr. Esch responding stated:

> There was general improvement of conditions throughout the world in 1923.
>
> Mr. SHALLENBERGER. You would have a hard time making the people out in the West believe that.
>
> Mr. ESCH. Except as to agricultural products, and there, Governor, it must be remembered the agricultural products only constitute about 6 per cent in tonnage of the tonnage of the carriers. While it is of great importance to the areas where agricultural tonnage is produced, yet in the aggregate it is only a comparatively small percentage of the total tonnage of the carriers.

On all the railroads in the United States only 6 per cent is agricultural tonnage. Now, look what follows. Mr. HAWES asked the commissioner as to the possibility of the reduction of freight on agricultural commodities as the law now stands. He asked:

> Mr. HAWES. So that if agricultural rates were largely lowered, and carrying out the constitutional provision irrespective of law, the rest of the country would have to bear the lowering of the freight on those commodities.
>
> Mr. ESCH. Well, we feel that it would have to be made good in other ways.
>
> Mr. HAWES. Other commodities would have to pay for the reduction or the Government would have to make a subsidy, one of the two.

If they reduce the freight rates upon agriculture, then as the law is now you have to raise it upon something else. We must repeal section 15a or any reduction to one class of commodities or any region must be paid for by others.

Here Mr. Hardie broke in—

> I have referred to a table which was prepared by the bureau of statistics of the Interstate Commerce Commission, and I find that the proportion of revenue estimated for 1922 for all products of agriculture to the total is 18.33 per cent.

Gentlemen, agriculture pays three times the proportion that it should pay of the entire receipts of the railroads from freight traffic. The statement of the commission shows that one-sixteenth of all the traffic of the railroads pays one-fifth of their returns, and that is what is the matter with agriculture, and that is where agriculture needs relief. Agriculture is not going to get relief by this legislation. This resolution only asks the commission to do the thing it has done, is now doing, and just what it will continue to do in the future under the present law. I want to read you here what Mr. Hardie, director of traffic, said when asked the length of time that would be required to carry out the investigations directed by this bill. He said:

> Mr. HARDIE. My opinion is, it will not be finished in five years if carried out to the final analysis. It will be nearly 10 years, in my opinion.

Gentlemen, we are to have the commission investigating something which they already fully understand, and they are to take 10 years or more to do it and spend millions of dollars of the people's money. Investigations by commissions are for two major purposes, to kill time and spend money. You do not grant them any new power in this bill; you do not give them any authority they do not now have. This legislation is simply a gesture to placate the farmer. There is a way to get relief from the load of excessive freight rates that is breaking the back of the American farmer, and not only relief for agriculture but relief for every industry that suffers because of excessive freight charges. But it is not by investigation by a commission. It is by repeal of the law that authorizes and directs the commission to levy excessive charges upon the country.

On the 8th day of May I filed a petition at the Clerk's desk in the House for the repeal of section 15a of the Esch-Cummins law. Last winter the President of the United States asked the railroads to reduce freight rates upon coal, because the people of the Nation were suffering for coal to keep themselves warm, because they could not afford the price that excessive freight rates compelled them to pay. But the railroads stood like a stone wall against the proposed reduction. Only this week I heard a Member from Virginia on this floor state that the farmers down there had petitioned the Interstate Commerce Commission for a reduction of the freight on lime for agricultural purposes, but instead of reducing it they raised it $25 a car. Now, let me show you how to get results in freight reduction. I am a pure-bred livestock breeder. I have been breeding purebred livestock in the State of Nebraska for many years. I filed a petition on May 8 last asking for a vote on my bill for the repeal of section 15a of the Esch-Cummins law. In exactly 10 days from the time of the signing of that petition by 40 Members of Congress five of the principal railroads in the United States—the Union Pacific, the Chicago, Burlington & Quincy, the Chicago & North Western, the Rock Island, and the Missouri Pacific—controlling 50,000 miles of railroads in the United States, came into the office of the Railroad Commission of the State of Nebraska

and asked them to reduce the freight rates upon purebred livestock in the State of Nebraska 50 per cent; not 10 per cent, not 25 per cent, not 40 per cent, but 50 per cent.

Here is the telegram from the chairman of the Nebraska State Railroad Commission which states that the action was entirely voluntary upon the part of the carriers and that the rate was so low as to be unreasonable:

LINCOLN, NEBR., *May 28, 1924.*

A. C. SHALLENBERGER,
*Member of Congress, Washington, D. C.:*

Reduction on registered livestock voluntary by carriers after several conferences. Rate could not have been ordered as probably lower than reasonable per se. Do not know of similar reduction in other States yet.

THORNE A. BROWNE.

If the President of the United States wants coal rates reduced, if the farmers of Virginia want livestock rates reduced, I suggest they should file a petition for the repeal of the Esch-Cummins Act, or ask their Congressmen to sign the petition which I have already filed for the same purpose at the desk of the Clerk of the House of Representatives.

The farmers of the Nation have been turned down by those in control of this Congress upon every opportunity. The President's only advice to the farmer is to dig himself out of the hole he is in. It is useless to expect any favor for agriculture from this Congress or from this administration. The farmers have learned a lesson and the remedy is easily understood. It is to change the character of leadership of Congress and choose a President who can look westward and north and south, and not always toward New England and the East.

The great toiling masses of the people, who are not often articulate in Washington, must organize to make their influence more powerful in the legislative branch of our Government. They will not then see their petitions refused and their rights ignored. The President has announced a program of tax reduction for the coming campaign. The producers and consumers should also organize and carry on a reduction campaign—reduction of the excessive tariff robbery and reduction of unfair railroad charges. High income taxes do not concern the farmer, since he has no taxable income under present conditions.

If Congress will relieve him of the unfair and excessive burden of high freight rates and high tariffs, the farmer can again confidently look the world in the face, pay his debts, and support his family as Americans should live and do his full part in sustaining the prosperity of the Nation.

Mr. HUDDLESTON. Mr. Speaker, I yield five minutes to the gentleman from Virginia [Mr. MOORE].

The SPEAKER pro tempore. The gentleman from Virginia is recognized for five minutes.

Mr. MOORE of Virginia. Mr. Speaker, two Presidents of the United States have called attention in their annual messages and in their speeches before the people to the need of dealing in some way with the railroad freight-rate problem. They have made certain suggestions which have not received any particular attention so far by Congress. Now we are brought to the consideration of a resolution which, in my judgment, will have no practical value. There never was a more "lame and impotent conclusion" of all that has been done in the way of discussion and in the way of promise in reference to this subject than is embodied in this resolution, and we are compelled, under the rules of this House, which seriously need amendment, to vote the resolution up or down, without any modification, and some modification could be made which would be helpful and might produce results.

A while ago the gentleman from Kansas [Mr. HOCH], the patron of the resolution, told us what it contemplates. He says, first, the proposition is to make a survey of the entire rate structure of the country. It happened that for years I practiced before the Interstate Commerce Commission, and I know that that sort of a survey has been made time and time again.

There are three rate territorial areas in the country, eastern and southern and western, and the adjustments in each have been time and again the subject of the most careful scrutiny by the Interstate Commerce Commission during the last 15 or 20 years. Now, we are to say in a light-hearted sort of way to the commission, "Repeat what you have done; duplicate what you are doing; investigate the entire rate adjustment, and report what you find and what can be accomplished in the line of affording the relief which is desired."

Mr. HOCH. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. No. I have only five minutes.

How long will it take to do that? It will require perhaps not less than 10 years, and conditions will so change in the 10 years that the final conclusions will probably be valueless. How much will be the expense? If you will consult the Interstate Commerce Commission, you will doubtless find that its docket is so crowded with cases now that an initial appropriation of from $100,000 to $150,000 will be needed, and then appropriations larger still in the future.

The gentleman from Kansas says that under the resolution certain factors will have to be taken into account by the commission in making its survey and in effecting any changes which they think ought to be made. There have been a large number of cases of great importance before the commission not confined to any one section in which the commission has not failed to take into account every one of the factors specified, and thus the question of the factors to be considered is nothing new.

Now, Mr. Speaker, the resolution is a case of "keeping the promise to the ear and breaking it to the hope." And while I intend to vote for it because of the alleged possibilities it contains, I do not want the Republican Party to be credited with taking a course which holds out any probability of relief. I do not intend, so far as I can prevent it, that this eleventh-hour measure shall be considered as much better than a mere gesture—a sort of alibi refuge. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired.

Mr. TINCHER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas? [After a pause.] The Chair hears none.

Mr. TINCHER. Mr. Speaker, I ask for this privilege for the reason that I consider the passage of the Hoch amendment of the utmost importance. The amendment directs the Interstate Commerce Commission to make a certain survey, and then if conditions exist which we think do exist reduce freight rates on agricultural products.

The opposition to the amendment is not very well organized. Our friend from Nebraska [Mr. SHALLENBERGER] and our friend from Virginia [Mr. MOORE] spoke against it, though I think they will vote for it on the theory that it will not accomplish anything, and that they would like to proceed further, but neither of them has pointed out how we could go any further. The gentleman from Alabama [Mr. HUDDLESTON] has spoken in an entirely different vein. He says the rates should not be reduced upon farm products unless they are also reduced on lumber, certain gravel, and thousands of other products. I quote from his speech—

Is it proposed to give the products of the farmer an advantage over the products of the mine?

The gentleman from Alabama was one of the ardent supporters of the Barkley bill, which looked to the raising of the wages of the employees of the common carriers. It is very plain that he does not comprehend the situation in the agricultural section of the country. Another thing in his speech that I desire to quote, "The farmers are asking for relief. They are entitled to relief and I am willing to give them relief, but I am not willing to give them relief at the expense of other people * * *." Then he says the coal miners are in as bad shape as the farmers, that the coal industry is languishing; and, later on, he says the lumber interests are languishing.

This speech is a fair example of the attitude taken by the gentleman from Alabama and his colleagues toward the American farmer. They refuse to recognize, as the vote on farm-relief legislation at this session of Congress disclosed, the fact that the farmers' prices are out of joint with other prices in this country. This bill, if it should result in giving a discriminatory freight rate on the food products of America, as against the unnecessaries of life, would, in my judgment, be meritorious, though it is the contention of us that have worked for the bill from the start that it does not contemplate that. We contend that the freight rates on agricultural products are not in harmony with and are out of line with other rates. At any rate, this bill will authorize and practically direct the reduction of freight rates on agricultural products, and some of us think it is rather inconsistent for the Democratic Party, through their Representatives on this floor, Mr. SHALLENBERGER and Mr. MOORE of Virginia, to argue that it will not accomplish anything, and Mr. HUDDLESTON to argue that it will accomplish too much and is unfair because it does too much for the

farmer. These arguments are about as consistent as the argument of the gentleman from Virginia [Mr. MOORE], who says that he is afraid if we pass this bill it will affect politics. I suppose he thinks the right thing to do would be to deny the farmer any relief for fear he would vote the Republican ticket. I will say, however, that this attitude upon Mr. MOORE's part is consistent with the attitude of the Democratic Party throughout this entire session of Congress, during which they have, by a coalition with those who seldom vote for anything for the farmer, defeated any substantial farm-relief legislation. Hitherto, his excuse has been that he was afraid the legislation was not sound, but I think the expression on the floor today that he is afraid the legislation will help some one politically, has been the real motive behind the efforts to defeat all farm legislation. Some of our friends seem to think the thing to do is to fight all farm-relief legislation and then chide those of us who favored it because it did not pass. The reason we have not passed more substantial farm legislation this session of Congress is that we could not get the votes in the House to pass it.

Personally, I can not appreciate the attitude of the Members of Congress that vote against the legislation and then try to put us in a bad light with the farmer because we did not pass the bills.

Mr. HUDDLESTON. Mr. Speaker, there will be only one more speech on this side. Will the gentleman from Kansas use some of his time?

Mr. HOCH. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. RAYBURN].

The SPEAKER pro tempore. The gentleman from Texas is recognized for five minutes.

Mr. RAYBURN. Mr. Speaker and gentlemen of the House, with a great deal of what the gentleman from Nebraska [Mr. SHALLENBERGER] and with a great deal of what the gentleman from Virginia [Mr. MOORE] said I am in agreement. I do not take issue with the gentleman from Virginia or with the gentleman from Nebraska in their saying that there is considerable politics in this resolution. Since the 1st of January I have sought, as a minority member of the Committee on Interstate and Foreign Commerce, to get the committee to go into a general hearing and a general investigation of the controverted provisions of the transportation act of 1920. The committee has not done that, except in the last few days they have taken up an investigation of section 15a, which is not completed. This resolution comes here as one of the recommendations of the present President. It came with the recommendation, as I remember, of his predecessor. Everyone in the country knows, who knows anything about transportation and about the freight rate structure, that it is badly out of joint. When Mr. McAdoo was Director General of Railroads he made a horizontal increase of rates. After the transportation act of 1920 was passed the Interstate Commerce Commission made horizontal increases. Since that time the Interstate Commerce Commission has made a horizontal reduction; and everyone who knows anything about rate structures knows that horizontal increases and horizontal decreases, taking into consideration the great mass of influences that go to make up the rate structure of the country, throw them entirely and almost criminally out of joint.

This resolution directs the Interstate Commerce Commission to do something which some claim they have the power of doing now but which they do not care to undertake without the express direction of Congress to go into the whole rate structure of the country and try in a lawful way to iron out the inequalities that exist in that structure. I think it should be done. I think it is right to the shippers and to all interests of this country that those inequalities be ironed out at as early a date as possible. [Applause.]

Therefore I can not take upon myself the responsibility, and I do not believe my colleagues should take upon themselves the responsibility—simply because they think there is some politics involved in this—of defeating a resolution which I believe will redound to the benefit of all the people of the country. [Applause.]

The livestock interests of this country especially are vitally interested in this legislation. Their national counsel tells me he believes this resolution is the most vital thing this Congress could pass for the great livestock interests of this country.

Some people say this resoluton is a gesture. Maybe it is; but in my opinion it is a gesture in the right and proper direction. It provides:

*Resolved, etc.*, That it is hereby declared to be the true policy in rate making to be pursued by the Interstate Commerce Commission in adjusting freight rates that the conditions which at any given time prevail in our several industries should be considered, in so far as it is legally possible to do so, to the end that commodities may freely move with fair profit to the producer and sold at a reasonable price to the consumer.

It is further declared that agriculture is the basic industry of this country, and that it is the policy of Congress to promote, encourage, and foster that industry, and especially in rate making during the existing depression in agriculture. In furtherance of these policies the Interstate Commerce Commission is hereby directed, with the least practicable delay, to effect such lawful changes in the rate structure of the country as will promote the freedom of movement of common carriers of the products of agriculture, including livestock, at the lowest possible lawful rates compatible with the maintenance of adequate transportation service: *Provided*, That no investigation or proceeding resulting from the adoption of this resolution shall be permitted to delay the decision of cases now pending before the commission involving rates on products of agriculture, and the policy herein stated shall be applied in such determination as soon as possible.

That the Interstate Commerce Commission is authorized and directed to make a thorough investigation of the rate structure of common carriers subject to the interstate commerce act, in order to determine to what extent and in what manner existing rates and charges may be unjust, unreasonable, unjustly discriminatory, or unduly preferential, thereby imposing undue burdens or giving undue advantage as between the various localities and parts of the country, the various classes of traffic, and the various classes and kinds of commodities, and to make, in accordance with law, such changes, adjustments, and redistribution of rates and charges as may be found necessary to correct any defects so found to exist. In making any such change, adjustment, or redistribution the commission shall give due regard, among other factors, to the general and comparative levels in market value of the various classes and kinds of commodities as indicated over a reasonable period of years to a natural and proper development of the country as a whole and to the maintenance of an adequate system of transportation. In the progress of such investigation the commission shall from time to time, and as expeditiously as possible, make such decisions and orders as it may find to be necessary or appropriate upon the record then made in order to place the rates upon designated classes of traffic upon a just and reasonable basis with relation to other rates. Such investigation shall be conducted with due regard to other investigations or proceedings affecting rate adjustments which may be pending before the commission.

In view of the existing depression in agriculture, a basic industry, the commission is hereby directed to effect with the least practicable delay such reasonable and lawful changes in the rate structure of the country as will promote the freedom of movement by common carriers of the products of agriculture affected by that depression, including livestock, at the lowest possible reasonable and lawful rates compatible with the maintenance of adequate transportation service: *Provided*, That no investigation or proceeding resulting from the adoption of this resolution shall be permitted to delay the decision of cases now pending before the commission involving rates on products of agriculture, and that such cases shall be decided in accordance with this resolution.

We have heard talk about depression in agriculture, and that agriculture is carrying too much of the burden of the railroad rates. I believe that agriculture is now bearing more of the freight burden than it should, and when this resolution, as the expression of the Congress of the United States, says to the Interstate Commerce Commission not to violate the law of the land but to set the lowest rates after investigation—taking into consideration all of the proper elements—compatible with an adequate system of transportation upon agricultural products and livestock, I myself am going to vote to pass the resolution. [Applause.]

Mr. HASTINGS. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. HASTINGS. The gentleman has long been a member of this committee. Does the gentleman think the Interstate Commerce Commission has that power now?

Mr. RAYBURN. I think the Interstate Commerce Commission has that power now, but does not feel justified in undertaking the vast task without this expression on the part of the Representatives of the people.

Mr. HASTINGS. How long does the gentleman think it will take the Interstate Commerce Commission to make the investigation directed under this resolution?

Mr. RAYBURN. It will take a short time to make a part of it, but probably a long time to make another part of it; but if it is a good thing, time is not an element. If it is a short task,

so much the better; if, on the other hand, it is a long controversy, then we should get at it at once so that it may be completed and the freight payers given all lawful relief at the earliest possible moment.

It is essential to the prosperity of the whole people that they have an adequate transportation system, to the end that products, perishable and otherwise, may move swiftly and safely. It is also vital to the whole people that they pay the lowest possible lawful rates for that service. Freight rates are like tariff taxes in that rates may be set so high that traffic will not move and, therefore, less revenue will be collected than there would be on a lower rate. There is a medium somewhere that is fair to all parties and that rate should be found if possible, and in the passage of this resolution we hope that the Interstate Commerce Commission may, under its direction, build a rate structure that will be fair and reasonable.

Agriculture has in all sections passed through, and in some sections is passing through, a period of great depression. It should be fostered as much as possible, for when the farmer fails we all fail and hard times are upon us. In my humble judgment one of the things that the Congress just adjourned should have done was to have repealed the whole Fordney tariff law. Without, I hope, any demagoguery, I believe that high tariffs are the most unjustifiable and oppressing form of taxation that can be laid on any people. If we are to have commerce with other countries of the world, and it is essential that we should if we are to be prosperous, we can not build around this country a wall that will keep out the surplus goods of other countries, much of which we do not have here, and expect them then to be able to buy our surplus. If our surplus can not be sold abroad, our industries will lag and agriculture especially will languish.

All nations of the world are anxious to trade with us. Especially do nations who owe us money desire to exchange goods with us, but the Republican Party insists upon taking a toll charge from every man or concern the world over who comes to our shores asking the privilege of helping to make us prosperous by taking some of our surplus away. The streams of commerce are very sensitive, and a thing like a toll or tariff will change the whole course of our neighbors' patronage. Nations are like individuals. No merchant can hope that customers will come to his store and purchase his wares if he charges an entrance fee to his place of business.

I am, as was said by one of our great leaders, willing to match the genius of America against the genius of the world, instead of making the humiliating admission that we can not live and compete with the world.

Our industries are no longer "infant." They are strong and able to compete with the world for markets. The present Fordney tariff bill is one not of construction and helpfulness but is one of oppression and destruction, giving an excuse to wring from every consumer in the land a bounty. Instead of opening the markets of the world it closes them. We have ceased to be a debtor nation and have become the great creditor nation of the world. If we are to maintain our position in the world of finance, industry, and agriculture, we must foster trade and commerce as never before. The farmer, upon whom the Republican Party has long depended to uphold it in its high-tariff views, is having his eyes opened to the fact that he has been fooled into believing that the tariff was essential to his prosperity or helpful to him in any way; but, on the other hand, he has found that everything that he buys is laden with tribute for privilege. Granting special privilege always brings corruption.

Much has been said about relief for the farmer, and many wild and demagogic speeches have been made, but nothing has come of them. The real relief that will ever come to the farmers of this country is through the building up of cooperative marketing systems to market his own products at home and for marketing abroad with and by his own agents and not depend on the professional exporter and profiteer and as far as is possible cut the middleman out entirely. No unsafe schemes of price fixing will be of relief but will bring about complex conditions that will be disastrous to the farmer in the long run.

No relief for any section that will be permanent can come from the people or their representatives dividing themselves into "blocs." With a Wall Street bloc, a railroad bloc, a labor bloc, a town bloc, a country bloc, and with a special purpose to serve we will find such trading and trafficking as will bring about corruption and extravagance unspeakable. The representatives of the people should realize that the whole people deserve recognition in legislation, and that when they divide into antagonistic groups the general interest will be forgotten. Elements of jealousy, strife, and discord will run rampant, and no body or group will trust any other body or group. We should make the general good our first and highest purpose; and when justice is in this way distributed no one can suffer and no one justly complain. Let us, if possible, have done with strife and bickerings that divide our people and which can bring nothing but woe to any country whose people do not work together for the common good and the general welfare.

Mr. HUDDLESTON. Mr. Speaker, to the first paragraph of this resolution I offer no objection. The second paragraph is the one which is positively bad.

Beginning with 1917, there was a horizontal increase in railroad rates of 15 per cent, another of 25 per cent in 1918, and another of 25 per cent to 40 per cent on August 26, 1920. Last year there was a horizontal decrease of 10 per cent. So that present rates represent a net horizontal increase of about 65 per cent above rates on January 1, 1917. Such great horizontal increases have thrown rates wholly out of equilibrium and have produced rates relatively much higher on certain commodities than on others. As a practical matter, heavy commodities and commodities which move long distances are being discriminated against in favor of light commodities and short hauls. Assuming that the general level of rates is proper—and this is a violent assumption—great injustice has been worked by the horizontal increases.

With this situation it is entirely proper that there should be an examination and readjustment of the rate structure. If we are to have no general reductions, at least we should have the inequalities and discriminations produced by the horizontal increases ironed out, and for this reason there can be no serious objection to the first paragraph of the resolution.

However, little relief is promised even by the first paragraph. Examination of the rate structure is a matter of years. Possibly 10 years will be consumed with, in the end, little or no general relief. For the present the chief value of the paragraph is to afford the present administration an excuse for having done something for the farmers. Also this gesture will have political value for the Congressmen who perform it.

This paragraph is a mere sop thrown to the agricultural interests. It is the tiny tidbit that Members who represent agricultural constituencies will fondly carry home to show to their farmer friends as an evidence of their efficiency during the past session. They must point to it as the only justification for their existence in Congress.

The second paragraph of the resolution takes on a more sinister aspect. It either means nothing and will serve no purpose beyond the present political campaign, or it constitutes a brazen effort to give a reduction in rates to agricultural interests at the expense of other interests of the country.

If the paragraph means anything, it is a vicious attempt at special interest legislation. It is group legislation run mad. It is a proposal to transport farm produce at less than the cost of the service and to charge to other legitimate interests what the carriers may lose by the reduction.

The second paragraph reads as follows:

> In view of the existing depression in agriculture, a basic industry, the commission is hereby directed to effect with the least practicable delay such reasonable and lawful changes in the rate structure of the country as will promote the freedom of movement by common carriers of the products of agriculture affected by that depression, including livestock, at the lowest possible reasonable and lawful rates compatible with the maintenance of adequate transportation service—

And so forth. It is fundamental that every user of a public utility should pay the cost of the service he receives and a just profit to the utility, and that no man has a right to use a public utility at any other man's expense. It is neither good public policy nor is it sound ethics to allow any man to use a railroad at the expense of some other man.

If this resolution means what its friends must want it to mean, that the farmers are to pay less than the reasonable cost of carrying their products plus a fair profit to the carriers—if it really means that, it means that they seek to impose an additional and unjust burden upon other industries of the country. Such action can not be defended.

Railroad rates are out of joint. They are out of joint upon all heavy commodities which are hauled for long distances and as to which the freight charge represents a substantial part of the cost. That applies to various agricultural products,

and also to coal, to lumber, stone, gravel, and many other products of the mine, of the forest, and of the factory.

In effect, it is proposed by this resolution to take a part of the freight charge off of hay and put it on coal. It proposes to give the products of the farmer an advantage over the products of the mine. Then every Member who holds to that purpose and votes for this resolution is violating the fundamental principles not only of good policy but of fairness and justice to other interests. Every such Member who has a constituency interested in these other products betrays the best interests of his constituents.

If the resolution does not mean that, it does not mean anything. If it means that you can not afford to support it, what are you going to do?

I say that rates are too high; I say that they ought to come down—that they ought to come down to everybody. They are yielding to many of the large representative railroads from 10 to 25 per cent in annual earnings upon every dollar of their common stock.

I base this statement upon figures from the Interstate Commerce Commission. Beginning with the Alabama & Vicksburg, which earned 23.39 per cent, through the Atlantic Coast Line, 18.66 per cent; Big Four, 23.64 per cent; Illinois Central, 14.14 per cent; New York Central, 16.90 per cent; Philadelphia & Reading, 39.80 per cent; to Union Pacific, with 15.19 per cent. These are merely representative roads with representative earnings and are not selected from the table. For instance, the Michigan Central earned 75.66 per cent. I insert the table so that those who are interested may study it at leisure:

*Rate of return earned on common stock, selected Class I roads, 1923*

| Name of road | Par value of common stock | Net income less dividends on preferred stock | Rate of return on common stock (per cent) |
|---|---|---|---|
| Alabama & Vicksburg | $2,100,000 | $491,232 | 23.39 |
| Alabama Great Southern | 7,830,000 | 1,793,813 | 22.91 |
| Atlanta & West Point | 2,463,000 | 348,104 | 14.13 |
| Atlantic Coast Line | 68,586,200 | 12,797,073 | 18.66 |
| Beaumont, Sour Lake & Western | 85,000 | 258,609 | 304.24 |
| Bessemer & Lake Erie | 500,000 | 5,699,504 | 1,139.86 |
| Chesapeake & Ohio | 65,415,925 | 9,099,050 | 13.91 |
| Chicago, Detroit & Canada Grand Trunk Junction | 1,095,000 | 43,800 | 4.00 |
| Cincinnati, New Orleans & Texas Pacific | 2,990,000 | 3,509,993 | 117.39 |
| Cincinnati Northern | 3,000,000 | 748,950 | 24.97 |
| Cleveland, Cincinnati, Chicago & St. Louis | 47,023,700 | 11,117,429 | 23.64 |
| Columbus & Green. Ry.[1] | | 44,508 | |
| Detroit & Toledo Shore Line | 1,428,000 | 522,219 | 36.57 |
| Detroit, Grand Haven & Milwaukee | 1,500,000 | 6,429 | .43 |
| Detroit, Toledo & Ironton | 6,590,000 | 1,417,035 | 21.80 |
| Duluth, Missabe & Northern | 4,112,500 | 10,583,419 | 257.35 |
| Elgin, Joliet & Eastern | 10,000,000 | 2,592,177 | 25.92 |
| Fort Worth & Denver City | 9,243,800 | 2,425,990 | 26.24 |
| Georgia R. R | | 372,564 | |
| Gulf & Ship Island | 7,013,100 | 384,286 | 5.48 |
| Gulf, Colorado & Santa Fe | 10,000,000 | 827,471 | |
| Illinois Central | 109,522,092 | 15,485,074 | 14.14 |
| Lake Superior & Ishpeming | 1,000,000 | 426,995 | 42.70 |
| Lehigh & Hudson River | 4,707,000 | 624,942 | 13.28 |
| Lehigh & New England | 6,800,000 | 975,895 | 14.35 |
| Louisiana & Arkansas | 5,000,000 | 693,823 | 13.88 |
| Louisiana Western | 3,360,000 | 1,005,676 | 29.93 |
| Louisville, Henderson & St. Louis | 2,000,000 | 391,983 | 19.60 |
| Michigan Central | 18,736,400 | 14,176,448 | 75.66 |
| Montour | 5,100,000 | 902,980 | 17.71 |
| Nevada Northern | 2,000,000 | 486,834 | 24.34 |
| New Orleans, Texas & Mexico | 15,000,000 | 864,213 | 5.76 |
| New York Central | 268,323,375 | 45,339,427 | 16.90 |
| Norfolk & Western | 128,994,300 | 17,868,805 | 13.85 |
| Northern Alabama | 1,943,300 | 207,399 | 10.67 |
| Pere Marquette | 45,046,000 | 5,202,810 | 11.55 |
| Perkiomen | 1,500,000 | 286,453 | 19.10 |
| Philadelphia & Reading | 42,481,700 | 16,908,866 | 39.80 |
| Pittsburgh & Lake Erie | 35,985,600 | 13,170,106 | 36.60 |
| Richmond, Fredericksburg & Potomac | 14,334,400 | 2,297,035 | 16.02 |
| St. Louis, Brownsville & Mexico | 500,000 | 1,167,352 | 233.47 |
| St. Louis Southwestern | 16,356,100 | 4,485,795 | 27.43 |
| Texarkana & Fort Smith | 100,000 | 699,069 | 699.07 |
| Union Pacific | 222,291,460 | 33,776,601 | 15.19 |
| Vicksburg, Shreveport & Pacific | 2,856,560 | 564,293 | 19.75 |
| Western Railway of Alabama | 3,000,000 | 471,551 | 15.72 |
| Wichita Valley | 1,380,000 | 180,660 | 12.56 |

[1] Report for period Aug. 6 to Dec. 31, 1923. No capital stock has been issued

I have some additional figures from the Interstate Commerce Commission. Here is a table which gives in dollars the amount which certain railroads earned in 1923 above 5½ per cent upon the value of their property. The above table shows earnings on common stock. The following shows earnings on all property account, and shows that many of the roads earned large sums in excess of 5½ per cent upon their investment. Here are the figures:

*Excess of net railway operating income over 5½ per cent on investment of Class I roads earning more than 6 per cent*

| Name of road and year | Net railway operating income | 5½ per cent on book value of investment | Excess of net railway operating income over 5½ per cent |
|---|---|---|---|
| Alabama & Vicksburg: | | | |
| 1922 | $286,392 | $391,941 | [1] $105,549 |
| 1923 | 554,723 | 391,941 | 162,782 |
| Alabama Great Southern: | | | |
| 1922 | 1,493,909 | 1,469,883 | 14,026 |
| 1923 | 2,469,543 | 1,469,883 | 909,660 |
| Atlanta & West Point: | | | |
| 1922 | 230,690 | 284,838 | [1] 54,148 |
| 1923 | 345,712 | 284,838 | 60,874 |
| Atlantic Coast Line: | | | |
| 1922 | 14,416,370 | 12,089,470 | 2,326,900 |
| 1923 | 15,496,609 | 12,089,470 | 3,407,139 |
| Beaumont, Sour Lake & Western: | | | |
| 1922 | 263,608 | 191,249 | 72,359 |
| 1923 | 362,274 | 191,249 | 171,025 |
| Bessemer & Lake Erie: | | | |
| 1922 | 4,809,526 | 3,337,043 | 1,472,483 |
| 1923 | 6,835,256 | 3,337,043 | 3,498,213 |
| Chesapeake & Ohio: | | | |
| 1922 | 14,410,330 | 17,551,039 | [1] 3,140,709 |
| 1923 | 19,135,359 | 17,551,039 | 1,584,320 |
| Chicago, Detroit & Canada Grank Trunk Junction: | | | |
| 1922 | 837,599 | 253,790 | 583,809 |
| 1923 | 1,399,905 | 253,790 | 1,146,115 |
| Cincinnati, New Orleans & Texas Pacific: | | | |
| 1922 | 1,910,018 | 3,087,432 | [1] 1,177,414 |
| 1923 | 4,856,706 | 3,087,432 | 1,769,274 |
| Cincinnati Northern: | | | |
| 1922 | 348,557 | 372,154 | [1] 23,597 |
| 1923 | 838,257 | 372,154 | 466,103 |
| Cleveland, Cincinnati, Chicago & St. Louis: | | | |
| 1922 | 13,747,229 | 13,799,469 | [1] 52,240 |
| 1923 | 16,691,901 | 13,799,469 | 2,892,432 |
| Columbus & Greenville: | | | |
| 1922 | 188,942 | 141,086 | 47,856 |
| 1923 | 533 | 141,086 | [1] 140,553 |
| Detroit & Toledo Shore Line: | | | |
| 1922 | 745,006 | 321,374 | 423,632 |
| 1923 | 603,781 | 321,374 | 282,407 |
| Detroit, Grand Haven & Milwaukee: | | | |
| 1922 | 455,339 | 473,029 | [1] 17,690 |
| 1923 | 646,654 | 473,029 | 173,625 |
| Detroit, Toledo & Ironton: | | | |
| 1922 | [1] 158,984 | 1,498,404 | [1] 1,657,388 |
| 1923 | 1,786,924 | 1,498,404 | 288,530 |
| Duluth, Missabe & Northern: | | | |
| 1922 | 6,512,845 | 2,686,506 | 3,826,339 |
| 1923 | 10,632,786 | 2,686,506 | 7,946,290 |
| Elgin, Jolict & Eastern: | | | |
| 1922 | 5,152,091 | 2,717,681 | 2,434,410 |
| 1923 | 5,409,365 | 2,717,681 | 2,691,684 |
| Fort Worth & Denver City: | | | |
| 1922 | 2,438,054 | 1,747,030 | 691,024 |
| 1923 | 2,877,039 | 1,747,030 | 1,130,009 |
| Georgia: | | | |
| 1922 | 811,838 | 771,076 | 40,762 |
| 1923 | 1,193,095 | 771,076 | 432,019 |
| Gulf & Ship Island: | | | |
| 1922 | 1,125,851 | 834,814 | 291,037 |
| 1923 | 525,355 | 834,814 | [1] 309,459 |
| Gulf, Colorado & Santa Fe: | | | |
| 1922 | 4,192,458 | 3,458,946 | 733,512 |
| 1923 | 3,963,151 | 3,458,946 | 504,205 |
| Illinois Ceutral: | | | |
| 1922 | 25,121,128 | 23,321,973 | 1,799,156 |
| 1923 | 22,906,244 | 23,321,973 | [1] 415,729 |
| Lake Superior & Ishpeming: | | | |
| 1922 | 369,833 | 256,700 | 113,133 |
| 1923 | 389,890 | 256,700 | 133,190 |
| Lehigh & Hudson River: | | | |
| 1922 | 118,015 | 388,950 | [1] 270,935 |
| 1923 | 580,987 | 388,950 | 201,037 |
| Lehigh & New England: | | | |
| 1922 | 721,867 | 919,263 | [1] 197,376 |
| 1923 | 1,262,859 | 919,263 | 343,596 |
| Louisiana & Arkansas: | | | |
| 1922 | 695,547 | 726,856 | [1] 31,309 |
| 1923 | 850,188 | 726,856 | 123,332 |
| Louisiana Western: | | | |
| 1922 | 854,743 | 580,368 | 274,375 |
| 1923 | 932,136 | 580,368 | 351,768 |
| Louisville, Henderson & St. Louis: | | | |
| 1922 | 526,519 | 498,351 | 28,168 |
| 1923 | 589,989 | 498,351 | 91,648 |
| Michigan Central: | | | |
| 1922 | 18,066,109 | 9,002,704 | 9,063,405 |
| 1923 | 19,388,175 | 9,002,704 | 10,385,471 |
| Montour: | | | |
| 1922 | 277,022 | 407,860 | [1] 130,838 |
| 1923 | 871,081 | 407,860 | 463,221 |
| Nevada Northern: | | | |
| 1922 | 187,175 | 182,489 | 4,686 |
| 1923 | 483,077 | 182,489 | 300,588 |
| New Orleans, Texas & Mexico: | | | |
| 1922 | 1,344,567 | 1,047,158 | 297,409 |
| 1923 | 1,176,275 | 1,047,158 | 129,117 |
| New York Central: | | | |
| 1922 | 53,973,083 | 65,182,612 | [1] 11,209,609 |
| 1923 | 70,667,192 | 65,182,612 | 5,484,580 |

[1] Deficiency.

*Excess of net railway operating income over 5¾ per cent on investment of Class I roads earning more than 6 per cent*—Continued

| Name of road and year | Net railway operating income | 5¾ per cent on book value of investment | Excess of net railway operating income over 5¾ per cent |
|---|---|---|---|
| Norfolk & Western: | | | |
| 1922 | $18,624,468 | $18,995,638 | [1] $371,170 |
| 1923 | 19,877,677 | 18,995,638 | 882,039 |
| Northern Alabama: | | | |
| 1922 | 203,415 | 253,595 | [1] 50,180 |
| 1923 | 308,171 | 253,595 | 54,576 |
| Pere Marquette: | | | |
| 1922 | 6,081,196 | 6,769,004 | [1] 687,808 |
| 1923 | 7,086,372 | 6,769,004 | 317,368 |
| Perkiomen: | | | |
| 1922 | 482,939 | 212,595 | 270,344 |
| 1923 | 345,194 | 212,595 | 132,599 |
| Philadelphia & Reading: | | | |
| 1922 | 14,328,714 | 12,716,453 | 1,612,261 |
| 1923 | 21,813,109 | 12,716,453 | 9,096,656 |
| Pittsburgh & Lake Erie: | | | |
| 1922 | 5,279,742 | 5,042,143 | 237,599 |
| 1923 | 15,574,595 | 5,042,143 | 10,532,452 |
| Richmond, Fredericksburg & Potomac: | | | |
| 1922 | 2,543,648 | 1,363,741 | 1,179,907 |
| 1923 | 2,811,335 | 1,363,741 | 1,447,594 |
| St. Louis, Brownsville & Mexico: | | | |
| 1922 | 1,142,882 | 942,654 | 200,228 |
| 1923 | 1,905,563 | 942,654 | 962,909 |
| St. Louis Southwestern: | | | |
| 1922 | 5,666,588 | 4,422,824 | 1,243,764 |
| 1923 | 6,111,138 | 4,422,824 | 1,688,314 |
| Texarkana & Fort Smith: | | | |
| 1922 | 470,083 | 278,969 | 191,114 |
| 1923 | 854,269 | 278,969 | 575,300 |
| Union Pacific: | | | |
| 1922 | 26,621,319 | 21,453,422 | 5,167,897 |
| 1923 | 28,844,300 | 21,453,422 | 7,390,878 |

*Excess of net railway operating income over 5¾ per cent on investment of Class I roads earning more than 6 per cent*—Continued

| Name of road and year | Net railway operating income | 5¾ per cent on book value of investment | Excess of net railway operating income over 5¾ per cent |
|---|---|---|---|
| Vicksburg, Shreveport & Pacific: | | | |
| 1922 | $368,823 | $569,808 | [1] $200,985 |
| 1923 | 690,832 | 569,808 | 121,024 |
| Western Ry. of Alabama: | | | |
| 1922 | 492,853 | 390,352 | 102,501 |
| 1923 | 505,889 | 390,352 | 115,537 |
| Wichita Valley: | | | |
| 1922 | 240,552 | 324,077 | [1] 83,525 |
| 1923 | 398,106 | 324,077 | 74,029 |

[1] Deficiency.

The Interstate Commerce Commission has decided on 5¾ per cent as the average amount which railroads are entitled to earn on their property investment and have fixed rates intended to yield that average return. If each of these roads should earn that average return, practically all of them would be able to pay dividends of 8 per cent on their common stock, and many of them would pay from 15 to 25 per cent dividends on common stock. This includes roads of which the common stock is almost pure water. The situation is due to the fact that practically all of the real capital of many of these roads is in the form of bonds bearing a low rate of interest, and the roads are able to earn a profit on the borrowed capital in their property account which would yield large dividends on common stock largely water. I include a table from the Interstate Commerce Commission which gives the figures on this point:

*Constructive net income compared with capital stock on the assumption that each road earns 5¾ per cent on investment—Class I roads in total and 25-million-dollar roads individually*

| Name of road | Book value of property investment, including leased lines | 5¾ per cent of property investment | Other income,[1] 1922 | Constructive gross income | Constructive deductions from gross income,[1] 1922 | Constructive net income | Capital stock Dec. 31, 1922 | Rate of constructive return on stock (per cent) |
|---|---|---|---|---|---|---|---|---|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| Boston & Maine R. R. | $230,105,096 | $13,231,043 | $502,816 | $13,733,859 | $6,950,564 | $6,783,295 | $85,606,492 | 7.92 |
| New York, New Haven & Hartford R. R. | 382,588,985 | 21,998,867 | 6,526,365 | 28,525,232 | 23,466,293 | 5,058,939 | 176,400,798 | 2.87 |
| Delaware & Hudson Co. | 114,492,926 | 6,583,343 | 3,864,179 | 10,447,522 | 5,572,564 | 4,874,958 | 42,502,600 | 11.47 |
| Delaware, Lackawanna & Western R. R. | 234,757,192 | 13,498,539 | 5,049,447 | 18,547,986 | 5,662,196 | 12,885,790 | 84,511,820 | 15.25 |
| Erie R. R. | 415,822,836 | 23,909,813 | 10,965,812 | 34,875,625 | 16,118,581 | 18,757,044 | 176,386,300 | 10.63 |
| Lehigh Valley R. R. | 225,579,506 | 12,970,822 | 4,832,641 | 17,803,463 | 7,413,971 | 10,389,492 | 60,608,000 | 17.14 |
| Michigan Central R. R. | 156,568,773 | 9,002,704 | 1,293,368 | 10,296,072 | 6,541,197 | 3,754,875 | 18,736,400 | 20.04 |
| New York Central R. R. | 1,133,610,635 | 65,182,612 | 18,765,860 | 83,948,472 | 52,103,677 | 31,844,795 | 267,981,915 | 11.88 |
| New York, Chicago & St. Louis R. R. | 117,609,816 | 6,762,564 | 351,824 | 7,114,388 | 2,832,978 | 4,281,410 | 29,987,300 | 14.28 |
| Pere Marquette Ry. | 117,721,810 | 6,769,004 | 497,874 | 7,266,878 | 2,228,511 | 5,038,367 | 68,675,000 | 7.34 |
| Pittsburgh & Lake Erie R. R. | 87,689,435 | 5,042,143 | 738,561 | 5,780,704 | 1,686,293 | 4,094,411 | 35,985,885 | 11.38 |
| Wabash Ry. | 225,153,860 | 12,946,347 | 1,165,159 | 14,111,506 | 4,062,192 | 10,049,314 | 138,120,700 | 7.28 |
| Baltimore & Ohio R. R. | 716,417,815 | 41,194,024 | 6,187,132 | 47,381,156 | 25,546,764 | 21,834,392 | 210,808,600 | 10.36 |
| Central R. R. of New Jersey | 160,742,932 | 9,242,719 | 2,525,392 | 11,768,111 | 5,897,931 | 5,870,180 | 27,436,800 | 21.40 |
| Chicago & Eastern Illinois Ry. | 79,755,600 | 4,585,947 | 393,789 | 4,979,736 | 2,327,914 | 2,651,822 | 45,891,400 | 5.78 |
| Cleveland, Cincinnati, Chicago & St. Louis Ry. | 239,990,763 | 13,799,469 | 1,641,181 | 15,440,650 | 7,859,574 | 7,581,076 | 57,027,200 | 13.29 |
| Elgin, Joliet & Eastern Ry. | 47,264,025 | 2,717,681 | 322,721 | 3,040,402 | 3,808,961 | [2] 768,559 | 10,000,000 | [2] 7.69 |
| Long Island R. R. | 92,846,894 | 5,338,696 | 585,313 | 5,924,009 | 3,387,309 | 2,536,700 | 34,110,250 | 7.44 |
| Pennsylvania R. R. | 1,973,424,470 | 113,471,907 | 45,079,813 | 158,551,720 | 69,192,294 | 89,359,426 | 506,427,648 | 17.65 |
| Philadelphia & Reading Ry. | 221,155,711 | 12,716,453 | [2] 553,150 | 12,163,303 | 5,879,011 | 6,284,292 | 42,481,700 | 14.79 |
| Chesapeake & Ohio Ry. | 305,235,456 | 17,551,039 | 2,478,503 | 20,029,542 | 10,247,223 | 9,782,319 | 75,344,500 | 12.98 |
| Norfolk & Western Ry. | 330,358,920 | 18,995,638 | 1,221,622 | 20,217,260 | 5,294,779 | 14,922,481 | 150,819,200 | 9.89 |
| Atlantic Coast Line | 210,251,659 | 12,089,470 | 4,555,696 | 16,645,166 | 7,367,990 | 9,277,176 | 73,612,343 | 12.60 |
| Central of Georgia Ry. | 79,280,294 | 4,558,617 | 397,207 | 4,955,824 | 3,102,997 | 1,852,827 | 20,600,000 | 9.36 |
| Illinois Central R. R. | 405,599,527 | 23,321,973 | 4,104,465 | 27,426,438 | 13,135,917 | 14,290,521 | 120,225,467 | 11.89 |
| Louisville & Nashville | 348,076,644 | 20,014,407 | 1,873,743 | 21,888,150 | 9,833,709 | 12,054,441 | 72,012,117 | 16.74 |
| Seaboard Air Line Ry. | 198,394,527 | 11,407,685 | 489,074 | 11,896,759 | 5,877,873 | 6,018,886 | 60,950,800 | 9.87 |
| Southern | 855,384,386 | 49,184,602 | 4,804,363 | 53,988,965 | 16,190,882 | 37,798,083 | 185,650,200 | 20.36 |
| Yazoo & Mississippi Valley R. R. | 69,909,228 | 4,023,231 | [2] 1,642,363 | 2,380,868 | 1,342,779 | 1,038,089 | 21,553,300 | 4.82 |
| Chicago & North Western Ry. | 457,446,174 | 26,303,155 | 3,309,403 | 29,612,558 | 11,448,173 | 18,164,385 | 167,606,422 | 10.84 |
| Chicago, Milwaukee & St. Paul Ry. | 697,674,890 | 40,116,306 | 1,574,700 | 41,691,006 | 20,858,652 | 20,832,354 | 233,287,984 | 8.93 |
| Chicago, St. Paul, Minneapolis & Omaha Ry. | 86,839,382 | 4,993,264 | 247,107 | 5,240,371 | 2,881,849 | 2,358,522 | 29,818,946 | 7.91 |
| Great Northern Ry. | 444,772,459 | 25,574,416 | 10,487,006 | 36,061,422 | 16,897,932 | 19,163,490 | 249,558,418 | 7.68 |
| Minneapolis, St. Paul & Sault Ste. Marie Ry. | 208,096,153 | 11,962,079 | 655,445 | 12,617,524 | 7,335,371 | 5,282,153 | 37,822,536 | 13.97 |
| Northern Pacific Ry. | 536,487,114 | 30,848,009 | 11,271,729 | 42,119,738 | 15,665,314 | 26,454,424 | 248,000,000 | 10.67 |
| Oregon-Washington Railroad & Navigation Co. | 171,373,973 | 9,854,003 | 849,523 | 10,703,526 | 3,994,309 | 6,709,217 | 50,000,000 | 13.42 |
| Atchison, Topeka & Santa Fe | 725,972,773 | 41,743,434 | 16,707,610 | 58,451,044 | 13,679,965 | 44,771,079 | 351,226,200 | 12.75 |
| Chicago & Alton | 144,812,587 | 8,326,724 | 196,984 | 8,523,708 | 4,175,954 | 4,347,754 | 39,955,500 | 10.88 |
| Chicago, Burlington & Quincy R. R. | 535,131,810 | 30,770,079 | 3,470,235 | 34,240,313 | 8,360,921 | 25,879,392 | 170,939,100 | 15.15 |
| Chicago, Rock Island & Pacific Ry. | 361,796,883 | 20,803,321 | 1,240,506 | 22,043,827 | 11,011,423 | 11,032,404 | 129,039,012 | 8.55 |
| Denver & Rio Grande Western | 187,311,331 | 10,770,402 | 130,006 | 10,900,408 | 6,056,925 | 4,843,483 | 57,988,582 | 8.35 |
| Oregon Short Line R. R. | 125,912,362 | 7,239,961 | 4,362,159 | 11,602,120 | 5,679,325 | 5,922,795 | 100,000,000 | 5.92 |
| Southern Pacific Co. | 855,384,386 | 49,184,602 | 28,921,485 | 78,106,087 | 44,473,313 | 33,632,774 | 350,685,346 | 9.59 |
| Union Pacific | 373,102,992 | 21,453,422 | 19,822,437 | 41,275,859 | 9,856,416 | 31,419,443 | 321,835,100 | 9.76 |
| Galveston, Harrisburg & San Antonio | 80,867,440 | 4,649,878 | 484,206 | 5,134,084 | 3,315,446 | 1,818,638 | 27,084,400 | 6.71 |
| Gulf, Colorado & Santa Fe | 60,155,587 | 3,458,946 | [2] 692,919 | 2,766,027 | 7,066,807 | [2] 4,300,780 | 10,000,000 | [2] 4.30 |
| Missouri-Kansas-Texas Ry. | 186,492,658 | 10,723,328 | 475,233 | 11,198,561 | 5,030,564 | 6,167,997 | 76,283,257 | 8.09 |
| Missouri-Kansas-Texas Ry. of Texas | 63,215,433 | 3,634,887 | 115,359 | 3,750,246 | 2,783,589 | 966,657 | 10,152,500 | 9.52 |
| Missouri Pacific R. R. | 385,758,166 | 22,181,095 | 2,463,783 | 24,644,878 | 12,124,530 | 12,520,348 | 154,639,600 | 8.10 |
| St. Louis-San Francisco Ry. | 379,860,374 | 21,841,972 | 812,038 | 22,654,010 | 15,032,564 | 7,621,446 | 57,947,026 | 13.15 |
| Texas & Pacific Ry. | 127,767,726 | 7,346,644 | 316,130 | 7,662,774 | 3,129,977 | 4,532,797 | 38,755,110 | 11.70 |
| All Class I roads (including switching and terminal companies) | 20,362,647,931 | 1,170,852,256 | 266,703,246 | 1,437,555,502 | 655,634,218 | 781,921,284 | 7,349,001,328 | 10.64 |

[1] Excluding items in Net Railway Operating Income.
[2] Debtor.

Rates ought to come down to the farmers and at the same time they ought to come down to the general public. But the Interstate Commerce Commission says they are not too high; that the rate level is proper and what it ought to be. They do not feel it ought to be reduced. They feel that the railroads are only receiving a just return, such as is contemplated by the transportation act. If that is so every dollar that is taken off of one product must be put upon some other product, otherwise the loss will fall on the railroads.

But the Interstate Commerce Commission holds that the loss should not fall on the railroads. Therefore if they take a dollar off of the charge for carrying grain they must put it on something else. The question is whether you gentlemen have yet reached the pass in your desire to do something for the agricultural interests which will lead you to do something directly against the other interests of the country.

The farmers are asking for relief. They are entitled to relief and I am willing to give it to them, but I am not willing to give them relief at the expense of other people who need relief just as badly. The coal industry is languishing; it is in a state of great depression. You gentlemen who have coal miners in your districts have a class of people who are suffering from depression far more than your farmers, as a general rule. The lumber interests and various other interests are also suffering.

Agriculture is not "the" basic industry; it is merely one of a number of basic industries. Any idea that agriculture is the only basic industry is provincial and unenlightened and ought not to find expression by legislation in this body.

The farmers of this country want you to repeal section 15a of the transportation act. They ask that of you; and instead of giving them the bread of that relief, which would be relief to all the people of this country, you give them this stone. It can be given in honesty only if it is believed that this resolution does not mean anything. If it does mean anything, you are robbing the balance of the rate payers of this country in an effort to curry political favor with the dissatisfied farmers. It is well to consider agriculture. It is one of the great interests of this country. It is entitled to consideration by the Congress; but promote it, I beg you, by legitimate and honest means and not by deception and not at the expense of other interests. You can not afford to pick out any one class of people and say, "I will prefer you at the expense of other people equally worthy throughout the country."

Mr. DENISON. Will the gentleman yield?

Mr. HUDDLESTON. I yield to the gentleman.

Mr. DENISON. I would like to ask the gentleman from Alabama if he does not think the reduction in freight rates on the livestock in Nebraska that the gentleman from Nebraska [Mr. SHALLENBERGER] told us about was wrong and imposed a hardship on the rest of the people of the country?

Mr. HUDDLESTON. I am incapable of answering a question of that kind, because the justice of a particular rate is a matter for judicial determination upon all the facts. But I do say that those who vote for this bill are trying to get reductions for agriculture at the expense of the balance of the rate payers of the country and without regard to justice or fairness.

Mr. DENISON. Does not my friend think that the same thing was done with reference to the livestock in that case?

Mr. HUDDLESTON. I say I do not know. I do not know whether the particular rate made was or was not just, but I do say that a reduction intended to promote the interests of a certain section of the people at the expense of others is unjust and unfair. All such reductions should be granted with a view to the general public welfare and justice to all the people. [Applause.]

It is a strange commentary upon this resolution that those who are promoting it have consistently opposed all other railroad legislation. In the main they have opposed farm relief legislation. They prefer shadow to substance, smoke to reality. They have consistently opposed the repeal of section 15a of the transportation act and any general reduction in transportation charges. Generally speaking, they are the prorailroad bloc and have opposed the Howell-Barkley railroad labor bill, the McNary-Haugen bill, the Curtis-Aswell bill, the Norris-Sinclair bill, and other measures for agricultural relief.

And now they are ready to adjourn, having opposed all legislation for the benefit of farmers and laboring classes. Recently there was circulated in the House a pledge to oppose adjournment until action was taken on the Howell-Barkley bill and on farm relief, yet we find that the name of not a single Member who is promoting this Hoch resolution is signed to that pledge. The pledge and the names of those who signed follows:

The undersigned Members of the House of Representatives pledge themselves to oppose adjournment of Congress until final action is taken for the relief of the agricultural situation and upon the Howell-Barkley railroad labor bill:

Edgar Howard, George Huddleston, Scott Wolff, M. C. Allgood, A. H. Gasque, A. C. Shallenberger, Geo. K. Favrot, James O'Connor, Arthur H. Greenwood, Elmer Thomas, Henry Allen Cooper, Edward E. Browne, Frank R. Reid, Charles Russell Davis, O. J. Kvale, Florian Lampert, Henry R. Rathbone, John C. Schafer, Roy O. Woodruff, Samuel E. Cook, J. H. Smithwick, H. B. Steagall, W. F. Stevenson, Percy E. Quin, Ross A. Collins, Everett Kent, John M. Evans, H. S. Ward, Alben W. Barkley, John M. Nelson, J. D. Beck, Hubert H. Peavey, Oscar E. Keller, Fiorello H. LaGuardia, George J. Schneider, James H. Sinclair, Edward Voigt, Knud Wefald, James A. Frear, Edward J. King, Thomas S. Williams, Elton Watkins, Sam B. Hill.

The SPEAKER pro tempore. The time of the gentleman from Alabama has expired. The gentleman from Kansas [Mr. HOCH] is recognized for three minutes.

Mr. HOCH. One can not say much in three minutes. The gentleman from Virginia [Mr. MOORE] says that no such revision as proposed is necessary. If I had time I could quote from rate experts of the country, from all the farm organizations, and from everybody who has made a real study of this subject, saying it is necessary, and the other gentlemen who have followed him have admitted it is necessary. The gentleman also made a reference to the time that would be required. I do not think the gentleman from Nebraska [Mr. SHALLENBERGER] wants to be unfair. The gentleman said the statement was made by Mr. Hardie, director of traffic of the Interstate Commerce Commission, that this investigation might take as much as 10 years. If you will turn over a few pages of the hearing, the gentleman knows very well that he will find and you will find that Mr. Hardie said that in the final survey when you get down to the last detail of its application it might possibly be as much as 10 years, but he also said that under this general survey, in his judgment, you would get substantial results inside of two or three years; and, obviously, before we can make the adjustments we have to make this investigation.

Mr. WATKINS. Will the gentleman yield?

Mr. HOCH. No; I can not yield in three minutes.

Then the gentleman from Alabama [Mr. HUDDLESTON] complains this does not take in all other products. If the gentleman will read paragraph 1 he will see that it does include all classes and kinds of commodities. The main part of this resolution is in paragraph 1. Nobody contends that this can be done at once. I have certainly not contended anything of the sort. But it should be entered upon at once. The second paragraph is an honest direction to the commission, calling attention to the agricultural depression and directing every possible relief, reasonable and lawful, at the earliest practicable date. A large part of these facts are already before the commission. Cases are now pending involving livestock and involving grains and other farm products, and the commission is directed under this resolution to have in mind the direction of Congress upon this proposition in the settlement of such cases.

The gentlemen who say that this will not have any effect except in the far distant future are speaking without familiarity with the facts as they exist, and there is no provision here and no requirement or expectation that any rate which is not compensatory shall be levied. But certainly everyone knows that there are adjustments that should be made, and this resolution provides that within reason and within the law wherever they can possibly find any adjustments that will not work injury to adequate transportation service and are in the interest of agriculture, including livestock, they shall make them; and I understand the only objection so far offered, outside of the objections of the gentleman from Alabama, by anyone here, is that they are afraid that the Republican Party might possibly get a little credit for the passage of this resolution. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired. All time has expired. The question is, Shall the House suspend the rules and pass the bill?

The question was taken; and on a division (demanded by Mr. HUDDLESTON) there were—ayes 139, noes 8.

So, two-thirds having voted in the affiramtive, the rules were suspended and the bill was passed.

### RATE OF WAGES IN GOVERNMENT PRINTING OFFICE

Mr. KIESS. Mr. Speaker, I call up the bill H. R. 7996, an act to regulate and fix rates of wages for employees in the Government Printing Office, with Senate amendments.

The SPEAKER. The gentleman from Pennsylvania calls up the House bill with Senate amendments, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 7996) to regulate and fix the rates of wages for employees in the Government Printing Office.

The Senate amendments were read.

Mr. KIESS. Mr. Speaker, I move to concur in Senate amendments 1 to 5, inclusive, and to the title of the bill.

The Senate amendments were agreed to.

Mr. KIESS. Mr. Speaker, I move to concur with Senate amendment No. 6, with an amendment as follows:

In lieu of the matter proposed by the Senate amendment insert the following: "That employees and officers of the Government Printing Office, unless otherwise herein fixed, shall continue to be paid at the rates of wages, salaries, and compensation (including night rate) now authorized by law until such time as their wages, salaries, and compensation shall be determined as hereinbefore provided."

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania.

The motion was agreed to.

PAYMENT OF TUITION OF INDIAN CHILDREN IN PUBLIC SCHOOLS

Mr. SNYDER. Mr. Speaker, I present a conference report on the bill H. R. 4835, an act to pay the tuition of Indian children in public schools.

The conference report was read.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H. R. 4835, an act to pay tuition of Indian children in public schools, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

HOMER P. SNYDER,
FREDERICK W. DALLINGER,
CARL HAYDEN,
*Managers on the part of the House.*

J. W. HARRELD,
JOHN B. KENDRICK,
CHARLES CURTIS,
*Managers on the part of the Senate.*

DISTRIBUTION OF WAR TROPHIES

Mr. McKENZIE. Mr. Speaker, I move to suspend the rules and pass the bill S. 1376, commonly known as the Cannon bill.

The SPEAKER. The gentleman from Illinois moves to suspend the rules and pass the bill, which the Clerk will report.

The Clerk read the bill, as follows:

An act (S. 1376) to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia

*Be it enacted, etc.*, That the Secretary of War be, and is hereby, authorized and directed to apportion and distribute pro rata among the several States, Territories, and possessions of the United States and the District of Columbia in corresponding ratio as the total number of men serving in the armed forces of the United States, as hereinafter provided, from each State, Territory, or possession of the United States and the District of Columbia bears to the total number of men so serving from all States, Territories, possessions, and the District of Columbia, all guns and howitzers with their respective carriages, machine guns, and other war devices and trophies suitable for distribution and captured by or surrendered to the armed forces of the United States from the armed forces of Germany and allied nations, with the exception of such guns, howitzers, carriages, machine guns, and other war devices and trophies as may be required for experimental purposes, or for actual use by the armed forces of the United States; and the further exception of such of the devices aforementioned as may be required for display in national museums, at national homes for disabled volunteer soldiers, or for monumental purposes in Arlington National Cemetery and in other national cemeteries, national parks, and national monuments wheresoever situated.

SEC. 2. That for the purposes of this act the reports heretofore compiled under the direction of the Secretary of War showing the number of men in the armed forces of the United States accredited to each State, Territory, and possession of the United States, and to the District of Columbia, either by enlistment or by the process of the selective service act, or otherwise drawn into and becoming an integral part of the armed forces of the United States during the period April 7, 1917, to November 11, 1918, and the allotment of war trophies suitable for distribution among the several States, Territories, and possessions, and the District of Columbia, shall serve as the basis of distribution. As soon as practicable after the date upon which this act shall become effective the Secretary of War shall cause the chief executive of each of the several States, Territories, and possessions, and the Commissioners of the District of Columbia to be informed of the character and quantity of war devices and trophies apportioned thereto, and shall invite each such chief executive and the Commissioners of the District of Columbia to designate such material as will be accepted free on board common carrier at the point of storage and to designate the point or points to which the accepted material is to be shipped without expense to the United States, other than that of packing and loading at the point of storage.

SEC. 3. Shipment of the apportionment of each State, Territory, and possession, and the District of Columbia accepted shall be made as soon as practicable after the chief executive, or the commissioners thereof, as the case may require, shall have informed the Secretary of War that such State, Territory, possession, or District will accept and take possession thereof as hereinbefore provided for and will relieve the United States of all responsibility for the safe delivery of the material and of all charges, costs, and expenses whatsoever connected with the transportation thereof: *Provided*, That if the chief executive or the commissioners of any State, Territory, possession, or District, shall not, within one year after notification of the character and quantity of the apportionment, file with the Secretary of War such acceptance and agreement such apportionment, or any part thereof, shall be sold as surplus property as it then is and where it then is, or shall be destroyed—all as the Secretary of War, in his discretion, shall determine; and like action shall be taken in respect of the rejected portion of any apportionment accepted in part only, and war devices and trophies considered by the Secretary of War as unsuitable for distribution.

SEC. 4. That all charges for apportioning, segregating, packing, and loading war trophies and devices for distribution to the designated point or points within each of the several States, Territories, and possessions, and the District of Columbia, as provided for herein, and for transportation to national museums, national homes for disabled volunteer soldiers, national cemeteries, and national parks, and for the disposition of undistributed war devices and trophies shall be paid by the United States Government from an appropriation to be made for that purpose.

SEC. 5. That the Secretary of War be, and he is hereby, authorized to make all rules and regulations to carry this act into effect.

SEC. 6. That to enable the Secretary of War to carry out the provisions of this act there is hereby authorized to be appropriated, out of any money in the United States Treasury not otherwise appropriated, the sum of $39,000, or so much thereof as may be necessary: *Provided*, That none of said sum shall be expended in cleaning, painting, or otherwise reconditioning war devices and trophies prior to shipment.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill?

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

A similar House bill was laid on the table.

PENSIONS

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 6426, and agree to the Senate amendments.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to take from the Speaker's table a bill which the Clerk will report.

The Clerk read as follows:

An act (H. R. 6426) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and certain soldiers and sailors of wars other than the Civil War and to widows of such soldiers and sailors.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendments were read.

Mr. ROBSION of Kentucky. I ask unanimous consent that the House agree to the Senate amendments.

The Senate amendments were agreed to.

REMISSION OF CUSTOMS DUTIES ON PROPERTY OF THE WAR DEPARTMENT

Mr. GREEN of Iowa. Mr. Speaker, I call up the bill H. R. 9111, a privileged bill, from the Committee on Ways and Means.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

A bill (H. R. 9111) directing the remission of customs duties on certain property of the United States imported by the War Department

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to remit all unpaid customs duties on material belonging to the United States and heretofore imported into the United States by the War Department.

Mr. GREEN of Iowa. Mr. Speaker, this bill simply pertains to war material which has been brought back from France. The purpose is to avoid a lot of bookkeeping, which would be occasioned by a demand for duties paid by the War Department, and another appropriation to pay the duties.

Mr. WINGO. This is property of the United States being brought in by the War Department?

Mr. GREEN of Iowa. It is property of the United States. It has been brought in by the War Department, and the Treasury contends that the duty shall be paid upon it.

Mr. WINGO. And no individual gets any benefit from this?

Mr. GREEN of Iowa. No.

Mr. WINGO. It is clearly a bookkeeping transaction for the United States?

Mr. GREEN of Iowa. Yes.

Mr. CRISP. Mr. Speaker, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. CRISP. Mr. Speaker, I rise to corroborate what the chairman of the committee has stated, that this bill is unanimously reported from the Committee on Ways and Means. After the armistice the War Department reshipped into the United States munitions and properties that the United States had in France, and when those goods came into the United States they were liable for customs duties. The customs duties were not paid, but the War Department owes the Treasury the amount of those customs duties. This is simply a matter of bookkeeping. It would be useless for the Government to pay the appropriation out of the War Department and then put it back into the Treasury. It simply settles the account on the books.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. BLANTON. There is a system in the War Department with regard to officers which requires the War Department to move them from one place to another every four years. An officer does not live in any one part of the United States usually more than four years before he has to move. When they get back to this country, they and their families, just like all other human beings, bring back lots of things with them. This has nothing to do with the private belongings of any of these various officers?

Mr. GREEN of Iowa. Nothing whatsoever.

Mr. BLANTON. And it applies only to Government property?

Mr. GREEN of Iowa. Government property.

Mr. BLANTON. That is all I wanted to find out.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill for amendment.

The Clerk again reported the bill.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. GREEN of Iowa, a motion to reconsider the vote by which the bill was passed was ordered to lie on the table.

## MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

A message in writing from the President of the United States, by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills of the following titles:

On June 3:

H. R. 1869. An act for the incorporation of the Grand Army of the Republic;

H. R. 4481. An act authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Mich., for other lands in the vicinity;

H. R. 5136. An act for the relief of Eva B. Sharon;

H. R. 8209. An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes; and

H. R. 8886. An act providing for sundry matters affecting the Military Establishment.

On June 4:

H. R. 731. An act authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims;

H. R. 6721. An act to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, as amended, and for other purposes;

H. R. 1018. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Albany Institute and Historical and Art Society of the city of Albany, N. Y., the silver service which was presented to the U. S. cruiser *Albany* by citizens of Albany, N. Y.;

H. R. 3852. An act providing for the final disposition of the affairs of the Eastern Band of Cherokee Indians of North Carolina;

H. R. 5573. An act granting certain public lands to the city of Shreveport, La., for reservoir purposes; and

H. R. 9124. An act authorizing the sale of real property no longer required for military purposes.

On June 5:

H. J. Res. 237. Joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes;

H. R. 714. An act to amend section 101 of the Judicial Code;

H. R. 3009. An act for the relief of Robert J. Kirk;

H. R. 4445. An act to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary";

H. R. 7041. An act to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916;

H. R. 7220. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 4985. An act to repeal the first proviso of section 4 of an act to establish a national park in the Territory of Hawaii, approved August 1, 1916;

H. R. 5078. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes; and

H. R. 5478. An act to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment."

On June 6:

H. J. Res. 194. Joint resolution to print as a House document the proceedings of the national encampments of the Grand Army of the Republic, the United Spanish War Veterans, and the American Legion, for the use of the House and Senate;

H. R. 3143. An act for the relief of Bernice Hutcheson;

H. R. 8143. An act for the protection of the fisheries of Alaska, and for other purposes; and

H. R. 6202. An act to amend sections 11 and 12 of the merchant marine act, 1920.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed without amendment bills of the following titles:

H. R. 4526. An act to incorporate the United States Blind Veterans of the World War;

H. R. 3477. An act for the relief of James B. Porter;

H. R. 4816. An act authorizing the Secretary of War to permit the city of Vicksburg, Miss., to construct and maintain water mains on and under the National Cemetery Road at Vicksburg, Miss.;

H. R. 6049. An act for the relief of V. E. Schermerhorn, E. C. Caley, G. W. Campbell, and Philip Hudspeth; and

H. R. 8657. An act to amend section 98 of the Judicial Code, providing for the holding of the United States district court at Shelby, N. C.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 2803. An act to regulate within the District of Columbia the sale of milk, cream, and ice cream, and for other purposes.

REGAUGING OF DISTILLED SPIRITS IN BONDED WAREHOUSES

Mr. GREEN of Iowa. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 9138) to authorize the discontinuance of the seven-year regauge of distilled spirits in bonded warehouses, and for other purposes.

The SPEAKER. The Chair can not recognize the gentleman for that purpose at this period. Perhaps he will later.

PROTECTION OF PACIFIC HALIBUT FISHERIES

Mr. GREENE of Massachusetts. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3434) for the protection of the northern Pacific halibut fisheries, which I send to the desk.

The Clerk read the bill, as follows:

*Be it enacted, etc.*—

SECTION 1. Short title: This act may be cited as the northern Pacific halibut act.

SEC. 2. Definition of terms: For the purposes of this act "close season" shall mean the period from the 16th day of November in any year to the 15th day of February in the next following year, both days inclusive, or any other close season hereafter fixed by agreement between the United States and Canada; "territorial waters of the United States" shall mean the waters contiguous to the western coast of the United States and the waters contiguous to the coast of Alaska; "territorial waters of Canada" shall mean the waters contiguous to the western coast of Canada, and "prohibited waters" shall mean the territorial waters of the United States, the territorial waters of Canada, and the high seas, including Bering Sea, extending westerly from the limits of the territorial waters of the United States and Canada.

SEC. 3. Fishing unlawful, when: It shall be unlawful for any person to fish for, or catch, or attempt to catch, any halibut (hippoglossus) at any time during the close season in the Territorial waters of the United States, or for any national or inhabitant of the United States to fish for, or catch, or attempt to catch, any halibut at any time during the close season in prohibited waters. The unintentional catching of halibut, when legally fishing for other species of fish, shall not constitute a violation of this act if such halibut shall be used for food by the crew of the vessel catching the same, or be landed and immediately delivered to any authorized official of the Bureau of Fisheries of the Department of Commerce of the United States or the fishing authorities of the Dominion of Canada. The halibut delivered to any official of the United States pursuant to the provisions of this section shall be sold by the Department of Commerce to the highest bidder for cash and the proceeds therefrom, exclusive of necessary expenses in connection therewith, shall be covered into the Treasury of the United States.

SEC. 4. Unlawful port use; departures: No person, firm, or corporation shall use any port of or place in the United States to furnish, prepare, or outfit any vessel, boat, or other craft intended to be used in violation of this act, nor shall any person permit, or cause to be permitted, any vessel, boat, or other craft intended to be used in violation of this act to depart from any port of or place in the United States.

SEC. 5. Unlawful port entry; possession: It shall be unlawful for any vessel, boat, or other craft having on board any halibut caught contrary to the provisions of this act to enter any port or place in the United States, or for any vessel, boat, or other craft to enter any such port or place while upon or in the prosecution of any voyage during which the vessel, boat, or other craft fished or was used in fishing for halibut in prohibited waters in the close season. It shall be unlawful for any person knowingly to have in his possession any halibut unlawfully caught under the provisions of this act.

SEC. 6. Penalty: Any person violating any of the provisions of this act shall be fined not less than $100 nor more than $1,000 or imprisoned not more than one year, or both.

SEC. 7. Patrols; searches: The President shall cause a patrol of naval or other public vessels designated by him to be maintained in such places and waters as to him shall seem expedient for enforcing this act, and any officer of any vessel engaged in such service, and any other officers designated by the President, may search any vessel, boat, or other craft in the territorial waters of the United States and any vessel, boat, or other craft of the United States on the high seas when suspected of having violated or being about to violate the provisions of this act.

SEC. 8. Canadian vessels and nationals: Every national or inhabitant and every vessel of Canada found violating this act shall be delivered as soon as practicable to an authorized official of Canada at the nearest point to the place of seizure or elsewhere as the officials of the United States seizing the same and the authorized officials of Canada may agree upon, and the witnesses and proof necessary to the prosecution of said persons and vessels of Canada shall be furnished with reasonable promptitude to the authorities of Canada having jurisdiction thereof.

SEC. 9. Seizure and forfeiture: Every vessel, boat, or craft employed in any manner in violating this act shall be seized by any collector, surveyor, inspector, officer of a revenue cutter, or person specified in section 7 hereof; and, except as provided in section 8 thereof, every such vessel, boat, or craft, including its tackle, apparel, furniture, cargo, and stores, shall be forfeited to the United States by proper proceedings in any court of the United States in Alaska, California, Oregon, or Washington.

SEC. 10. Fisheries commission exemption: None of the inhibitions contained in this act shall apply to the International Fisheries Commission when engaged in any scientific investigation.

SEC. 11. Appropriation: There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $15,000 for the fiscal year 1925 for the salaries and expenses of the International Fisheries Commission.

SEC. 12. Duration of act: This act shall take effect immediately and continue in force until the termination of the convention concluded by the United States and Great Britain on March 2, 1924, for the protection of the halibut fishery of the northern Pacific Ocean.

Mr. WINGO. Mr. Speaker, as I understand it this is a unanimous report from the committee in the House and also the committee in the Senate?

Mr. GREENE of Massachusetts. Yes; both the Senate and the House committees.

The SPEAKER. The question is on the motion of the gentleman from Massachusetts to suspend the rules and pass the bill.

The question was taken; and, in the opinion of the Chair, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

A similar House bill was ordered to lie on the table.

PERMITTING CERTAIN ALIENS TO REMAIN IN THE UNITED STATES

Mr. JOHNSON of Washington. Mr. Speaker, I move to suspend the rules and pass the House Joint Resolution 283, to permit to remain within the United States certain aliens in excess of quotas fixed under the authority of the immigration act of May 19, 1921, which I send to the desk.

The Clerk read as follows:

*Resolved, etc.*, That aliens who embarked for the United States on or before May 26, 1924, arriving in excess of quotas fixed under authority of the act entitled "An act to limit the immigration of aliens into the United States," approved May 19, 1921, as amended and extended, may, if otherwise admissible and if not subject to deportation for other causes, be permitted to enter and to remain in the United States without regard to the provisions of such act of May 19, 1921, as amended and extended.

The SPEAKER. Is a second demanded?

Mr. BOX. Mr. Speaker, I demand a second.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from Washington asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Washington is entitled to 20 minutes, and the gentleman from Texas to 20 minutes.

Mr. JOHNSON of Washington rose.

Mr. BLANTON. Mr. Speaker, this is a very important question, and I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. Evidently there is not.

Mr. SNELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absentees and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

| | | | |
|---|---|---|---|
| Aligood | Dominick | Kent | O'Brien |
| Anderson | Doughton | Kerr | O'Connor, N. Y. |
| Anthony | Dowell | Knutson | Paige |
| Aswell | Doyle | Kunz | Peavey |
| Beck | Drane | Langley | Quayle |
| Bixler | Drewry | Lilly | Rainey |
| Boies | Dyer | Lineberger | Reed, W. Va. |
| Burdick | Fairchild | Little | Rogers, N. H. |
| Burton | Faust | Logan | Rosenbloom |
| Butler | Fredericks | Lyon | Stalker |
| Byrnes, S. C. | Garner | McFadden | Sullivan |
| Cable | Geran | McKenzie | Taylor, Tenn. |
| Campbell | Hammer | McKeown | Tucker |
| Carter | Hardy | McLeod | Vare |
| Celler | Hawes | Madden | Ward, N. Y. |
| Clancy | Hill, Ala. | Magee, Penn. | Ward, N. C. |
| Clark, Fla. | Howard, Okla. | Mead | Weller |
| Clarke, N. Y. | Hudspeth | Michaelson | White, Me. |
| Cole, Ohio | Hull, Tenn. | Miller, Ill. | Winslow |
| Collins | Jones | Moore, Ill. | Wood |
| Curry | Jost | Morin | Young |
| Davey | Kahn | Mudd | |
| Davis, Minn. | Kendall | Nelson, Me. | |

The SPEAKER pro tempore (Mr. TILSON). On this vote 343 Members have answered to their names, a quorum.

Mr. JOHNSON of Washington. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will open the doors.

Mr. JOHNSON of Washington. Mr. Speaker, I yield a half minute to the gentleman from North Carolina [Mr. WEAVER].

Mr. WEAVER. Mr. Speaker, I ask unanimous consent to put in the RECORD a short speech upon the life and character of Hon. Richmond Pearson, formerly a Member of this House.

The SPEAKER pro tempore. The gentleman from North Carolina asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. WEAVER. Mr. Speaker, under the leave granted to me to extend my remarks in the RECORD, I desire to have printed in the RECORD an address delivered by Mr. McKinley Pritchard, of Asheville, N. C., on the life and character of Hon. Richmond Pearson.

Mr. Pearson at one time represented in this House the district which I now have the honor to represent. While Mr. Pearson and myself belonged to different political parties, he was for many years an upstanding figure in my State. He was a man of splendid intellectual attainments and vigorously presented the ideas he entertained. He is decendent from one of the greatest chief justices North Carolina has ever had.

After his service in Congress he represented this country in the foreign service, and his death brought sorrow to many of his friends in my State.

The address is as follows:

Richmond Pearson, orator, statesman, and diplomat, died at his home at Richmond Hill, near the city of Asheville, September 12, 1923. He was 71 years old.

Mr. Pearson was born in Yadkin County, N. C., January 26, 1852, the son of the Hon. Richmond Mumford Pearson and Margaret Williams Pearson. His father was a jurist and law teacher continuously for 42 years, and was the chief justice of the Supreme Court of North Carolina from 1858 until his death in 1878.

Speaking of Justice Pearson, the father of the subject of this sketch, some one has said:

> "Chief Justice Pearson brought to the study of the law the energy of a toiler, the investigation of a scientist, and the enthusiasm of a devotee. With him the law was neither a trade nor a business nor an avenue to wealth, but a solemn and dignified profession attended with vast responsibilities and affording unlimited opportunities for good. With his logical mind and fine sense of right he could see no law without reason, nor precedent without justice, and no administration without firmness tempered with mercy. He had unflinching courage, and never applied the law as an instrument of expediency. Neither the storm of passion, the bitterness of party, nor threats of violence could swerve him from the beaten paths of the law. He loved the old masters of the law, studied their works with the passion of youth, followed the law books to their foundation head, and was the foe of radical innovation. He lived with Blackstone and Coke and Littleton, and knew Kent, Marshall, and Story. With him the common law was the decalogue of jurisprudence, and he accepted no amendments not made necessary by the changes of time and condition. His opinions are more than repeated precedents, abstract settlements, and tedious detail; they glow with life, abound with reason, and clothe the law with rich apparel and endow its precepts with soul and spirit. He saw in our courts the hope of the helpless, the resort of the injured, and the shield of the defenseless, and he never permitted their diversion to unworthy purposes."

Such was the character of the father of the subject of this sketch. In his own service to his State and to his country Richmond Pearson lived up to the high mark established before him by his father. His early education was received at Horner's School, at Oxford, N. C., and he subsequently entered Princeton University at the age of 16 years, graduating four years later. He delivered the valedictory address for his class in 1872.

Upon leaving college he returned to North Carolina for two years. He studied law under his father, and in 1874 was licensed to practice law. President Grant appointed him a consul to Verviers and Liege when he was but 23 years of age. In 1875 he paid a brief visit to the United States, and delivered the master's oration at Princeton in that year. He was awarded the Master of Arts degree, the Bachelor of Arts degree having been conferred upon him when he graduated. He returned to Belgium for two more years in the foreign service.

In 1877 Mr. Pearson resigned from the Consular Service and returned to the United States. Later he formed a partnership for the practice of law with John D. Davis, with offices in St. Louis, Mo. Shortly afterwards the death of his father made it necessary for him to return to North Carolina, Mr. Pearson having been named as sole executor of his father's estate. He found it impossible to return to St. Louis, and at this time he definitely gave up the practice of law.

On March 30, 1882, he married Gabrielle Thomas, daughter of James Thomas, jr., of Richmond, Va. This union brought together two of the oldest families of North Carolina and Virginia. Miss Thomas was truly a representative of Virginia's noblest and best womanhood. She possessed those magnificent qualities of heart and mind which stimulated the ambitions of her distinguished husband, and her rare intellectual strength did much to promote the higher aspirations of his life. During the years which followed his marriage Richmond Pearson entered wholeheartedly into politics, and these years were marked by the untiring energy with which he entered public service in his native State. He was elected to the North Carolina General Assembly in 1884 and again in 1886.

Eight years later he was elected to Congress and served three successive terms, carrying the ninth district, which had been Democratic for a number of years, by the largest majority ever given to a Republican. At the time Mr. Pearson made his campaign for Congress it was the custom for the candidates to appear at the different county seats in the district and discuss issues before the people in joint debate. Mr. Pearson was truly a great debater. I have heard many of the older citizens speak of Mr. Pearson's joint debate with his opponent, the late Hon. W. T. Crawford, of Waynesville, N. C., who was nominee of the Democratic Party, and those who remember the joint debates in the old ninth congressional district will never forget Richmond Pearson as the standard bearer of the Republican Party in this section. These debates were the equal, if not surpassing the great debates of the brothers, Alfred and Bob Taylor in East Tennessee. People would travel on horseback and in wagons for miles to hear these forensic contests. These were days when men took their politics seriously, and in a few instances violence was resorted to by the friends of both leaders. But only in a few cases were these giants of the rostrum unable to control and calm their audiences. Notwithstanding the fierceness of these contests, Pearson and Crawford traveled as friends from place to place, stopping at the same hotels, always maintaining cordial relations and good fellowship. We shall not see the like of these men again. Mr. Pearson broke many lances of his adversaries in public debate, yet while fierce and aggressive he stooped to no unworthy methods; he rarely appealed to prejudice and at all times showed that amplitude of fairness to be found in the annals of the statesman's craft.

Mr. Pearson had a marvelous personality and commanding figure; the easy flow of forceful language, which made him well-nigh invincible in joint debate. He was always an honest foeman, despite the fact that in the rough and tumble debate on the hustings he used a sharp sword against his adversaries.

During the time he was a Member of Congress he was one of the leaders of the Republican Party of the State. His counsel was sought not only by the leaders of the party in this State but by the leaders of the party in the Nation. Both Presidents McKinley and Roosevelt regarded Mr. Pearson as one of the ablest men in the Republican Party, and he was an intimate friend of both these great men.

Mr. Pearson's political constituents in the ninth district admired him for his fairness and for his strict attention to his duty as a Congressman. His political opponents, though differing with him on matters of party principles, always spoke of his qualities as a man in the highest terms.

As a Member of Congress he served on the important Committee of Foreign Affairs and on the subcommittee of three which drafted the resolutions authorizing war against Spain.

Recognizing Mr. Pearson's ability as a statesman and his scholarly learning, President Roosevelt in 1901 appointed him United States consul at Genoa, Italy. He was so successful and represented the Government with such merit at this post that a year later the President promoted him and made him minister to Persia. He discharged the duties of this post with such success that President Roosevelt cabled his commendation "for energetic and efficient service," and soon afterwards appointed him envoy extraordinary and minister plenipotentiary to Greece and Montenegro, which post he held for two years. In 1909 he resigned from the Diplomatic Service and returned to the United States and retired from public life. His last years were spent at his home on Richmond Hill.

Miss Majorie Pearson, the charming and talented daughter of Mr. Pearson, is an accomplished linguist, and at present occupies a position of responsibility at Baltimore, Md., where she has resided for about three years.

Mr. Pearson's only son, Thomas Pearson, who is now serving as a member of a commission invited by the Shah of Persia to investigate and adjust the financial conditions in that country, served during the World War with distinction, and was awarded four decorations for bravery while with the American Expeditionary Forces. He served

with the rank of captain, and was at one time an aid-de-camp to Major General Lewis, who commanded the famous Thirtieth Division.

Richmond Pearson ranked as one of North Carolina's foremost citizens. His charm as a man, and his scholarly gifts made natural his several high appointments in the diplomatic service of his country. It is true that while he represented this country abroad as a minister there were few, if any, great international problems to be solved, but his wonderful personality, coupled with his literary attainments and ability, made him equal to any occasion which might have arisen.

As a Member of Congress he was forceful as an orator, and his valuable experience as a consul abroad gave him a splendid preparation to meet his duties as a member of the Foreign Affairs Committee. While a member of this committee he rendered invaluable service to his country during the war with Spain.

During his residence in Asheville he was always a public-spirited citizen, and was ever found among those who advocated good roads and general improvement. A great many of the road and street improvements which are now enjoyed by our citizenship were the result of his untiring efforts in behalf of this section.

While Mr. Pearson was a man of marked literary attainment and legal ability, and while much of his time was given to the service of his people, yet he found the time and the opportunity to engage in many temporal pursuits, and his name is inseparably linked with the material growth and development of this section.

In the death of this distinguished man the State of North Carolina has suffered an irreparable loss, his political party an able defender, the bar of North Carolina an eminent jurist and forceful advocate, and humanity itself one of nature's noblemen.

Mr. HILL of Maryland. Mr. Speaker, I renew the unanimous-consent request made by the gentleman from Nebraska [Mr. HOWARD] on my behalf this morning.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent to extend his remarks in the RECORD——

Mr. SNELL. Mr. Speaker, reserving the right to object, what is the request?

Mr. HILL of Maryland. I renew the request made by Mr. HOWARD of Nebraska this morning to put in Doctor Butler's——

Mr. SNELL and Mr. KING. Mr. Speaker, I object.

Mr. BRIGGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Federal highway act passed yesterday.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. WILSON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the work of this session of Congress.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. WILSON of Louisiana. Mr. Speaker, with the adjournment of this session of Congress on June 7, 1924, a record of official service will be left behind about which there is much controversy regarding its accomplishments and failures, its successes and disappointments. It is not possible to accurately judge the work of one session of Congress alone, since at each session corrective and amendatory legislation is necessary to perfect the work of previous sessions.

AGRICULTURE AND AGRICULTURAL CREDITS

One of the chief difficulties in properly estimating accomplishments in national legislation is that the country has been led by propaganda and by Congress itself to look to the National Capital for relief from every kind of adverse condition, regardless of its cause. I believe it will be admitted as a general rule that many of those in public life to-day are too prolific in promises to make a satisfactory record of actual accomplishments, and this applies to political parties, political factions, and legislative blocs. The public is entitled to a square deal; and the first obligation of the public official is to be frank and straightforward with his constituency, even though that course might be disappointing. We have a fair example of this overpromising in the present situation in regard to agriculture and attempted legislation for additional relief, much of which is simply put forward for political purposes to aid in the present campaign. This has come principally from the wheat sections of the central and far West, but the conditions there are not any worse than they have been many times in the cotton sections of the South, and we had to fight it out without Government aid and price fixing.

I wish to state here that Congress has not been unmindful of the great agricultural interests of the country. During my service here I have seen more legislation enacted with the support of Members from all sections of the country in an effort to aid agriculture, to bring better surroundings and more prosperous conditions to the farmer and to those living in rural communities, than was enacted in the previous history of the Government. The intent and purpose has been good, whether the results have been satisfactory or not.

FARM LOAN ACT

The farm loan act, establishing 12 Federal land banks, affording unlimited capital for long-time loans at fair interest rates, was passed for the benefit of the farmer, to give him a banking system suitable to his needs for increased capital for development and to enable him to take advantage of his opportunities. The records show that this system has been a success from a banking standpoint and that loans have been made to farmers aggregating more than $1,000,000,000 and are now being made at the rate of a million dollars a day. This isystem is supervised and its continued success guaranteed by the Government.

In addition to this, a group of intermediate-credit banks has been established with branches in the same districts covered by the Federal land banks, supervised and directed by the same management, the capital stock owned by the Government, and with assured credit possibilities of $660,000,000 to begin with. The Federal land banks serve all the purposes of a long-time loan system, but it was found that a provision for intermediate or short-time credit was necessary. The intermediate-credit banks were established to meet this need of the farmer for loans running from six months to three years. The three-year credits were intended to supply the needs of the livestock industry, while the shorter credit was for meeting the needs of the producers of such agricultural products as grain or cotton. In addition to this the law authorizes the establishment of national agricultural-credit corporations, with a capital stock of $250,000 or more, and which may be incorporated and come under the supervision of the farm banking system and the National Government. These corporations are capable of rendering effective assistance to cooperative marketing associations.

It is admitted everywhere that ample credit of every kind has been made available for agriculture by the action of Congress. There has been some complaint recently that credit has been made too bountiful and easy to secure, and that the result has not been what was contemplated. Even if this was true, it would not be the fault of the legislative branch of the Government, for the successful use of credit depends upon the individual. Credit simply affords an additional opportunity for success, and only adds to the prosperity of an individual or industry when used in a businesslike way. These credit systems have afforded great relief to agriculture and will be a continued success because they serve a legitimate need of that industry and have enabled thousands of farmers to prevent foreclosure on short-time loans as well as to make valuable and needed improvements and to acquire property for future development.

COOPERATIVE MARKETING

The Congress has enacted every statute needed for the success of cooperative marketing organizations, either independent of or in conjunction with State legislation on that subject. Farmers' cooperative marketing organizations have been by special enactment exempted from the operation of the anti-trust laws, so that they can not be held to account under any complaint that might be made on account of their joint effort to hold together for better prices under a charge that they were combinations in restraint of trade. Some of the big interests have termed this class legislation, but they overlook the fact that it is just and proper for men to combine to receive a fair return for the products of their own toil and industry, and that it is necessary when every other business is organized that agriculture should be given the fullest opportunity to protect itself. The results obtained through cooperative marketing associations and farm-bureau federations operating through warehouse system, either State or Federal, will depend upon the completeness and cohesiveness of the organization, good business judgment, and effective management. Agriculture is a business, and it does not help the farmer any to tell him that he is the backbone of the country and its mainstay in time of peace or war if he simply accepts those compliments and fails to act to protect himself. I know of no greater service that the business men and bankers of the South could render than to join with the farm-bureau federations and the various cooperative marketing associations and assist them with business advice and local capital when needed.

I have no sympathy with the doctrine that there should be a line of demarcation between agriculture and other business; that there should be a distinction as to community interests between the towns and cities and the rural sections and the agricultural districts. Congress ought to spend more time advising the farmers how to cooperate with each other as well

as with the business men and bankers than in picturing their isolated, unfortunate condition, and leading them to believe that the business community is out of touch and out of sympathy with the farmer and his problems. On the other hand, the various business interests, banks, and industrial enterprises owe it to themselves to get outside their own circle and into touch with and behind every movement to develop agriculture.

DIVERSIFICATION

In discussing farming as a business, diversification comes in for primary consideration. I feel that this is particularly true in the South and in my own section of Louisiana.

The cotton-boll weevil has produced a condition in which cotton production is too expensive to justify continued cultivation of large areas as heretofore done. For instance, last year the South planted 38,000,000 acres to cotton and produced only about 10,000,000 bales. This is a losing proposition. As a matter of practical business, the South must reach the point where it can produce annually about 12,000,000 bales of cotton on 60 per cent of this acreage and then plant surplus acreage to other crops.

We should not be misled by the propaganda that the world needs fifteen to eighteen million bales of southern cotton yearly, and that if conditions in Europe were normal we could sell that amount at the present price. Even if the world needs that large a production of cotton, the fact remains that it is not able to pay for it, and that the economic conditions of Europe are so disorganized that practical and experienced business men everywhere see no prospect of normal conditions there within the next 20 years.

I take some little personal pride in the work of boll-weevil control, since it has been accepted by the Department of Agriculture that the methods worked out at the Delta Laboratory, at Tallulah, La., in the fifth congressional district, are the most effective yet known. We have been able to increase the appropriations for that work at each succeeding session of Congress, and we look forward to the time when there will be an ample supply of calcium arsenate at prices much lower than at the present time. Cheaper fertilizer, cheaper and more effective methods of boll-weevil control, and intensive cultivation of a smaller acreage must be the slogan of the cotton farmer. In addition to this, crop diversification diminishes the necessity for outside purchases by supplying home needs from the farm, with some surplus to sell, and therefore is a necessary part of farming operations as a business enterprise. Congress can and will assist in providing a cheaper and more abundant supply of fertilizer and in working out even better methods of boll-weevil control, but the system of cultivation and diversification is something that must appeal to the business sense of the farmer and be established by his own initiative and worked out in his own good judgment.

PUBLIC ROADS

Congress has adopted the policy of giving Federal aid in the construction of public highways and is appropriating $75,000,000 annually, which is apportioned among the various States and allotted to the various localities to be joined with the money of the States and the local taxpayers in the building of a system of public highways through every community in the United States. This is legislation of special interest to the rural districts. It is possible to do this under the provision of the Constitution authorizing the Government to maintain rural post roads and to establish an effective rural mail service. We all appreciate the benefits brought to the home of every citizen by the rural mail service, which is gradually being improved from year to year. Through a system of completed public highways there will no longer be isolated communities. When the interstate roads are completed connecting the principal cities and State capitals, and the intercounty roads are finished connecting the various county seats, there will still remain to be worked out the most important part of the system in so far as the farmer is concerned—the lateral connecting links to the main lines, sometimes referred to as the "farm to market" roads. Federal and State assistance with these roads which open up the way for rural communities is, in my judgment, the most important of all. People everywhere contribute in taxes to the establishment of these systems, and it would be unfair and indefensible to fail to provide adequately for that portion of the citizenship who are not fortunate enough to be situated on the main lines.

Another important feature has developed which I believe calls for an enlargement of the Federal program: The local communities have provided the major portion of the funds for the actual road construction and must maintain them when completed. In all the States, and particularly in Louisiana, in order to make the highway system effective many bridges must be constructed across navigable streams. Transportation across a navigable stream is in every sense more than a local matter, and the expense of bridge construction in these cases can not be borne by the local community. Hence, regardless of the amount necessary for that purpose, the Federal Government and each State should make provision for and construct such bridges as rapidly as the highways are completed.

We have established, or aided in the establishment of, three systems of transportation—the railroads, waterways, and public highways. The successful operation of each is a necessary part of the whole and should in every instance be coordinated for the benefit of the public. Our public-road system can not be termed successful upon the ground that it is a public convenience. It must be so constructed and operated as to make returns to the public on the basis of investment by reducing transportation costs. Taxes are not justified for the purpose of luxury and entertainment, but should always be considered as an investment by the public, and a properly coordinated road system will meet this requirement, while a halfway completed system, with unreasonable overhead charges for its operation and maintenance, will finally bankrupt the taxpayer and fail of every legitimate purpose. Our public-road program as presently outlined and undertaken would not have begun without the assistance of the Federal Government and can not be completed without continued assistance on a more ample basis.

FLOOD CONTROL

I am deeply gratified to have been of constructive and effective service to the people of my State and congressional district in securing legislation to protect that great section, as well as other portions of the Mississippi Valley, against destructive floods. Through the assistance of the leaders in the House of Representatives I was placed upon the Committee on Flood Control when it was first created, and have devoted my time, energy, and what ability I possess continually to that work, both while Congress was in or out of session.

With the creation of this committee we separated flood-control work from river and harbor legislation, and very properly so. The controlling of the floods of the Mississippi River and the protection of that great valley is the Nation's most needed and most important internal improvement. The results obtained in the way of legislation have more than justified the course taken by Congress. President Coolidge has just signed the first appropriation authorizing $10,000,000 for the coming fiscal year—the greatest amount ever set aside in one year in the history of the Government for that work. The bill under which this appropriation was made authorizes a like appropriation annually for five more years. It has taken constant work and unremitting watchfulness to save this appropriation, but we have the satisfaction of knowing that the precedent is now established and the prospects are for an easier pathway in the future.

The President has also recently signed a flood-control measure providing for a survey of 20 rivers in 10 States. This means an enlarged program that will bring sympathy and assistance to the central work on the Mississippi. These surveys will take into consideration the question of water storage and reservoir construction and every other method of dealing with stream flow. In connection with this and every survey for navigation we have legislation now pending to authorize surveys and estimates of water-power possibilities. Hydroelectric development seems to be the coming program for the country as a whole, and we should make use now of the Corps of Engineers of the Army, not only to determine questions of navigation and flood control but to point out definitely every source of water power and hydroelectric development and utilization. The country is just waking up to the value of the utilization of hydroelectric power. Reputable engineers estimate that when a complete system is thoroughly developed it will be possible for practically every person in the United States to light and heat his home with electricity for less cost than at the present time, and that the cheaper power made available will reduce the cost of all manufactures from 5 to 10 per cent.

IMMIGRATION

Above and beyond material considerations and legislation relative to public convenience, business, and taxes is the necessity of preserving for future generations in this country the American system of government and American institutions as worked out and established by the fathers of this Republic. I desire to congratulate the President upon coming to the final conclusion that he should stand with the Committee on Immigration and the Congress and approve the most effective and restrictive immigration law ever placed upon the statute books, and yet one which is as fair and humane as it is possible to construct from the American standpoint. It is difficult to understand why the press and many officials of this country

complain because of the exclusion of Japanese and other nationals ineligible for American citizenship. Practically every State in the Union has joined Louisiana in placing a provision either in the constitution of the State or in its statutes prohibiting those ineligible for citizenship from acquiring, owning, or controlling property. Then why should we pollute the stream of American life by having elastic provisions for the admission of such nationals remain longer in our law? I have been on the Committee on Immigration since coming to Congress and have assisted in framing every act restricting immigration since passed, and I am glad to say that we now have what may be a permanent and effective law, one which, if properly administered, will meet the demands of the American people.

TAX REDUCTION

The country has been flooded with more syndicated propaganda on the Federal income-tax legislation during the present session of Congress than was ever known before in relation to any legislative proposition. The final result shows how inaccurate and unreliable is much of the propaganda sent out to the American people on matters in which they are vitally interested and which affect the business program and prosperity of the country.

The program for tax reduction outlined by the Secretary of the Treasury, known as the Mellon plan, was given a line of publicity that established around it a halo of perfection. Letters, telegrams, and resolutions flooded the office of every Member of Congress, appealing for the passage of the Mellon plan without any investigation, study, or the exercise of individual judgment; even whether understood in its details or not, the appeal was to adopt it without modification. Dire calamity was predicted in the event of failure to line up with Mr. Mellon and his program, and even the President of the United States indicated that no other tax plan would be acceptable to him. It is true that the Mellon plan did provide for tax reduction, but the major portion of that reduction was for the benefit of a small number of taxpayers, the exceedingly rich, with incomes of from $100,000 to more than $5,000,000 per year. The Congress, in spite of all this propaganda and outside pressure, worked out a tax-reduction program, which was signed by the President and acquiesced in by Mr. Mellon, giving more relief to the smaller taxpayers. There are more than 6,500,000 income-tax payers in the United States. Under the bill passed by Congress more than 6,000,000 of these will receive greater tax reduction than they would have received under the much-advertised Mellon plan. And it develops that the plan finally adopted by Congress, known as the Democratic plan, will produce $22,000,000 more revenue per annum than the Mellon plan. So we do have tax reduction without the Mellon plan and with relief to a greater number of people.

We were also told by the same propagandists—by Secretary Mellon and the Wall Street Journal—that we could not pass an adjusted compensation act for the veterans of the World War and have any tax reduction at all; and, further, that if this soldiers' relief measure was passed there would be a great demoralization of business, and that Liberty bonds would go down and Treasury certificates would have to be issued at a much higher rate of interest before the Government could borrow money from the public.

Now, what has happened? Congress passed the adjusted compensation act. It was vetoed by the President, but was passed over his veto. We have the soldiers' adjusted compensation act and we have tax reduction, including 25 per cent on last year's taxes, and still have a surplus in the Treasury. Liberty bonds are higher than they have ever been, and the Treasury is borrowing all the money it wants at 2¾ per cent, the lowest rate since the war. It appears to be important to say that public officials and propagandists ought to state the facts. I feel it my duty to say that I have been worried with very little of this propaganda from my own congressional district and appreciate more than I can express messages coming to me saying, "You are our Representative, and we trust you to take care of our interests."

The results just referred to in relation to tax reduction and Government finances establish the fact that the country is on a sound financial basis, that the volume of currency in circulation is ample for all purposes, and that credit is easy and bountiful for all legitimate enterprises. Future progress will depend upon the manner in which we utilize our opportunities by cooperation and constructive effort.

Mr. LEA of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the commerce bill, which failed yesterday.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. LEA of California. Mr. Speaker, much of the criticism of the pending bill is on account of provisions of its original text, which Congress is now not requested to approve, and in lieu of which amendments largely satisfactory to both the Departments of Agriculture and Commerce are substituted. The reasons for the principal criticisms heretofore directed against this bill have been eliminated.

The importance of maintaining and expanding foreign markets for the disposal of our surplus products is so great that it is unfortunate that any committee or departmental controversies should be injected into the consideration of the question by Congress.

Before the World War international trade between the nations of the earth had reached a grand total of over forty billions of dollars. The economic depression through which agriculture has been passing in this country has been primarily due to the lack of a market for its products. For many years to come, if agriculture is to be prosperous, we must be able to dispose of large amounts of farm products in foreign markets. In 1923, 47 per cent of the exports and 61 per cent of the imports of our country were products of agriculture.

Every commercial nation in the world has an organization to promote foreign trade and perform a function similar to that of the foreign service division of the Department of Commerce in this country. No intelligent man can question the necessity or desirability of maintaining and promoting our foreign markets and exchanging our products with other nations. From the beginning of civilization until this hour the progressive, enlightened, and richest nations of the world have been those engaged in commerce and manufacture.

Through the Department of Commerce the United States has established several hundred commercial reporting agencies in foreign countries, cooperating under the Department of State, to promote foreign trade. These agencies report upon present and prospective marketing conditions. They give information concerning competitive conditions. They find and report markets for the surplus products of the factories and farms of America. They furnish information concerning products needed in America. The reports coming in from all over the world are summarized and given to the industries of America. In thousands of cases during any single year the Department of Commerce helps to bring the American producer in contact with the foreign purchaser.

A question as to the relative position of the Department of Commerce and the Department of Agriculture in the promotion of our foreign trade with reference to agricultural products has been discussed here with a rancor that has tended to overshadow the important questions involved.

It has been contended that the Department of Agriculture should have charge of the disposal of our agricultural products in foreign markets, to the exclusion of the Department of Commerce, and that it is so provided by the basic laws creating these departments.

A reading of these basic laws leaves no room for such contention.

Under the act of May 15, 1862, creating the Department of Agriculture, its duties and functions are defined as follows:

> There shall be at the seat of government a Department of Agriculture, the general design and duties of which shall be to acquire and to diffuse among the people of the United States useful information on subjects connected with agriculture in the most general and comprehensive sense of that word, and to procure, propagate, and distribute among the people new and valuable seeds and plants.

Under the act of February 14, 1903, creating the Department of Commerce, it is provided:

> That it shall be the province and duty of said department to foster, promote, and develop the foreign and domestic commerce, the mining, manufacturing, shipping, and fishery industries, the labor interests, and the transportation facilities of the United States.

Manifestly the primary purpose in creating the Department of Agriculture, as manifested by the law and 50 years of practice following the creation of that department, was to promote better agriculture production. The idea of making the Department of Agriculture an organization for trade promotion activities in foreign lands was never in the minds of the authors of the act creating the department.

It is through the diplomatic agencies of the State Department that the commercial reporting agencies of the United States in foreign countries secure a status in such countries that makes their work useful. For business reasons, the Nation demands the coordination of agencies engaged in a common purpose at home. Business and diplomatic reasons as well combine to make it doubly important to have coordination among our foreign reporting commercial agencies.

The act of 1903 made the Department of Commerce the agency "to foster, promote, and develop the foreign * * * commerce" of the United States. To contend that under the law the Department of Commerce should abrogate its functions in promoting the sale of agricultural products in favor of the Department of Agriculture is tantamount to claiming that a cargo of cotton is not "commerce"; that a cargo of wheat is not commerce; or that a cargo of any other farm product is not commerce. Such a contention is manifestly without merit. Such a contention, if put in operation, would deprive the American farmer of the benefit of several hundred agencies reporting through the Department of Commerce who also report for other lines of commerce. To duplicate these agencies by the Department of Agriculture would be as indefensible as it would be absurd.

If there is any man who should be for the coordination of our foreign marketing effort and for strengthening and promoting such purpose, it is the farmer, who most of all our producers needs these foreign markets. The farmers in my State have been greatly aided by the efforts of the Foreign Commerce Department. The strongest farmers' organizations we have are earnestly and heartily in favor of this measure. In fact, the farmers are the most earnest friends of this measure in California.

I recognize there are many instances in which trained representatives of the Agriculture Department should go to foreign countries in search of information advantageous to agriculture. They should go in harmony with and in cooperation with the Department of Commerce, whose particular function is to gather foreign information. The trained representative of the Commerce Department abroad, with his acquaintance and experience that only permanent reporting agencies can have, should be consulted. Such work is semidiplomatic. The ethics of the situation and the prestige of our country should not be jeopardized by uncoordinated efforts.

The status of an American investigator in a foreign country seeking information to promote our trade, not infrequently seeking that information of concerns and from governments with whose industries we are in competition, is a mission requiring tact, experience, and knowledge of the particular country in which the information is sought. A duplication of our efforts by different agencies in foreign countries, as well as lack of tact and coordination of such efforts, has led to humiliating and unfortunate experiences. A representative of a foreign concern that three times in succession acceded to requests for information by separate reporting agencies of the United States, each acting without knowledge of the others, finally threw up his hands and in exasperation said, "How many governments have you in America, anyway?" This bill seeks to establish a coordination of effort that will eliminate such situations in the future.

This bill does not give the Department of Commerce domination over the Department of Agriculture. Such a result is neither necessary nor desirable. This bill does not seek to hamper or handicap the Agriculture Department in securing all information it deems necessary. The bill is framed in the hope and belief that the foreign commerce department will promote unity, economy, harmony, and efficiency in our commercial reporting agencies abroad and more respect from foreign nations with whom we deal.

Mr. LANKFORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of good and bad in Congress.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. LANKFORD. Mr. Speaker, recently the Literary Digest carried several statements of prominent people as well as of some notorious people giving their ideas concerning Congress. This publication through the mail has asked Members of Congress to comment on what has been said about Congress, so I have decided to make some observations about the matter here on the floor of Congress. Elbert H. Gary, chairman of the United States Steel Corporation, says, "The worst thing we have is our American Congress." He has the same idea about Congress that a murderer has of a rope. He thinks it is a bad institution. Gary is head of the big steel industry. So far as I know most men engaged in the steel business don't like law-making bodies, neither do they like laws unless they are laws permitting them to steal without let or hindrance. In the past Gary and men of his stripe have by law been helped to steal millions from the poor, and now that there are those in Congress who protest against such thievery he and his cohorts howl like ravening wolves. The fact Gary does not like Congress makes me have more faith in Congress. If like "dumb driven cattle" we were carrying ourselves and our friends to the slaughter for those in the "steal" business Gary would like us. Yes, he would like us like the butcher likes the dumb animal ready for the slaughter. We thank thee, chief of stealers, for not liking us. Thy hatred is a sweet morsel under our tongue, for while we chew thy ill will we get the sweet and glorious satisfaction which comes from the consciousness of striving to serve millions of the common people of our Nation.

Mr. Speaker, it is my prayer that while I am permitted to serve here I may by my every word and act help to prevent the strong from overreaching the weak, the rich from robbing the poor, and the corporate interests from crushing the life out of the common people. This I have tried to do, as God gives me the power to see the right, and I get some satisfaction when men like Gary, of the Steel Corporation, howl. "It is the hit dog that barks." The great line-up is not between Democrats and Republicans but is between the millions of masses as against the millions of classes. It is a contest between labor and capital—between money and folks. May we legislate for those who toil instead of for those who spoil.

I would rather hear "well done" from one sturdy son of toil than have the plaudits of all the modern crooks of oil. Another individual who takes up part of his time criticizing Congress and the laws of the Nation is Nicholas Murray Butler, president of Columbia University. If he had his way many of our best laws would be broken at will by the lawless, and no one would be punished. The trouble with Butler is he has more book learning than he has either morals, common sense, or conscience. If the boys who murdered the Franks boy in Chicago are insane, then Butler is insane. If they are educated and represent our highest standard of citizenship, then Butler does the same. The Chicago boys killed for excitement and money. Butler wants laws which kill or permit the slaughter not only of one innocent child but of millions for the same reasons. If such alleged educators and their students who believe as they do were hanged or deported at once, the country would be much safer.

One of our Nation's greatest dangers is men like Butler, whose teachings produce boys like Leopold and Loeb, without any moral stamina and with every one of their baser impulses cultivated to the limit—with no respect for law and order and with their minds filled with hell's vilest motives. If such are educated, then Butler is an educator. Butler considers himself to be a liberal. Yes; he and his kind are very liberal in their views of crooks, profiteers, murderers, anarchists, and traitors. They believe it is time for their crowd to stand together. Butler is very liberal in his views when it comes to dealing with the crooks in big business and with the profiteers of the Nation.

Rottenness in official life is condoned gladly by Butler provided the rottenness is practiced by his crowd. Yes, Butler is liberal. He is willing that thousands of men, women, and children be crowded into premature graves by crooked profiteers and gamblers of finance in order that the big rich of this Nation may become more powerful. In fact, Butler is so liberal in connection with other people's rights and properties until he wants laws allowing the rich to plunder the poor and would welcome government by a select committee designated by the money interests of the Nation.

Oh, yes; he is so liberal until he has no respect for such things as laws and constitutions. His liberality would approve the sale of all the rights of our people and the lifeblood of our Nation for a mess of pottage for the greedy fingers of the big rich. He puts the jingle of a few pieces of silver ahead of the safety and welfare of our Nation. In olden times men with less traitorous designs were shot or burned at the stake. There is much more danger of our Nation collapsing from rottenness from the inside than there is danger from all the combined armies and navies of the world from the outside. If our Nation is to long endure we must preserve our great institutions, our great principles, and our great men. The children of to-day are the men and women of to-morrow. Those that are now living in a few years will deliver our Government and every activity of our country to those who are now babies. If we lose our children we lose all. God pity us all if such ideas as Butler and his gang are to dominate the womanhood and manhood of the future. Fortunately the Nation in the future, as it has been in the past, will be saved by men and women with lofty, patriotic motives, from the common walks of life, even if they do not have so much so-called education. The truly great peril of our Nation and of our civilization is lack of moral stamina in many of the so-called institutions of higher education. They educate too much along the wrong line. There is too much height and too little foundation. Oh, for more of the old-fashioned, common-sense schools of the days of our

fathers. I believe in giving our boys and girls good educational advantages. I do not believe in book learning being taught, though, while every moral, patriotic, and spiritual virtue is being strangled unto death.

We need more and yet more of the good old schools which always meant so much and did so much for every move for good citizenship and a better country and Nation. We need more of the fathers and mothers who made such schools possible. We need more of the influences of the teachers, patrons, and pupils of such schools. I thank God we still have hundreds of such schools to-day, and while they exist the spark of life in our Nation will never become extinct. It is with pardonable pride that I point to the school which I attended as a boy as one of the schools of our country typifying such a noble standard of citizenship. Only last week the Clinch County News, of Homerville, Ga., carried a most excellent historical sketch of this good old school at Camp Creek, written by Hon. J. O. Rodgers, the excellent county school superintendent of Clinch County, Ga., and I think it well to incorporate here the full article, which is as follows:

HISTORY OF CAMP CREEK SCHOOL, CLINCH COUNTY, 1886 TO 1900, BY SUPT. J. O. RODGERS

Camp Creek School is located on a lot of land, No. 390, in the seventh land district of Clinch County, Ga., 13 miles west of Homerville, on the Homerville-Milltown public road. This school began its existence in the year of 1886 upon the same spot where the schoolhouse now stands. The schoolhouse in that day was a small log hut with stick-and-clay chimney almost all the way across one end of the house. It had one door and two or three windows, wooden shutters, and the cracks between the pine logs were unsealed. The desks for the scholars' use were slabs or very rough planks with straight backboards, constructed in such way that one hour of diligent search for knowledge would make the best of students wish to practice physical-culture drills in the good old-fashioned way.

After two or three terms had been taught in the little log house and the community had outgrown its capacity the good men of that day came together and decided to build a more commodious house, as there were then about 75 pupils seeking admittance. The children walked 4 and 5 miles and some rode horses from a distance of 6 and 8 miles to reach this famous rural school. The word "famous" correctly describes it, as it was really the best country schoool in south Georgia at that time. The third house now stands on the spot, as the second building erected there, after being used for about 20 years, was destroyed by fire. The same pine trees on the campus and the same old well next to the creek may be seen there that our fathers and some of our most substantial citizens saw 40 years ago.

This is the school at which the writer learned his A B C's. This is the school where our present judge of the Alapaha judicial circuit, Hon. R. G. Dickerson, taught his first term of school when quite a young man. It was at this school that Congressman W. C. LANKFORD learned to read and write, and State School Supervisor I. S. Smith received his early education. Scores of other professional and business men, mentioned later in this article, first attended school at Camp Creek, when Robinson's Arithmetic, Harvey's Grammar, and the Blue Back Speller reigned supreme. Webster's Dictionary and the penmanship period played an important part on the daily schedule. The grammar grades consisted of two parts, the primer folks and the advanced classes. It was the pride of all boys and girls to live to that day when they could be put into the big geography. Headmarks was one incentive to good study and the hickory stick was the other.

At the time this school was organized the State paid but very little into the treasury for its public schools. There were no school districts, no trustees, nor no special tax set aside for the operation of the public schools of the county. When a schoolhouse was built, it had to be done by private subscription and by the labor of the patrons in the community. Nevertheless, there happened to be some real men in that community—a part of whom are still here—who were interested in the education of their boys and girls. These men came together and agreed to let the majority rule in every case, hence, they set out to secure the best teachers Georgia, Florida, Virginia, and the Carolinas could furnish, paying the extra amount necessary for the teacher's salary in tuition on the per capita basis. This plan worked admirably and the best teachers the country could afford at that time were brought to Camp Creek.

We attribute largely to the success of the young people who attended this old school the fact that the patrons would have none other than the best teachers for their boys and girls. The teachers so trained the students that they were encouraged to greater efforts to win. They were so admonished to prepare for a greater life of usefulness that the young people went out from the school and completed their education in the best business schools, colleges, and universities in the South. They attended school at the Georgia Normal College and Business Institute, Mercer, Emory, the University of Georgia, and the University of Virginia. The writer points the young people attending Camp Creek School now to the men and women who have gone before them and have become a part of the best citizenship of the State, and suggest that they, too, can do likewise.

Below is given a list of some of the boys who attended school at Camp Creek 25 or 30 years ago, their names, addresses, trades and professions, and the number who are now deceased. Bookkeepers: M. F. Lee, Pensacola, Fla.; W. B. Lankford, Willacoochee, Ga.; Moses Pafford, Waycross, Ga. Merchants: H. L. Lankford, Pearson, Ga.; C. M. Lankford, Tampa, Fla.; J. A. Sirmans, Argyle, Ga.; John Sirmans, Milltown, Ga. Farmers: J. A. Smith, county commissioner, Lanier County, Milltown, Ga.; Allen Mathis, Nashville; William Joyce, Douglas; Lucius Lee, Stockton; H. F. Rodgers, Lake Park; John Colly, Waycross; James Conine, Stockton; Frank Dickerson, Adel; Josiah Smith, Homerville; J. S. Dickerson, Wray; Warren Courson, Nashville; Perry Courson, Stockton; Walter Guess, Stockton; Ezekiel Guess, Pearson; J. R. Sirmans, Stockton; Isaac Fender, Nashville; Winn Johnson, Valdosta; Ben Sirmans, Stockton; J. H. P. Johnson, Ray City, Ga.; J. Levin Pafford, ex-member board of education, Clinch County, Stockton; Adolphus Register, address unknown, Florida. Homerville, vicinity of Camp Creek: John Smith, Jesse Lankford, James Tomlinson, W. J. Tomlinson, E. E. Tomlinson, Jesse Smith, Alonzo Joyce, jr. Stockton: J. W. Joyce, and Lacy Lee.

Miscellaneous: Ocie Fiveash, mechanic, Waycross; Bryant Sirmans, naval stores operator, Florida; William Smith, auto dealer, Pearson; Archie Tomlinson, contractor, Florida; A. A. Brack, traveling salesman, Savannah; Harris Powell, woodsman, Florida; E. L. Grooms, retort business, Vinegar Bend, La.; Bascom Grooms, president electric company, Key West, Fla.; W. R. Dickerson, naval stores operator and ex-representative, Clinch County, Homerville; Willie Anderson (insurance), Birmingham, Ala.; Billie Roberts, World War veteran, Atlanta; Willie Fiveash, barber, Waycross; June Sirmans, address unknown; James Sirmans, teacher, Mayday; Hoke Guess, employee Seaboard Air Line Railway Co., Savannah; Billie Johnson, rural carrier, Daisy, Ga.; Timothy Bennett, machinist, Rocky Mountain, N. C.

Professional and county and State officers: Archie Bennett, F. D., Nashville; Wyley Bennett, F. D., Nashville; Hamp Joyce, minister of the gospel, Ogden, Utah; Lewis Tomlinson, teacher, Waycross; D. O. Tomlinson, teacher, Douglas; C. O. Smith, ordinary, Cook County, Adel; Dr. H. P. Smith, Pearson; Dr. Louis Smith, Milltown; I. S. Smith, State school supervisor, Reidsville, Ga.; P. R. Lee, sheriff, Clinch County, Homerville; T. C. Conine, surveyor, Clinch County, Homerville; J. O. Rodgers, superintendent schools, Clinch County, Homerville; J. P. Tomlinson, superintendent schools, Wheeler County, Alamo, Ga.; Hon. Joe Powell, county official, Lanier County, Milltown, Ga.; Col. J. T. Powell, Brunswick; Col. George W. Lankford, State senator, Lyons, Ga.; Congressman W. C. Lankford, Douglas; Col. M. D. Dickerson, ex-solicitor, Waycross judicial circuit, Douglas; Col. J. C. Smith, Homerville; Judge W. R. Smith, Nashville; Judge R. G. Dickerson, Alapaha judicial circuit, Homerville.

Deceased: Chandler Sirmans, son of the late F. B. Sirmans; Dr. Joe Howell, George Joyce, Bennie Tomlinson, Leon Pafford, J. P. Smith, jr., Ryley Fender, Tuck Sirmans, Tallie Sirmans, Bert Johnson, James Johnson, Johnny Fiveash, Eddie Fiveash, Col. W. T. Dickerson, ex-State senator.

Following the boys is a list of some of the girls who attended school at Camp Creek in the long ago, and whom they married. This has reference to the early period of the school and is only given from memory. The writer perhaps may not recall all of whom mention should be made, and is now making apology if any should be left off. Some of these girls taught school and all of them have acquitted themselves just as creditably as the boys.

Emma Smith married J. T. Dame, Lizzie Smith married Marcus Tomlinson, Mary Smith to Robert Jackson, Cassia Smith to Canton Sirmans, Belle Smith to Pascal Sirmans, Mary Smith to Joe Worley, Fannie Smith to E. J. Stalvey, Sula Dickerson to Jesse Paulk, Rebecca Joyce to Robert Cornelius, Minnie Joyce to James Conine, Lena Rodgers to B. H. Joyce, Lela Rodgers to Bud Corbett, Elizabeth Lankford to Billie Hughes, Lucinda Lankford to Billie Rodgers, Sena Lankford to George Teston, Jemina Lankford to Logan Curry, Daisy Grooms to James R. Sirmans, Flora Grooms to Lewis Tomlinson, Ruby Pafford to Carlie Tomlinson, Tobitha Fiveash to Richard Register, Fannie Roberts to W. L. Lankford, Edna Sirmans to A. K. Sessoms, Nora Fiveash to John Shaw, Kate Joyce to Isaac Hutto, Martha Browning to Martin Browning, Matilda Browning to George Browning, Marian Browning to Humphreys Fender, Elma Roberts to Will Lee, Lucretia Johnson to Jasper Tomlinson, Frankie Johnson to William Brown, Bettie Johnson to J. R. Rowan, Nancy Johnson to John Connell, Kate Johnson to Ivey Harris, Mollie Johnson to J. D. Green, Viney Smith to Walter Guess, Maggie Fiveash to Ed. Corbett, Agnes Joyce to Henry Purvis, Abbie Joyce to Mr. Purvis, Mary Fender to L. C. Griffis, Rosa Fender to C. W. Pittman.

Some of the men who made it possible to have a good school at Camp Creek during the last 14 years of the nineteenth century are given below. One could not do justice in mentioning the old days at

the school without giving the names of those who were the patrons and those who made it possible for the younger set to get out into the world and do what Camp Creek's young people have done. The patrons whom the writer remembers are as follows:

Deceased: F. B. Sirmans, D. J. Smith, General Smith, Billie Howell, Henry Wells, John Browning, Sherod Fender, Jasper Tomlinson, J. J. Brack, Abner Sirmans, William Joyce, sr., Tom Colly, sr., Mrs. Martha Mathis, John Powell, Moses Register, Jesse Lankford, Herschel Smith, Benjamin Smith, J. J. Grooms, Francis Rodgers, John Fiveash, Martin Fender, Crawford Guess, Tom Conine, sr., Frank Brack, Moses Smith, David Johnson, Jack King, P. W. Courson, Isaac Sirmans, John Everitt, John Pafford.

The patrons who still survive are: H. L. Lankford, sr., G. Q. Rodgers, Alonzo Joyce, sr., Bartow Joyce, J. P. Tomlinson, Elias Roberts, W. J. Lee, sr., J. P. Smith, H. H. Guess, D. V. Tomlinson, Billie Fiveash, Moses Pafford, Abraham Bennett, John Tomlinson.

We could not pass from this part of the narrative without referring to the wives of the men enumerated above. They were our mothers, God bless them. The majority of these good women now sleep, but we could never have come this far had they not toiled and loved us as they did. The county school commissioner at that time was Hon. C. H. Smith, deceased.

Below is a list of the teachers who taught at Camp Creek from 1886 to 1900. There is no early record of the teachers in the superintendent's office, these having been destroyed by fire, and are here reproduced from memory. They are given in the order in which they taught, as follows: Marcus Patten, B. B. Chambliss, R. G. Dickerson, W. W. Williams, Professor Clyatt, C. J. Hardee, S. C. Townsend, Prof. Irwin J. S. Ingraham, W. C. Lankford, and M. F. Lee.

From 1900 to the present: C. M. Lankford, H. P. Smith, W. B. Lankford, W. J. Tomlinson, J. P. Tomlinson, M. D. Dickerson (1900), William Smith, James Sirmans, John Powell, J. N. Green, C. M. North, Arthur Register and Martha Cornelius, Mary Dame, Alma Dame, Blannie Davis, Lewis Tomlinson and Dewey Guess, Mary Sirmans and Lillie Lee, Frances Jackson, Mary Ann Cornelius, and Carrie Smith.

It has appeared to the writer that it would be fitting and proper and a great thing to do to erect a monument to education on this site, commemorating the lives and efforts of those who so diligently worked to establish a school in the early days of Clinch County's school activities. It would indeed be a labor of love. The writer is willing, with the help of his constituents, to attempt to erect this monument. Any and all of the boys and girls who attended school at Camp Creek in the long ago, together with teachers and friends, are invited to communicate with the writer relative to beginning a movement for the erection of this monument. It would be the first of its kind to be erected in this section. Let us get together and make it a reality.

Mr. Speaker, in behalf of the boys and girls who attended Camp Creek School, as well as in behalf of their parents and teachers, I wish to thank Supt. J. O. Rodgers for preparing the foregoing most excellent historical sketch. Thanks of all are also due Hon. Flem C. Dame, of Homerville, for carrying the item in his splendid weekly, the Clinch County News.

My good friend Hon. Benjamin T. Allen, of the Pearson Tribune, who is ever alert to make his paper the very best, also intends to carry the Camp Creek School historical sketch in full. The thanks of all those interested in Camp Creek School are also extended to Judge Allen.

I quote from his most excellent paper, the Pearson Tribune, the following:

Prof. J. O. Rodgers, of Homerville, resolved himself into a historian and has written an interesting story of the Camp Creek School of Clinch County. There are so many Atkinson County citizens whose "young ideas" were taught to shoot at Camp Creek and who would be pleased to have a copy of the writing for preservation the Tribune has decided to reproduce it again next week.

Mr. Speaker, Superintendent Rodgers is right. It would be a splendid thing for a monument to be erected at Camp Creek to the fathers and mothers who made that excellent school possible, to the boys and girls who struggled so hard there to prepare themselves for the duties of citizenship, and to the faithful teachers who served so well there. Many who contributed so much to making that school a success have gone on to their reward in the after life. We can not afford to let them be so soon forgotten. They shall not be forgotten. Every word or deed worth while of those of us who are living and who were influenced by those noble people shall be an honor and a living monument to them.

If our Government could only build statues to all the great men and women, living and dead, of our Nation—statues to our noble, sacrificing fathers and mothers—would not this great Nation of ours be a fairyland of most excellent monuments? There would be a statue for every mile of every line of railroad to the men who drive the locomotives, to the men who builded them and keep them in repair, to the men who made the track, to the men who operate the trains, to the men who mined the coal, and the men who made the freight hauled along those highways of steel for the good of humanity. There would be a statue in every shop, in every store, in every office, and wherever men labor for wife and children and loved ones. Monuments would beautify every home, every farm, every school yard, and every churchyard.

If we would honor the truly great, we should honor the fathers and mothers of our land who build our homes, preserve our Nation, and save our civilization.

The greatest women of all times and of every country are our mothers, who are willing at all times to make any sacrifice for their children and their homes. They and theirs have brought about every great reform, have filled every position of trust since the beginning of time, have gained every battle ever won for the right, have caused every joy that humanity has ever felt, have sweetened every smile that ever brightened human countenance, and have made of this earth a heaven. No wonder God built for them and theirs a home—

A house not made with hands, eternal and in the heavens.

So long as we have a citizenship a substantial majority of which is such people as made up Camp Creek community and as still makes up our country sections, this Nation is safe. These good fathers and mothers who earn an honest living and educate their boys and girls are the hope of our Nation. Such as they made our Nation great. They won our liberty and will preserve our country for all time. They are the salt of the earth. The future great men and women of our Nation are now out in the country on the farms earning an honest living. They are attending country schools and later, with money earned by themselves or with funds furnished by honorable country parents, they will attend some good high school or college. Many of the poor boys of the cities will succeed, for despite the corrupting influence of city life, they will push onward and upward. The boys of wealth with higher education pushed on them, with their moral and spiritual natures dwarfed, will, as they are now doing, be the crooks and criminals of the Nation. They may make money, but if so it will not be earned by honorable methods in many cases but will be by profiteering and financial scheming. They may be educated, but if so it will be of a kind which destroys the conscience, dwarfs and kills the soul. Such an education is worse than death. Of course there are exceptions to all rules, and many boys and girls will succeed in spite of the damning influence of wealth, city life, and the present so-called modern educational methods. In the future, as it is now and as it always has been, the boys and girls who seemingly had little or no chance will make an opportunity and climb to the top and will be great men and women in every walk of life and those now of great opportunity will forfeit all their splendid chance and will be the failures and the burdens to the Nation. I have said this much to point out the great danger now existing in the wrong kind of education and training and call attention to the saving influence still existing among the common people in the country school and home. I am not worried much when Nicholas Murray Butler criticizes Congress. In fact I would be alarmed if he liked the men in Congress who stand for law and order and try to legislate for the common folks.

The great pity is there are not more men in Congress who feel that the greatest, most patriotic influence in our Nation is in the common walks of life. They mean all to our Nation; and if we legislate wisely, we must legislate for them and their children. This country is safe as long as the poor boys and girls of the Nation, in spite of adversity, struggle to the top and run the affairs of our country. The right kind of education elevates and prepares one to live and to die; the wrong kind degrades, kills, and destroys, with no preparation for either life or death. The school of adversity educates one to honestly and honorably endure and accomplish. The country, school, church, and home life is the saving influence and power of our country. The city life, especially of the big rich, is the cancerous growth gnawing at the very vitals of our Nation. Let us fight and fight hard for the power that will save. Let us stand and legislate for the boys and girls of the farm and for their fathers and mothers and for all who toil and honorably earn their bread and meat, for such as these made and will for all time save this great country.

Better have men with no education than men with wrong education. It is an awful tragedy which is being enacted in many so-called schools of higher learning, where the henchmen of Satan, acting as college professors, are dragging down the youth of our Nation and striving hard to undermine our

Nation itself. So much for these two objects. Now, what about Congress? Congress makes bad laws, but it also makes good ones. The bad ones make bad men like Gary and Butler rejoice. The good ones make them criticize. Bad men do not like investigations any more than thieves prefer the light and like punishment. Gary and Butler are very much against investigation of official crookedness. They have a fellow feeling for the crooks. They believe in fleecing the public and believe officers should be allowed the same privilege, provided only the public is fleeced and not the profiteers or big interests. The investigations conducted by the Senate have revealed an amazing labyrinth of official rottenness. There is evidently much more. Let it all be uncovered and stopped. Every dollar stolen by officials is paid by the public. The thief who is not trusted but who steals is a prince as compared to the crook who steals that with which he has been intrusted.

We must have a cleaner Government, or we will soon have no Government and a population of slaves.

Mr. Speaker, Congress is bad and Congress is good. It is Democratic and Republican. Congress has Members representing as best they can the laboring man and the farmer, and it has Members intensely loyal to the corporate interests and the big rich. Mr. Speaker, I have been in Congress over five years and I have spent more of my time fighting bad measures than I have helping with good ones. I presume this is true because the Republicans have been in majority all the while. We ought not be forced to take up nearly all our time here minding the crooks, profiteers, and big rich off of the common people like the good shepherd protects the sheep from the wolves. Instead, figuratively speaking, we ought to be feeding the sheep. We ought to be all the while passing good laws when necessary. When I first came to Congress a determined effort was being made to put a heavy tariff on potash and thus increase very much the price of guano, which is so essential to the farmers of my section. This move was finally defeated by the friends of the farmers here. In all tariff and tax legislation the friends of the farmers must ever be present and alert in the fight which is always waged by friends of great wealth to increase the burdens of the farmers and laboring folks. Sometimes the friends of the farmers lose; sometimes we gain. We lost in many particulars in the general tariff bill. We won in many ways in the recent tax act. A signal victory was won when we prevented an increase of tax on cigarettes which would have hurt the new tobacco industry of my section. Repeated efforts have been made to destroy, either directly or indirectly, the Government farm-loan system. We have saved and improved the credits of the farmers. The thing we need worst of all is a ready market for all farm products. We have done very little along this line, and I am so much disappointed in this respect. Most of the victories of the Democrats since I came here have been in the repelling of the attacks of those who are antagonistic to the farmers and the common folks. We have sometimes failed and sometimes we have succeeded. It is a continuous warfare, and it would take volumes to tell the entire story. I will not attempt to tell it now. I believe that the Democrats will win this year, and then I want us to pass some worth-while legislation. The Republicans have failed and now are going to adjourn for fear some good legislation will be forced through in spite of them. The humorist, Will Rogers, the other day said that the reason for the two Houses of Congress was that if a good law passed one the other would see it was good in time to kill it. I sometimes think he is about right.

The truth is the big majority of Members of Congress honestly represent their people. The trouble is there are not enough here representing the common people. Too many represent the corporate interests and the big rich. We need more laws for homes instead of for drones and more legislation for those who toil rather than for those who spoil. We need less business in government if business in government is to be corrupt and we need more government in business if business is to be crooked. Business is heartless, conscienceless, and soulless and ought not to be in government, which on the contrary should be run by honest men and women with business judgment. Business is anxious to not only get into government but wants to put all others out and then run the old ship for the profit of business. Too many in public office believe that while in they should make spoils of the whole country and take it over for them and their political henchmen. We were promised more business in government by one who never dreamed his remarks would be construed into an invitation to business to get into government and take possession and appropriate to the interest of business while in. Business got into government and we have had an era of corruption hitherto unknown.

The granting of patronage to pay political indebtedness is corrupt and vicious. The making of bad laws to get votes is criminal and the act of a traitor. Oh, for some one to clean out the rottenness which so sorely endangers our country. The corruption recently uncovered in official life here, like Banquo's ghost, will not down and should be silenced only by a general clean-up. The American people are anxious for a general house cleaning in official circles and their wants should be gratified. I regret very much Congress is to adjourn with no real constructive legislation for the farmers. The profiteer should be removed from our marketing system. Farm products should be sold directly from producer to consumer under governmental supervision, certainly until the system is fully established. There should be cheaper freight rates and passenger fares. A better rural-credit system should be provided for our farmers, and yet they need a market more than they need credit. A market for all the farmers can produce will make the farmers lenders instead of borrowers of money. There are scores of things which have been done in the name of the farmers and many more are proposed, and yet the one great thing to be accomplished is to by law help the farmers get what they really earn instead of it being taken by those who do not earn it but who are profiteers.

To my mind true legislation is legislation for little children and for their fathers and mothers. "A little child shall lead them." If we let the children lead us we will not go wrong. As Members of Congress our entire service should be consecrated in behalf of the children of the Nation and their fathers and mothers, and our every vote and act should be controlled and directed by the sincere desire to secure more of the good and essential things of life for them and to provide for them now and in the future a better chance, so as to raise up the best possible manhood and womanhood from the boys and girls of our country. If we do this we can not go wrong. There is no higher or more sacred duty of man to man enjoined by Holy Writ or pledged by oath of office than to visit the imprisoned, care for the sick, feed the hungry, clothe the naked, and house the homeless, and he who does these things either directly or by vote in legislative halls follows the instructions of the greatest of all teachers, serves all humanity, helps save a great nation, and truly does the will of the Great Father of us all.

Mr. BANKHEAD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BANKHEAD. I understood that yesterday unanimous consent was obtained for all Members to extend their own remarks for 10 days.

The SPEAKER pro tempore. On any subject whatever?

Mr. BANKHEAD. Yes.

The SPEAKER pro tempore. Then these requests are entirely unnecessary.

Mr. JOHNSON of Washington. Mr. Speaker and my colleagues, I presume all who have served in this, the first session of the Sixty-eighth Congress—now soon to adjourn—will agree that it has been a hard and strenuous session. Many of the problems before us have been hard ones. I am sorry to have to come from the Committee on Immigration and Naturalization, as its chairman, to impose one more hard immigration problem upon you. I come, however, with a proper resolution. I have presented a detailed report, and I ask for a two-thirds vote for it. It is a proper, just, and humane and a resolution with a high Christian purpose. It is worthy of the United States Government at a time when we are making a most radical change in our immigration policies.

All Members know that during the three years under which we have had a quota restriction act there have been hardships to the extreme. The department has struggled along as best it could, trying to hold all cases to the exact bounds of the quota law. On July 1 there goes into effect the new restrictive immigration act, which, in my opinion, is much more restrictive than many of us who voted for it realize. It sets a new and limited number for immigrants, and it tightens materially the basic 1917 immigration act and all other immigration laws. It even tightens the Chinese exclusion law—50 per cent, probably. Now, I believe——

Mr. WEFALD. Will the gentleman yield?

Mr. JOHNSON of Washington. I am sorry I can not yield. Now, I believe this Congress, having passed this new restrictive act by a very large vote, will be willing to grant the comparatively small relief necessary to clear the situation to July 1. This situation, my friends, is made largely by these circumstances:

Sometime ago the Federal courts in New York rendered the decision known as the Gottlieb decision. Under that

decision of the court it was held that the wives and children of certain admissible classes of immigrants might follow them, regardless of the quota. That decision was followed by what is known as the Markarian decision, which was to the effect that an alien going out on a temporary visit might return with his wife and children. These courts found the reasons for their decisions on the provision of the Burnett Act of 1917, near the bottom of section 3, which provided for the admission of the wives and children of certain immigrants. Appeals were taken to the Supreme Court, and only a few days ago the Supreme Court held that the exemption of the wives and children ran only to those from the barred zone in Asia; but between the time of the New York court's decision and between the time of the Supreme Court's reversal 8,808 persons were admitted. Now, they were not admitted under bond, but they were admitted under regulations of the Department of Labor.

They were admitted under the regulations of the Department of Labor. They are now in the country. It is questionable whether they could be deported. Certainly it would be a tremendous task to try to pick out 8,800 persons, mostly wives and children, from the homes where they are now domiciled. In addition to those 8,800 persons, there are about 500 at Ellis Island who come in good faith under the Federal court decisions and there are about 500 on the ships. Having gone that far to meet the condition that confronts us, we find that there are in the United States about 2,700 persons largely from what is known as White Russia. They came in last July and August. They are here, scattered everywhere. A large number of them came by the way of Tokyo, and just about the time they got out of that city it was destroyed in the greatest earthquake disaster of modern times. There was no way by which they could be sent back through Tokyo. They are here and they have been here since July or August. I doubt if they could be picked up and deported—certainly not without great difficulty and great expense.

Now, I have stated the case to you exactly. If you will get the report No. 995, on this resolution, you will find the facts stated in detail, and also you will find a letter from the Assistant Secretary of Labor, explaining the administrative details. You will remember that we are going now into new and heavy quota restrictions, with detention on the other side. The total number now here to be relieved is 13,000, of whom 11,000 are already in the country through conditions which could not be controlled. We are not in a position to attempt to deport them, and you will find we are not asking too great an act of grace. When the United States goes into this new policy of nonasylum, with the certainty that these people will not be thrown on our doorstep, it is necessary to take care of these people, a large number of whom are women and children who are here now. [Applause.]

Mr. Speaker, I reserve the remainder of my time.

Mr. BOX. Mr. Speaker, the Members of this House want to know the facts before they vote. I am sure they do. They can not vote intelligently unless they do. This resolution was held back until the rush just before the close of the session. Then it was rushed through the committee with utterly inadequate investigation and consideration. Now it is to be hurried through the House with debate of only 20 minutes on a side. That is a usual manner of doing evil things here and this is an evil thing.

This is the third time that this House has had presented to it propositions to let in groups of many thousands of illegally admitted immigrants under the promise that the law will be enforced from now on. Two House bills passed. This, if passed will make a third. I wonder if the chairman, who always leads these propositions and is loudest in promising, is not embarrassed because of the continual recurrence of such situations, exhibiting the failure of his prophecies and promises. Indeed he is creating the situation by such action as this.

It has been said all over the House that this resolution applies only to women and children. That statement is not true. Read the act; read the resolution, and see if it is. It includes every class of men who left Europe after May 24, 1924.

Mr. VAILE. Oh, no.

Mr. BOX. May 26, perhaps.

Mr. VAILE. People who embarked on or before May 26.

Mr. BOX. Yes; I should have said all of every sex and age who embarked before May 26, 1924. If they could get on a ship on the other side of the sea by May 26, then they are to be admitted now, law or no law. Indeed it may be construed to mean all who started on their journey to the United States by land or sea before that date, which would include many more thousands.

Many of those now here were admitted without the semblance of an excuse. Some were temporarily admitted under an excuse occasioned by illegal rulings of the courts of New York and elsewhere. Representatives of the department and others have discussed these decisions with members of the committee for months, and so far as I have heard none of them believed the decisions were sound or respected them as probably sound. I have heard no lawyer who read these opinions express the opinion that they were sound. There was no foundation for them or reasonable ground for a competent American judge to believe that they were sound. There were evidently desires born of other considerations, the nature of which I will not undertake to state here, but they were unjustified. The effect is that a large number of people were let in illegally. The Supreme Court, as soon as it could review the question at the instance of the Department of Labor, unanimously, I might say indignantly, held that all were illegally admitted.

The Department of Labor had let them in with the express understanding and stipulation that if and when the Supreme Court reversed these decisions they would be sent back. The department now backs down and asks Congress to stultify itself by pretending to validate the illegal action taken in admitting them. This presents a serious peril now. The department has not the ability or is lacking in the nerve and willingness to enforce the law.

The Secretary of Labor actually asked us to so frame this resolution as to admit every European now at foreign ports wanting to come to America. He guessed the number would not exceed 5,000. It is reasonably certain that it is many times greater, as the resolution may include all who had started from anywhere to America.

If you continue this, you will soon not have any law. You have most unsatisfactory enforcement now. I have told you repeatedly since I have been trying to serve on this committee that there are two serious problems involved in our great immigration question: One is the enactment of the law; the other is the enforcement of it. The manner in which this law has failed of enforcement is shameful.

There were some 2,800 of these admitted when there was no quota. They were to be charged to a future quota—a shameless violation of the law. An immigrant who has no pull, or whose family, prospective employer, or friends have none, who offers to come in here one-half minute before the quota for any month is open is sent back. These very gentlemen have so administered this law. These people, however, come in under peculiar influences—financial, political, congressional, or personal. The wrong is aided and abetted by officers who, being charged with the enforcement of the law, seem to think they have a right to disregard it. Or they are so weak that they are compelled to bend before seen or unseen forces too strong for them. Here are some 500 Russians whom General Wood sent in from the Philippines. Russia sent some 2,300 others, all of whom were admitted when there was no quota, to be charged to a future quota, a known violation of the law. The department had itself so ruled many times, and many humble people had been compelled to bow before it. But the steamship companies avoided a heavy fine and other expenses for each one of those so admitted. The shame of it is great.

The American Government has some dignity; at least it ought to have. Its laws ought to mean something. The American people have been concerned about the enactment of immigration laws. They had better be watching the department and Congress to see whether or not the laws are going to be enforced. [Applause.]

This being the third stultifying effort to ratify illegal acts such as the admission of these people, Congress ought to be tired of it. I tell you now that you will have this kind of a story every six months, so long as you are willing to hear it.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. BOX. Yes.

Mr. RAKER. Did not the Secretary of Labor tell us yesterday that the same rule can be applied to the present law by leaving them in temporarily?

Mr. BOX. I so understand. A shipload somewhere wired the Assistant Secretary of Labor to suspend this last decision of the Supreme Court; and he has as much right to suspend the decision of the Supreme Court already rendered as he has to suspend the law written by Congress as he undertook to do in admitting these people. The Supreme Court merely declared what the law was. The department knew it before and made a gesture toward protecting the country against their illegal

admission by advising them and providing for their deportation until the Supreme Court should speak, but the department is weakening, as it has so often done. I wish I could give you all the facts as fully as I know them and make you see what is involved, as it is. I know that the question of the integrity of these laws is involved. I know to my own full satisfaction that the only way we can get the law enforced is by saying, "When we, the Congress of the United States, wrote this law, we meant it." The department will not be constantly getting itself into trouble if it will stand behind the law as a barrier and say "Whoever atempts to break the law down will find the firmness and power of the United States barring the way." But even the United States can not maintain its safety, dignity, and honor except through the service of public servants who are willing to serve it therein.

How much time have I used, Mr. Speaker?

The SPEAKER pro tempore. The gentleman has used six minutes.

Mr. BOX. I reserve the balance of my time. I wish I had the time to present this matter to you more fully, gentlemen. [Applause.]

Mr. JOHNSON of Washington. Mr. Speaker, I yield three minutes to the gentleman from Illinois [Mr. HOLADAY].

Mr. HOLADAY. Mr. Speaker and gentlemen, I suppose it is known to the House that I have taken about as strong a stand in favor of restriction of immigration as any Member of the House, as strong, perhaps, as the gentleman from Texas [Mr. Box], who has just preceded me and, unless a Jap is in sight, probably as strong as the gentleman from California.

I am not so much interested in this matter by reason of the effect it may have on any foreign nation. The humanitarian principles and incidents involved do not appeal to me so much, but I am interested from the standpoint of our Government and our Bureau of Immigration. I believe that in the interest of the orderly enforcement of our immigration laws in the months and years to come it is a wise policy, from the standpoint of our own Government, to adopt this resolution.

As nearly as can be estimated this will affect about 12,815 persons. Some 9,000 of these 12,815 persons were admitted under decisions of the district courts of New York. The Bureau of Immigration was compelled by the decision of the courts to admit them. They came in legally, as far as the law as then construed by the courts was concerned, and they have scattered out over our Nation. The Supreme Court reversed those decisions and said that their entry was illegal.

The Bureau of Immigration is now confronted with this proposition: They are compelled to go out over this country and seek out one by one those 9,000 aliens. It will be impossible to locate and to deport any great per cent out of that number.

The ones who remain—and, gentlemen, I call this to your particular attention—are in this position: When they come to the hour, if that hour should ever come, when they want to apply for citizenship, their method of entry will become known and they could not be admitted to citizenship; consequently they will never apply, and therefore we shall have in this country some few thousand men who are barred from owning real estate and who are barred from citizenship.

Persons who would be entitled to enter or remain within the United States under the terms of the resolution are:

| | |
|---|---|
| 1. Aliens heretofore admitted under the Gottlieb and Markarian decisions, in number | 8,808 |
| 2. Aliens now applying for admission at Ellis Island, brought to the United States in expectation of admission under the Gottlieb and Markarian decisions, in number, not to exceed | 500 |
| 3. Aliens now en route to the United States, having embarked on or before May 26, 1924, in expectation of admission under the Gottlieb and Markarian decisions, in number, not to exceed | 500 |
| 4. Aliens admitted under the so-called Knox decision, in number | 2,857 |
| 5. Aliens admitted temporarily under bond to relieve cases of extreme hardship, notwithstanding exhaustion of quotas, in number not to exceed | 200 |
| Total probable admissions not to exceed | 13,000 |

I believe it is better for our Government to legalize their entry and permit them to stay. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BOX. Mr. Speaker, I yield five minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Speaker and gentlemen of the House, as I understand, this resolution, it is claimed, is now necessary by reason of the fact that certain judges in New York construed the immigration law in a way to let in over 9,000 people who are not entitled to admission into the United States under the law, and it is proposed to correct that matter by admitting them. Since that time the case has gone to the Supreme Court, and the Supreme Court has held that they were improperly in the United States.

Here is the proposition that appeals to me: We have been through this immigration fight. I have witnessed the attitude of a great many of the New York Representatives on that proposition. I have read the names of a great many New York judges, and what is the use of having an immigration act if we are going to leave it to New York judges as to who shall come in and then O. K. their coming in? [Applause.]

Mr. VAILE. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. VAILE. Judge Mack rendered the decision.

Mr. TINCHER. Well, I do not care who he was. Gentlemen, we should pass laws, and if the Supreme Court upholds them we should stand by them. I voted with the administration, with the Executive, when he wanted to extend the humane proposition and not be too abrupt with a certain nation which complains of the immigration law. But the Congress said, or a majority of the Congress said, "We will settle this question forever, and we are going to pass a restrictive immigration law." But within a week a resolution is brought here to nullify that law to the extent of allowing several thousand men to remain in the country who are not entitled to be here. I think it is a serious proposition, and I think we should determine whether we are going to stand by this law or not.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. JOHNSON of Washington. Can the gentleman get the situation? Picture brides on the Pacific coast pouring in as fast as extra ships can bring them in until July 1, and on the Atlantic coast wives, whom husbands domiciled here went after, are not permitted to even remain?

Mr. TINCHER. I yielded to the gentleman for a question.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. JOHNSON of Washington. Mr. Speaker, I yield the gentleman one additional minute, inasmuch as I used his time.

The SPEAKER pro tempore. The gentleman from Kansas is recognized for one additional minute.

Mr. TINCHER. I do not look at this matter as being wholly one of picture brides or women and children, because I have read in the report made by the committee that a large part of the population we are asked to leave in here in violation of our law is made up of white Russians and not women and children at all. I think we want to be just a little bit careful. We were a little headstrong and passed a law which was not in the exact terms desired by the Chief Executive, and, having done that, let us not disturb it within a few days. Let us have a little stamina about ourselves. [Applause.]

Mr. JOHNSON of Washington. Mr. Speaker, I yield three minutes to the gentleman from Georgia [Mr. UPSHAW].

Mr. UPSHAW. Mr. Speaker and gentlemen, the first speech I made on the floor of this House, five years ago, bristled, I might say, with the doctrine of a strict restrictionist. I said in that speech that I believed, because of America's great mission to humanity that no disciple of Prussian autocracy and no exponent of a godless and flagless bolshevism ought to be allowed to set foot on American soil for 1,000 years. I have not changed my convictions, but in favoring this bill [applause] I want to say that I have surrendered not one inch or atom of my loyalty to the doctrine which I supported in voting for the recent immigration bill. One consideration that fortifies me in my position is the fact that the Secretary of Labor told me to-day that he felt that every sense of mercy and humanity should allow these unfortunate people to stay in America; and I have great faith in the clear head and big heart of that God-fearing man, James J. Davis.

It has just been brought out by the chairman of this committee that practically every element of those who are to be admitted were either brought in under the idea that they had a right to come and thus locate among their families and friends or they are segments of unfortunates who have been banished from their countries under distressing conditions that try both body and soul.

Mr. RAKER. Will the gentleman yield?

Mr. UPSHAW. Pardon me, but I can not in this short time.

Mr. RAKER. That is a broad statement that the gentleman has made.

Mr. UPSHAW. I want to be right and the gentleman can correct me in his own time.

Mr. RAKER. The Assistant Secretary of Labor said that over half of these were men and that they were admitted illegally.

Mr. UPSHAW. Mr. Speaker, do not take this out of my time, and I say that in all good humor. But this is the thing I want to emphasize: It is within the province and the business of this House to make legal the clearing of the slate before the strict new law shall become operative.

I am not willing for us to begin the operation of that law with our hands recking with harshness of spirit and hardness of deeds to those who are now happily situated with their loved ones after a long and desolate separation. [Applause.]

I am not willing for the news to go out that many of these people who came here under such unhappy conditions, with nowhere now to go—with hunger and perhaps death awaiting them if they were deported—I am not willing, I say, that we shall go to these thousands of homes and tear them out with a spirit that would seem cruel forevermore. The great, big heart of America can afford to be generous before it begins to be so exclusive. These unfortunate people should not be held responsible for the mistakes of American judges. [Applause.]

Mr. BOYLAN. Will the gentleman yield?

Mr. UPSHAW. As a strict constructionist and as a restrictionist, but above all, wanting America to show the spirit of great, big-hearted humanitarianism, I favor the admission of these people. [Applause.]

I yield to the gentleman from New York if my time has not expired.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Mr. BOX. Mr. Speaker, I yield five minutes to the gentleman from California [Mr. RAKER]. [Applause.]

Mr. RAKER. Mr. Speaker and gentlemen of the House, there is not a particle of question of sympathy in this bill. Every one of these men and women was admitted illegally. Every lawyer on the floor of the House knows that when the district court decided this case, and while it was on appeal, and until finally decided by the Supreme Court, the decision of the lower court was not to be followed by anyone, and no one could be admitted under that decision. The Commissioner of Immigration admitted this before the Committee on Immigration yesterday, and it had to be admitted because that is the law beyond all question.

They stated they admitted them and wrote out the order with the understanding they would be deported if the Supreme Court should reverse the decision of the lower court. If this was not the law, let me call your attention to what could be done. One thousand or 5,000 immigrants can land at Ellis Island to-morrow, or when our new law is in effect, and the district judge can admit one on habeas corpus, and then his decision would be a law for the other 5,000 to come in without any question, although the next minute an appeal is taken from his decision.

The Secretary of Labor admitted that under the new law and under the act of 1917 he has the same right to admit temporarily those who come to our shores, so that if you apply this rule and pass this resolution, 1,000 or 5,000 or 10,000 can come in in July or August or September by the Secretary waiving the right and letting them in temporarily and then coming to Congress to get relief.

Let me call your attention to another fact. For every one of these men who landed on the shores of America the steamship company could have been fined $1,000, and it was the duty of the department to fine them $1,000 for bringing them here, and to fine them for maintenance and upkeep while they were in the United States, and third, to fine them the cost of returning them to Europe.

No one knows how many there are. It was estimated at 13,000, and the commissioner could not tell how many the number might be.

With the great steamship companies on the job, with their many friends and solicitors, they pursuaded and secured the admission temporarily of these people so that they could be relieved of the $1,000 fine and of the fine for maintenance and upkeep while these people were here and of the fine which would equal the cost of returning them.

The department had to admit that every one of these men would have to come in under a writ of habeas corpus had they enforced the law. There never was a more unjust proposition presented to a Congress that believes in enforcement of our law, by deliberately and intentionally allowing these people to come in and then because there are a few women involved to say that they should all be admitted.

I want to repeat again that the same thing would apply under the new law whenever there is enough influence and whenever they can get a circuit court or a district court to admit one under habeas corpus. They can then let them in by the thousand or even tens of thousands, as they have done in this instance. Do we want to start out with the administration of this law in that way?

As to those that come from Russia, there is no evidence and no one knows but practically all of them were men trying to land in the United States contrary to the law.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BOX. I yield to the gentleman two minutes more.

Mr. RAKER. Gentlemen, the Commissioner General of Immigration told the Committee on Immigration yesterday that every steamship company, both in the United States and abroad, published and advertised for these people to come, saying that they would land them in the United States. He read a cablegram from the center of Italy from the Commissioner of Immigration asking if they could bring these people in, and before they ever started from their homes they were advised they could not do it; but notwithstanding that while the Italian Government had refused to give passports to these people during the last year, they gave them these passports, and the steamship company advised them to come, their friends advised them to come, and told them they would see that they landed in the United States. They are here, and now the Congress is asked to give the steamship companies another opportunity to break down our immigration laws, another opportunity to beat the will of the American people, another opportunity for these governments who said they were going to send their people here and would do it whether we allowed it or not to carry out their will, and for that purpose we are asked to pass this kind of a resolution.

The Supreme Court in deciding this case and reversing the decision of the lower court said it was too plain for argument or discussion that the decision of the lower court was wrong; but one judgment on a writ of habeas corpus let all these people in on behalf of the steamship company, and another similar writ after the act just passed goes into operation, with a steamship company having a thousand of these people, will operate in the same way, and they can all enter the United States. [Applause.]

This bill is so broad and loosely drawn that no one can tell what it means. It will permit all those to enter the United States who embarked for this country at any time prior to May 26, 1924. This may run into many, many thousands. It could easily reach 500,000. The word "embarked" does not necessarily mean those who got on board of a ship before May 26, 1924. It could and does mean any alien who started for the United States from any part of Europe. It means to set out, as in some cause or direction—make a start or beginning. So everyone who started or made a beginning to come to the United States at any time before May 26, 1924, could enter this country. This number is too large to even estimate. Again, it would admit every sailor on the high seas. There are about a million of these. They could all say they embarked or started for the United States. Again, every illegal entry is now made legal if this resolution should become a law. No more deportations for illegal entry in excess of the quota law. All cases pending in which final action has not been had in the courts would fail and the parties permitted to remain in the country. This resolution should never have been brought before the House; it should not pass. The flood gates will be thrown open. The only thing the alien will have to prove is that he started at some time prior to May 26, 1924, to go to the United States.

Mr. BOX. I yield to the gentleman from Oregon [Mr. WATKINS].

Mr. WATKINS. Mr. Speaker, it will indeed be a pleasant sensation to me if the occasion ever comes wherein Members of this body will speak of benefits ensuing to America instead of those to be conferred on aliens.

This resolution is not rooted in good faith for as it is written it legalizes the unlawful and surreptitious entry of every alien who embarked for or even entered the United States prior to May 26, 1924, from quota countries; hundreds of thousands here now illegally can remain if this resolution is enacted into law.

The suggestion was made to limit the resolution to the 13,000 specified in the report and only to those who entered under the Gottlieb and Markarian decisions, but the sponsors expect and want this to apply to thousands in addition to those specified in said report.

Furthermore, lack of good faith is evidenced by their failure to apply those already here under the two decisions on the future quota, for they desire to play politics and pander to

the foreign bloc and not relieve humanity as they would have you believe.

Mr. SABATH rose.

Mr. SCHAFER. Mr. Speaker, will the gentleman yield?

Mr. WATKINS. No; I can not; my time is too brief.

We will have the same condition confronting us next December, for then you will be asked to approve the result of another un-American decision and allow thousands of others to enter and to remain who will have entered with malice aforethought and under the same kind of criminal conspiracy. This is nothing more nor less than dirty politics; in fact, a desire to secure the vote of the foreign born is the prime and paramount reason for this piece of misleading legislation. [Applause.]

Mr. JOHNSON of Washington. Mr. Speaker, I want the Members to hear this and I want it to go into the RECORD. The intent of this bill as to the forms of relief has been written out in detail, and if the present text is not clear, I shall see that it is made so. The resolution is intended to provide for relief as follows:

1. Those heretofore admitted in excess of the quota and charged to the quota of later months.

That applies to the white Russians and a few others.

2. Aliens heretofore admitted under construction of the act of May, 1921, the construction required by court decision.

Mr. BOX. What is the gentleman reading from—the law?

Mr. JOHNSON of Washington. I am reading from my analysis of this matter:

3. Aliens arriving in the United States after May 26 and before July 1, who departed for the United States on or before May 26, 1924, believing in good faith that they would be admitted.

4. Those heretofore admissible admitted under bond to relieve extreme hardship. There are only 200 of those.

Mr. Speaker, this is an act of equity, of justice, of humanity, of mercy and Christianity. It is fair. It is right. The people of the United States are a Christian people and they will thank you for this act of grace. [Applause.] Mr. Speaker, I yield two minutes to the gentleman from North Carolina [Mr. POU].

Mr. POU. Mr. Speaker, this question is more largely a question of deportation than it is a question of immigration. [Applause.] Almost all of these people are here in the United States now. They came here in good faith. They came here in response to a construction of the law by the courts of the land. No gentleman can stand on this floor and consistently claim that they are to blame. For my part, I can not vote to send these people back. I do not believe it is right; I do not believe this House desires to do anything of the kind. [Applause.]

Mr. HILL of Maryland. Mr. Speaker and Members of the House of Representatives, the bill which was introduced by Representative SABATH and which has been favorably reported by the chairman of the Committee on Immigration, the gentleman from Washington [Mr. JOHNSON] is a just and humanitarian measure. This resolution permits to remain within the United States certain aliens in excess of quotas fixed under the immigration act of May 19, 1921. A little over 8,000 persons were admitted under certain decision of courts afterwards held invalid. They are now in the United States. Nearly 3,000 were admitted under the so-called Knox decision, afterwards reversed. They are now in the United States. There are several hundred others who come in under this bill. These people are mostly the wives and children of persons who are already in the United States.

If you do not pass this bill you must deport these people. Whether or not you voted for the recent immigration bill, I beg of you to vote for this pending measure, which has the support of the Department of Labor as well as of the Immigration Committee.

I have received a great number of telegrams from religious institutions and humanitarian people in reference to this bill, including the following from the president of the Hebrew Immigration Aid Society:

Please support Copeland-Sabath resolution which will admit wives and children now held United States immigration stations because recent Supreme Court ruling. Gottlieb case. Humanity demands these unfortunates not be deported, through no fault theirs.

As I said when the last immigration bill passed, you have left open the borders of Mexico to unlimited immigration. Last year more than 212,000 persons came in. I beg of you, in the interest of humanity, to pass this pending bill, for which I shall vote. [Applause.]

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. BOX. I demand the yeas and nays.

The SPEAKER pro tempore. The gentleman from Texas demands the yeas and nays. All those in favor of taking the question by yeas and nays will stand. [After counting.] Thirty-five gentlemen have arisen, not a sufficient number. The question is on suspending the rules and passing the bill.

The question was taken; and on a division (demanded by Mr. BOX) there were—ayes 153, noes 54.

Mr. RAKER. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

Mr. BOYLAN. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BOYLAN. The decision on the vote had been made before the point of no quorum was made.

The SPEAKER pro tempore. The Chair overrules the point of order. The gentleman from California makes the point that there is no quorum present. The Chair will count. [After counting.] Two hundred and twenty-three Members present, a quorum.

So, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

### CLAIMS OF THE CHOCTAW AND CHICKASAW NATIONS

The SPEAKER laid before the House the following message from the President of the United States, which was read as follows:

*To the House of Representatives:*

In compliance with the resolution of the Senate (the House of Representatives concurring), I return herewith House bill No. 5325, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes."

CALVIN COOLIDGE.

THE WHITE HOUSE, *June 6, 1924.*

### EVENING SESSION

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that the House stand in recess from 5.30 o'clock this evening until 8 o'clock this evening.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the House stand in recess from 5.30 o'clock this evening until 8 o'clock this evening. Is there objection?

There was no objection.

### CLAIMS OF CHOCTAW AND CHICKASAW INDIANS

Mr. SNYDER. Mr. Speaker, I present the following concurrent resolution, which I send to the desk and move its adoption.

The Clerk read as follows:

House Concurrent Resolution 29

*Resolved by the House of Representatives (the Senate concurring),* That the action of the Speaker of the House of Representatives and of the President pro tempore of the Senate in signing the enrolled bill (H. R. 5325), entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims the Choctaw and Chickasaw Indians may have against the United States, and for other purposes," be rescinded, and that in the reenrollment of said bill the following amendment be made, viz: In section 2, after the word "Interior" in the proviso, insert the following: ", with such additional reasonable and necessary expenses for said tribal attorneys, to be approved and paid from the funds of the respective tribes under the direction of the Secretary of the Interior, as may be required for the proper conduct of such litigations."

Mr. GARRETT of Tennessee. Mr. Speaker, this is merely a correction, is it?

Mr. SNYDER. This is merely a correction of the bill as agreed to in the conference report.

Mr. GARRETT of Tennessee. Some one in enrolling it left out some language that should have been inserted?

Mr. SNYDER. Some one inserted language that should not have been in, and this now is a correction and the bill will contain now the agreement of the conferees. That is all.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

BRIDGE ACROSS OCONEE RIVER, GA.

Mr. LARSEN of Georgia. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9612) granting the consent of Congress to the State of Georgia, through its highway department, to construct a bridge across the Oconee River.

The Clerk read the title.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the State of Georgia, through its highway department, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Oconee River at a point near where the line dividing Johnson and Washington Counties touches the waters of the Oconee River on the east side, said bridge connecting one or both of said counties with Wilkinson County on the west side of said river, and being located at or near a point formerly known as Thompson's Ferry, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 7, after the word "point," insert "suitable to the interests of navigation."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed with amendments the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, in which the concurrence of the House was requested.

DEFICIENCY APPROPRIATION BILL

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, with Senate amendments thereto, disagree to all of the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take from the Speaker's table the bill H. R. 9559, a deficiency appropriation bill, with Senate amendments thereto, disagree to all of the Senate amendments, and ask for a conference. Is there objection?

There was no objection.

The SPEAKER appointed the following conferees: Mr. MADDEN, Mr. ANTHONY, Mr. BYRNS of Tennessee.

PROTECTION OF WILD GAME ANIMALS AND BIRDS IN ALASKA

Mr. HAUGEN. Mr. Speaker, I move to suspend the rules and pass Senate Joint Resolution 127, to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture, which I send to the desk.

The Clerk read the joint resolution, as follows:

Senate Joint Resolution 127

*Resolved, etc.*, That, on and after July 1, 1924, the powers and duties heretofore conferred upon the Governor of Alaska by existing law for the protection of wild game animals and wild birds in Alaska are hereby conferred upon and shall be exercised by the Secretary of Agriculture; and all money available or appropriated in any act for the fiscal year ending June 30, 1925, for carrying into effect the act approved May 11, 1908, entitled "An act for the protection of game in Alaska, and for other purposes," including salaries, traveling expenses of game wardens, and all other necessary expenses, is hereby transferred to the credit of the Department of Agriculture to be expended by the Secretary of Agriculture for such purposes.

The SPEAKER pro tempore (Mr. ROGERS of Massachusetts). Is a second demanded?

Mr. WINGO. Mr. Speaker, I demand a second.

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The gentleman from Iowa is entitled to 20 minutes and the gentleman from Arkansas 20 minutes.

Mr. HAUGEN. Mr. Speaker, this resolution simply provides that the powers and duties conferred upon the Governor of Alaska for the protection of wild-game animals and wild birds in Alaska be transferred to the Secretary of Agriculture. The resolution has the approval of the Secretary of the Interior, and the funds appropriated are to be transferred to the Department of Agriculture—$20,000 to one department and $30,000 to the other—and they are to be made available for expenditure by one department.

Mr. WINGO. Mr. Speaker, after the very lucid explanation made by the chairman of the Committee on Agriculture, the distinguished gentleman from Iowa [Mr. HAUGEN], of this very important measure, I have not the temerity to seriously oppose its passage. I think it is recognized generally that there is a very great deal of friendly rivalry between myself and the distinguished gentleman from Iowa in trying to solve the very pressing problem of relief for the American farmer. With the assurance that he has just given the House that this is a part of the administration program for farm relief, the companion bill having just been messaged over from the Senate, making possible, if the President signs it—and he will, as it is a part of his program of farm relief—the regulation and sale of milk and ice cream in the District of Columbia. I presume that our Republican friends will adjourn to-morrow and think that the American farmer will be satisfied.

Mr. SNYDER. Will our Democratic friends be satisfied?

Mr. WINGO. Of course, Mr. Speaker, the chief tragedy in the question of the farmers' relief is that the farmer put some faith in the profession of friendship of the Republican Party as presently controlled. The farmer is an honest man; he is sincere. He never makes promises he does not sincerely intend to keep and that makes him somewhat a credulous man both individually and as a group, and the Republican Party has frequently imposed upon that well-known credulity based upon the inherent honesty of the American farmer. I wonder what the farmers of the Northwest will think when they see "psychological" Frank Mondell presiding as permanent chairman over the Cleveland convention. He justly earned the soubriquet of "psychological Frank" last fall when he took that great Hebrew banker from Wall Street, Eugene Meyer, out with him into the Northwest, at the direction of the President, and, parenthetically, I will state it was always a question I could not get satisfactorily answered whether Eugene Meyer took Frank Mondell to the wilds of the West or Frank took Eugene.

But at any rate they were sent out by this administration for the purpose of finding out, first, whether or not there was anything the matter with the farmer, and if so, what it was, and last October they came back and the sum total of their findings and recommendations that they gave the President was that the farmers were simply suffering psychologically, that they were prosperous but did not know it, and suggested that they be left to the operation of the natural laws—whether the natural law of gravitation or of supply and demand "psychological" Frank did not state. I am not going to charge Mr. Meyer and Mr. Mondell with being the direct cause of the failure of so many banks in the country, but since they have left that country out there it has become one of the chief news items almost every day in the papers that so many of these farmers' banks had failed, and since the trip of these great political doctors and financial advisers, Eugene Meyer and Frank Mondell—I hesitate before I criticize Mr. Meyer because I admit he is one of the ablest bankers that Wall Street ever produced and I think no administration has ever had an abler Secretary of Agriculture than Eugene Meyer, the recognized real agricultural adviser of this administration.

Mr. DENISON. Will the gentleman yield?

Mr. WINGO. I have not reached a period but a semicolon. However, I will yield.

Mr. DENISON. I am enjoying the gentleman's remarks very much, but I would be very glad to have the gentleman's usual clear vision in reference to the measure before us, as to the advisability of the legislation before the House?

Mr. WINGO. Well, I am sorry the gentleman never takes what I say seriously because——

Mr. DENISON. I do take it seriously.

Mr. WINGO. I told you in the first week of this Congress——

Mr. BARKLEY. What is before the House?

Mr. WINGO. It is hard to state whether it is my distinguished friend from Illinois or whether it is myself, but either is worthy of the patience of my friend from Kentucky.

Mr. DENISON. I would like to have some information with regard to the question of the advisability of transferring the great wild life of Alaska from the control of the governor to the Secretary of Agriculture.

Mr. WINGO. It is not the wild life of Alaska that you gentlemen had better watch, it is the wild farmers who have been fooled, deluded, flimflammed, and bunkoed by this administration. [Applause.] To answer the gentleman's first statement: In my humble way I had the temerity to warn the American farmer last December that he could expect nothing from this administration, because it was an administration controlled by and operated in the interest of the New England manufacturers. Everybody knows that but the farmers of the Northwest. They have not yet heard it. And I warned the farmers that while this administration might talk and advocate the reduction of taxes upon the high surtax of the 6,000 millionaires who constituted the financial backers of this administration, they would listen in vain for recommendation from this administration to Congress to relieve the toiling masses of this Nation from the intolerable burden of tariff taxation under which they are staggering and under which the farmers can never prosper. [Applause.]

Mr. DENISON. Mr. Speaker, will the gentleman yield for a question?

Mr. WINGO. Yes.

Mr. STEVENSON. Before that, will the gentleman yield right there?

Mr. WINGO. Yes.

Mr. STEVENSON. I suppose the gentleman has noticed the reports that the administration of Mr. Mondell has been ratified and approved by his selection as permanent chairman of the Republican National Convention that meets at Cleveland next week?

Mr. WINGO. Yes; I remarked before the gentleman came into the Hall that the powers that be, the powers that control not only the wild life of Alaska but the wild life of the West generally, had selected Frank Mondell to be the permanent chairman of the Republican National Convention.

Mr. BARKLEY. Mr. Speaker, will the gentleman yield?

Mr. WINGO. Yes.

Mr. BARKLEY. I suggest that the gentleman incorporate in his remarks an editorial from the Philadelphia Record upon that appointment.

Mr. WINGO. Well, I really admire Frank Mondell, because he is frank. He frankly admits he is a hard-boiled, bottled-in-bond, 100-per-cent standpatter. He told the farmers out there what he tells President Coolidge here. He tells them that there is nothing wrong with them. He gave out an interview while out there in the Northwest in which he said:

> You farmers have no business to be growling, now that you have a Republican administration. If you just sit steady until we, by this wonderful tariff system that we have, bring prosperity and wealth to the manufacturers of New England, they, out of their generosity and the fullness of their charitable feelings toward the unfortunate in this country, will pass on some alms to the farm producers of the Nation.

Mr. SCHAFER. Mr. Speaker, will the gentleman yield for a question there?

Mr. WINGO. Yes.

Mr. SCHAFER. You seem on numerous occasions to speak as a friend of the farmer in the remarks you make here. Have you carried out in any legislation that you have favored or have you done anything to carry out the policy that you advocate on behalf of the farmers?

Mr. WINGO. Well, the gentleman does not appreciate the fact that instead of his question developing an intelligent desire for information it only betrays his ignorance of the history of this Congress in the last 11 years. You have not had a law on the statute books for the benefit of the farmers that we on this side have not been obliged to jam down the throats of the Republican administration. By the bill for short-term credits, which your party passed in the last Congress, with which you flimflammed the farmers of the West, and by the speeches your people made concerning it, you managed to elect a Republican Congress on the plea that you did something for the agricultural West. But I want to remind you that that bill which you passed would have died in the last Congress if it had not been for myself and the gentleman from Alabama [Mr. STEAGALL]. When one of the standpat Republican conferees on that bill signed the conference report he said, "I would rather sign it with my left foot than with my right hand." If the gentleman will read the history of the Congress in the last few years, he will find that the only intelligent, honest, safe, sensible legislation that has been put on the statute books for the American farmer has been under the leadership of the Democratic Party and by a Democratic Congress. [Applause.]

Mr. SCHAFER. Mr. Speaker, will the gentleman yield again?

Mr. WINGO. No; I can not yield.

Mr. KING. Will the gentleman yield right there for a word?

Mr. WINGO. Well, I will yield to my farmer friend from Illinois. [Laughter.]

Mr. KING. I know that the gentleman is mostly fair, except when he discusses things from the political standpoint. I will ask him in all fairness if it was not in 1920, under a Democratic administiation, that the farmer was deflated and his prices went down? Was it not in December, 1920? Will not the gentleman admit that?

Mr. WINGO. No; I will not admit it. In the sessions of the Joint Farm Commission heretofore, which I am trying to get to meet again and finish its labors, the Republican members of that commission refused to make a report even after we got them an extension of time. The record will show that the real deflation policy was put into effect by the orders of the Republican leaders in this House and in the Senate and by leading Republican financiers, and that it really did not take place—it really did not take place in full force on the western farmer—until April or May, 1921. The statistics of the Federal reserve banks will show that in charts which they themselves have presented and which that standpat commission has deliberately suppressed, and concerning which they will not give us permission to get any further information. Read the Republican platform of 1920. It promised to deflate the farmer, and you did.

Mr. DENISON. Mr. Speaker, will the gentleman yield for a short question?

Mr. SNYDER. Mr. Speaker, will the gentleman yield right there?

Mr. WINGO. Yes.

Mr. SNYDER. The gentleman from Arkansas seems to charge the Republican Party with failure to pass remedial farm legislation. Now, the McNary-Haugen bill was looked upon as in the interest of the farmer, was it not?

Mr. WINGO. Let the gentleman ask his question.

Mr. SNYDER. Was not that considered a Republican measure, framed in the interest of the farmer? And did not the Democrats beat that measure? I am asking the gentleman that question.

Mr. WINGO. No; just sit down and I will tell the gentleman who beat it. Cal Coolidge and the Republican leaders beat it, and the roll calls of the House show it.

Mr. SNYDER. But the Democratic votes beat it.

Mr. WINGO. Oh, no. Whenever you pass anything for the benefit of the farmers the progressive members of the Republican Party have to do it in coalition with the Democrats, but whenever you try to put over a flimflam game and it is about to be exposed you point to some lonely, weakly, little Democrat and say he is bigger than the Republican majority in this House and blame him for your failure.

I will tell you what killed it. You knew in the beginning of this Congress you were going to play the game you played. The other day I noticed in the press the fact, after the Marie Hogan bill had been killed on orders of the President and laid away to rest, that the perspiring leader of the farm bloc on the Agricultural Committee, the sage of Medicine Lodge, the gentleman from Kansas [Mr. TINCHER], according to newspaper reports, visited the White House, and when he went there and took breakfast with the President it was the first time the gentleman from Kansas had the temerity, through all the breakfasts he has had with the President during this winter, to suggest a plan for farm relief to the President. Why do I say that was the first time? Because he stood on this floor the other day, notwithstanding the fact it was well known he frequently took breakfast with the President, and said he did not know how the President stood on the Marie Hogan farm relief bill, and on that very day I advised him if he wanted to give relief to the farmers he had better go down and see Cal and find out what would suit him.

The next day he went down to the White House, after the Marie Hogan bill had been interred, and that was the first time he had the temerity to make any suggestion to the President, because he had been so busy eating hot cakes with the

President before that that he had no time to think about any plan for relief to the farmer. But at that time he said:

The Democrats are getting after us; they have exposed our bunco game as to the farmers and the fact that we are putting up a job on them and do not intend to do anything. For God's sake approve this plan.

And what was it? A plan authorizing the same Eugene Meyer, Wall Street banker, and the same Frank Mondell, who, after an investigation in the Northwest, said there was nothing wrong with the farmer but a bad psychological viewpoint—a plan whereby that great Wall Street banker and the psychological Frank Mondell were to have unlimited power to relieve the distress of the Republican wheat growers of the Northwest. Then the President said, "Leave that on my desk and I will think about it," the longest sentence he has uttered since he has been in the White House. Then the next day we saw the psychological Frank sitting in the office of the genial Republican floor leader, the gentleman from Ohio [Mr. LONGWORTH]. We saw Frank there, and the newspapers said that our friend from Kansas [Mr. TINCHER] was invited into the sanctum sanctorum of the leader of the Republican Party in this House. He went there, as well as several members of the steering committee. They all got in there, and we all know how feverishly newspaper men stood on the outside of that office in order to find out what was to be done for the relief of the farmer. But finally, as the shades of evening fell over the Capitol, the gentleman from Ohio [Mr. LONGWORTH], the Republican leader, came out and announced to the newspaper men that the President had refused to approve the plan of the sage of Medicine Lodge to give relief to the wheat growers of the Northwest, just as he had condemned the late lamented Marie Hogan, and that Congress was ready to adjourn, and that all on earth the Republican farmers of the Northwest could hope to get through this Congress would be the passage of a little resolution of which the gentleman from Kansas [Mr. HOCH] is the author, the title of which is to declare that agriculture is a basic industry. The announcement by the gentleman from Kansas of that well-known fact reminded me of what Mr. Cannon, of Illinois, Uncle Joe, upon one occasion said about Theodore Roosevelt. He said:

I remember the ecstatic joy with which Teddy announced as a new discovery the Ten Commandments.

[Laughter and applause.]

So you have just passed the last of your farm-relief legislation when you say, "We will give the farmers an investigation of freight rates that will take five years and meet the pressing emergency situation we are told exists among the western farmers; and then you are going to pass this bill for the relief of the farmers, and you have already passed a bill to regulate the sale of ice cream and milk in the District of Columbia [laughter], and therefore you expect the farmers of the west to stand pat with Cal and somebody else who may be hand picked and hope, hope, hope, that at the end of five years they may get some relief from the burden of unconscionable freight rates which has been preached to them during campaign time by the Cappers and Tinchers and the Hochs, but about which they never do anything except to pass mere French gestures and resolutions when they get down here on Capitol Hill. [Applause.]

Mr. COLTON. We have listened to the eloquent statement of the gentleman. In his concluding remarks will he not mention some of the things the Democratic Party has done for the farmers?

Mr. WINGO. Has not the gentleman found out? [Laughter and applause.]

Mr. COLTON. No.

Mr. WINGO. And yet you were elected to Congress. [Laughter.]

Mr. COLTON. Neither have the farmers found out.

Mr. WINGO. I thought that district out in Oklahoma that sent Manuel Herrick here was the only district that was lacking in intelligence, and I never thought that anywhere in the United States there could be an electorate that would select a man to represent them in Congress who did not know that the only friend of the man who toils and the only party that has done anything for the farmer by the passage of the agricultural credit acts, farm loan acts, and various acts of that kind which were put upon the statute books by a Democratic Party, in every instance were enacted by the Democrats over a solemn roll-call adverse vote of the stand-pat leaders of the Republican Party. [Applause.]

Mr. COLTON. Will the gentleman yield further?

Mr. BURTNESS. Will the gentleman yield?

Mr. WINGO. I yield to the gentleman from North Dakota.

Mr. BURTNESS. Will not the gentleman be kind enough to come out to the West and explain to the farmers out there why he was so brave he did not vote one way or the other upon the McNary-Haugen bill? [Laughter and applause.]

Mr. WINGO. Yes; I was absent on the day of the McNary-Haugen funeral. I was compelled to be away, but I had a pair with the brains of the Republican side—Mr. MADDEN.

Mr. BURTNESS. And why the gentleman did not make any suggestions about it.

Mr. WINGO. I made suggestions, but the gentleman either was absent or was so indifferent to the welfare of the farmer that he did not listen.

The SPEAKER. The time of the gentleman from Arkansas has expired.

Mr. WINGO. I gladly accept the invitation of the gentleman to come out in the Northwest, even though I fear I will raise a sectional issue when you try to becloud the real issue and dodge your betrayal of the farmer by saying, "Behold a despised Democrat from the solid South." [Applause.]

Mr. HAUGEN. Mr. Speaker, I yield five minutes to the gentleman from Iowa [Mr. GREEN]. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, after so much eloquence, it might be well to have a few facts. I listened to the statement of the gentleman from Arkansas with a great deal of interest but without much information.

I have no disposition to minimize the unfortunate condition of the farmer, but unfortunate as it is, it is nothing in comparison with the condition in which the Democratic Party left him. As a result of Democratic tariffs and Democratic laws, which existed nearly all through the year 1921, he got the lowest price that he had received for years for his product. [Laughter on the Democratic side.] I said exactly what I mean.

Mr. GARRETT of Texas. Your party took charge on the 4th of March, 1921.

Mr. GREEN of Iowa. We did; but the people suffered through that year from a Democratic tariff.

In the year 1921 the farmer got $9,221,000,000 for his products. As a result of the farmers' emergency tariff, which the Republicans put through and which raised the value of his product and as a result of the Republican tariff law which gave him a market in the eastern part of the country, which he had lost under the Democratic regime, in the year 1922 he got $11,244,000,000 for his product, and in the year 1923 he got $12,204,000,000 for his product.

In talking to the farmers in my district at the time of the last campaign——

Mr. CAREW. Why is he broke?

Mr. ABERNETHY. Tell us why the farmer is broke.

The SPEAKER pro tempore. Gentlemen will not interrupt without obtaining permission of the gentleman occupying the floor.

Mr. GREEN of Iowa. He is broke by reason of Democratic laws and Democratic deflation. In talking to the farmers in my district at the time of the last campaign, I told them the first thing they needed was a home market; that one consumer in the home market was worth a dozen abroad and that they needed to put the business interests of the east and the factories of the east on a sound, substantial, working basis, and then a demand would be created for their products, and they all know it to-day in the results that have followed. They know it in the changed prices, they know it in the improvement of their condition.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. GREEN of Iowa. I yield to my genial friend from Texas.

Mr. SUMNERS of Texas. Then, why could you not get by with the argument that if they would give you $1.50 for your wheat you would have more money to buy their manufactured goods?

Mr. GREEN of Iowa. Was my friend from Texas in favor of the McNary-Haugen bill?

Mr. SUMNERS of Texas. Will the gentleman answer my question?

Mr. GREEN of Iowa. Oh, the gentleman was not in favor of it himself. He need not ask that question. He answered it in part himself when he voted against the bill.

Mr. TINCHER. The map out in the lobby shows why.

Mr. HOWARD of Nebraska. Will the gentleman yield?

Mr. GREEN of Iowa. I yield to the gentleman from Nebraska with pleasure.

Mr. HOWARD of Nebraska. The gentleman promised to give information, and I know he can.

Mr. GREEN of Iowa. Did not these figures give the gentleman any information?

Mr. HOWARD of Nebraska. Not yet.

Mr. GREEN of Iowa. Then I despair. I give up all hope of my friend from Nebraska if he can not get any information out of those figures.

Mr. HOWARD of Nebraska. I heard the gentleman state how much more prosperous the farmer is now than he was under the last administration.

Mr. GREEN of Iowa. Yes; under this administration he has received over two billion more than he got for his products under the last administration. That is a considerable sum, according to my opinion.

Mr. HOWARD of Nebraska. Well, if the gentleman will not give me any information, I will have to take what I have got.

Mr. SNELL. Will the gentleman from Iowa inform the gentleman from Nebraska how many men were walking the streets looking for a job under the former administration?

Mr. GREEN of Iowa. Over 4,000,000 men; and in less than a year and a half after the Republican administration came in they were all employed at good wages if they wanted work, and were buying the farmers' products. Now our Democratic friends want to take this market from them, and that is the only remedy they have to propose.

Mr. HAUGEN. Mr. Speaker, I yield three minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Speaker, I listened to the 20 minutes' speech of the gentleman from Arkansas [Mr. WINGO] with much interest and without any ungentlemanly interruptions. I think men have a right to make speeches expressing their opinion on matters of this kind, especially when a bill of this importance is up for consideration.

I take it from the speeches that have been made so far that every one is going to vote for the bill. The gentleman from Arkansas wants to put in the last few days making the people forget that there ever was a March 4, 1921; he wants to make them forget the summer of 1921 when 4,000,000 idle men were traveling the streets; he wants them to forget old Boston Common in the summer of 1921 covered with ex-service men seeking employment whereby they might make a living. I think that he thought that he would make the people of the West forget that when Warren G. Harding took the oath of office in this Capitol there was no market at all for the products of the farmers; he wanted to make the people forget that the Government's own obligations were selling for 85 cents on the dollar. When the time comes this fall we will try to remind the folks of what happened, and that the only prosperity the American farmer ever had in the United States under a Democratic administration was attributable directly to the war and getting a $30,000,000,000-bond issue on the part of the United States. [Applause on the Republican side.]

Why, he claims the benefit of the credit act passed by the Sixty-seventh Congress—even claimed credit for acts passed during the Sixty-sixth Congress and passed by Republicans over the veto of a Democratic President. All these things will be dug up. We will fight it out.

I am reminded of a story, and I am going to take the time to tell it. Down in Tennessee a man came along with a magic lantern. It was a little place, but it had one little theater. They would not let him in. They said, "No; you can't come in." He kept hunting around and after a while he found a vacant store where they had moved out. He stuck candles around in the store, so as to have a little light. By some accident they had left a powder keg in which there was a little powder left and a hole where he could stick a candle. No one knew about it. The show was going on and everybody having a good time, and when the candle burned down to the powder it exploded. Different ones had different experiences. One old fellow got up, wiped his eyes, and said, "I wonder what they are going to show next." Just as he said that an old fellow going out of the door, covered with blood, said, "I don't know; I have seen all I want to see." [Laughter.]

So when you go out there and tell the American farmers that you voted against every measure that would help them, that you are now sure going to do something for them, they will tell you that they have seen enough and had all the experience they wanted. [Laughter and applause.]

Mr. HOWARD of Nebraska. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. HOWARD of Nebraska. I want to strike out the last word.

The SPEAKER pro tempore. The time is in the control of the gentleman from Iowa.

Mr. HAUGEN. Mr. Speaker, I move to suspend the rules and pass the bill.

Mr. HOWARD of Nebraska. Mr. Speaker, this matter is of such vast importance I think we ought to have more here, and I make the point of no quorum.

The SPEAKER pro tempore. The gentleman from Nebraska makes the point of no quorum.

Mr. CONNALLY of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska have five minutes.

Mr. HOWARD of Nebraska. I do not want any time; I want a quorum. [Laughter.]

The SPEAKER pro tempore. The gentleman from Nebraska makes a point of no quorum, and the Chair will count.

Mr. HOWARD of Nebraska. Mr. Speaker, I am human; I do not know how I can stand out against these lovable fellows who are importuning me to withdraw my point. I quit. I withdraw. [Laughter.]

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

### DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DAVIS of Minnesota. Mr. Speaker, I call up the conference report upon the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the said District for the fiscal year ending June 30, 1925, and for other purposes, and move its consideration at this time.

The SPEAKER. The gentleman from Minnesota calls up the conference report upon the District of Columbia appropriation bill, which the Clerk will report.

The Clerk read the conference report, as follows:

### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 15, 16, 17, 20, 23, 24, 30, 31, 35, 38, 39, 40, 41, 42, 57, 61, 75, 81, 82, 85, 93, 96, 97, 98, 99, 108, 113, 121, 131, 133, 137, 139, 147, 152, 158, 161, and 162.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 19, 21, 22, 25, 26, 29, 32, 33, 36, 37, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 58, 59, 60, 62, 65, 70, 71, 76, 77, 78, 79, 86, 87, 92, 94, 95, 101, 102, 103, 104, 105, 106, 107, 109, 112, 114, 115, 122, 125, 126, 127, 129, 130, 132, 134, 135, 136, 138, 142, 143, 145, 146, 148, 150, 151, 153, 154, 156, 159, 160, 164, 165, and 167, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter inserted by the amendment of the House insert the following: "any revenue (not including the proportionate share of the United States in any revenue arising as the result of the expenditure of appropriations made for the fiscal year 1924 and prior fiscal years) now required by law to be credited to the District of Columbia and the United States in the same proportion that each contributed to the activity or source from whence such revenue was derived shall be credited wholly to the District of Columbia, and in addition, $9,000,000"; and the House agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "; for the purchase of two automobiles at not to exceed $450 each for the use of the assessor's office, $900; in all, $3,900"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$605,050"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$925,000"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "manner provided by law"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$75,000"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows: In lieu of the number proposed insert "three"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: In lieu of the number proposed insert "three"; and the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "two motor field wagons at not to exceed $650 each, the purchase of one motor field wagon at not to exceed $650, the purchase of four motor trucks at not to exceed $650 each"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$350,000"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$250,000"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "the manner provided by law"; and the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$35,000"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$53,580"; and the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,459,740"; and the Senate agree to the same.

Amendment numbered 110: That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment as follows: In lieu of the sum of $160,000 named in said amendment insert the sum "$100,000"; and the Senate agree to the same.

Amendment numbered 111: That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$206,939"; and the Senate agree to the same.

Amendment numbered 128: That the House recede from its disagreement to the amendment of the Senate numbered 128, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$45,000"; and the Senate agree to the same.

Amendment numbered 144: That the House recede from its disagreement to the amendment of the Senate numbered 144, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "manner provided by law"; and the Senate agree to the same.

Amendment numbered 149: That the House recede from its disagreement to the amendment of the Senate numbered 149, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "in accordance with the revised plan as set forth in Senate Document No. 37, Sixty-eighth Congress, first session, $150,000, of which amount $125,000 shall be available for expenditure below Benning Bridge and not more than $25,000 may be expended above Benning Bridge in the acquirement of necessary land"; and the Senate agree to the same.

Amendment numbered 155: That the House recede from its disagreement to the amendment of the Senate numbered 155, and agree to the same with an amendment as follows: Restore the matter stricken out amended to read as follows: "on its present site in East Potomac Park"; and the Senate agree to the same.

Amendment numbered 157: That the House recede from its disagreement to the amendment of the Senate numbered 157, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$40,000"; and the Senate agree to the same.

Amendment numbered 163: That the House recede from its disagreement to the amendment of the Senate numbered 163, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$1,500,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 2, 18, 28, 34, 64, 83, 84, 89, 90, 116, 117, 118, 119, 120, 123, 124, 140, 141, and 166.

LAWRENCE C. PHIPPS,
W. L. JONES,
L. HEISLER BALL,
E. I. EDWARDS,
*Managers on the part of the Senate.*

C. R. DAVIS,
FRANK H. FUNK,
MARTIN S. MADDEN,
W. A. AYRES,
JOSEPH W. BYRNS,
*Managers on the part of the House.*

STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On No. 1: Provides a lump-sum contribution by the United States toward the expenses of the District of Columbia of $9,000,000, together with the whole of such revenue arising subsequent to July 1, 1924, which is now credited to the United States and the District of Columbia in the proportion required by law, instead of $8,000,000 and a somewhat similar disposition of miscellaneous revenue, as proposed by the House, and $14,000,000 or a 60–40 division of expenses, as proposed by the Senate.

On Nos. 3 to 11, inclusive, relating to the Executive Office: Appropriates $17,000 for temporary employees, building inspection division, as proposed by the Senate, instead of $15,000, as proposed by the House; fixes the allowances to inspectors for motor cycles and automobiles at $13 and $26 each per month, respectively, as proposed by the Senate, instead of $10 and $20 each per month, respectively, as proposed by the House; and appropriates $4,000 for temporary employees, plumbing inspection division, as proposed by the Senate, instead of $3,000, as proposed by the House.

On Nos. 12 and 13: Appropriates $19,320 for personal services in the license bureau, as proposed by the Senate, instead of $17,820, as proposed by the House.

On No. 14: Provides an allowance at the rate of $26 per month to coroner for furnishing his own automobile for official uses, as proposed by the Senate, instead of $20 per month, as proposed by the House.

On Nos. 15, 16, and 17, relating to the office of superintendent of weights, measures, and markets: Strikes out the appropriation proposed by the Senate for the purchase of a Ford motor truck, and provides for the maintenance of four motor trucks, as proposed by the House, instead of five, as proposed by the Senate.

On No. 19: Strikes out, as proposed by the Senate, the limitation on the contingent fund of the public utilities commission with respect to expenditures incident to the enforcement of the law relating to the relief of street-car motormen.

On No. 20: Strikes out the appropriation of $600 proposed by the Senate for temporary clerk hire in the department of insurance.

On Nos. 21 and 22: Appropriates $42,320 for personal services in the surveyor's office, as proposed by the Senate, instead of $39,920, as proposed by the House.

On No. 23: Restores the appropriation of $1,500 proposed by the House for revision of the highway plan.

On No. 24: Strikes out the appropriation of $10,000 proposed by the Senate for preparation of a city plan outside of the original Federal city of Washington.

On Nos. 25 and 26: Provides for an allowance to the purchasing officer for the maintenance of his own automobile as proposed by the Senate, and fixes the automobile allowance at $26 per month, as proposed by the Senate, instead of $20 per month, as proposed by the House.

On No. 27: Appropriates $900 for the purchase of two automobiles for the assessor's office, instead of $2,400 for the purchase of three automobiles, as proposed by the Senate.

On No. 29: Fixes the allowance for supplying personal automobile at $26 per month, as proposed by the Senate, instead of $20 per month, as proposed by the House.

On No. 30: Strikes out the appropriation of $300,000 toward the construction of a building for the recorder of deeds, and the authorization therefor, proposed by the Senate.

On No. 31: Requires that refunds of erroneous collections shall be credited to the United States and the District of Columbia in the proportion required by law, as proposed by the House, instead of in the proportion that the appropriations were or are paid from the Treasury of the United States and the revenues of the District of Columbia, as proposed by the Senate.

On Nos. 32 and 33: Appropriates $10,000, as proposed by the Senate, for office equipment for the assessor and collector of taxes, instead of $5,000, as proposed by the House.

On Nos. 35 to 56, inclusive, relating to street improvements: Restores the appropriation of $6,000, proposed by the House, for paving Webster Street, Seventh Street to Illinois Avenue; appropriates $14,800 for paving Bryant Street, as proposed by the Senate, instead of $7,400, as proposed by the House, and extends the improvement from Lincoln Road to Fourth Street, as proposed by the Senate, instead of to Third Street, as proposed by the House; provides for the paving of Thirteenth Street from F to Eye Streets, 80 feet wide, as proposed by the House, instead of a smaller width, and from F to K Streets, as proposed by the Senate; restores the appropriation of $15,000, proposed by the House, for paving Kennedy Street, Fifth Street to Eighth Street; restores the appropriation of $4,800, proposed by the House, for paving Seventeenth Street, Webster Street to Allison Street; restores the appropriation of $7,500, proposed by the House, for paving Kansas Avenue, Allison Street to Buchanan Street; restores the appropriation of $10,900, proposed by the House, for paving New Hampshire Avenue, Grant Circle to Allison Street; appropriates $4,600, as proposed by the Senate, for paving Sixteenth Street SE., East Capitol Street to A Street; appropriates $6,200, as proposed by the Senate, for paving Kansas Avenue, Thirteenth Street to Quincy Street; appropriates $2,400, as proposed by the Senate, for grading Fern Street, Blair Road to Eighth Street; appropriates $7,000, as proposed by the Senate, for paving Quebec Place, Tenth Street to Thirteenth Street; appropriates $14,000 for paving Twenty-seventh Street, K Street to L Street, as proposed by the Senate; appropriates $2,800, as proposed by the Senate, for paving Vine Street, Baltimore & Ohio Railroad to Maple Street; appropriates $13,000, as proposed by the Senate, for paving Arkansas Avenue, Georgia Avenue to Emerson Street; appropriates $8,000, as proposed by the Senate, for paving Twelfth Street, C Street to D Street; appropriates $7,300, as proposed by the Senate, for paving Seventeenth Street, Irving Street to Kilbourne Street; appropriates $13,900, as proposed by the Senate, for paving Thirty-ninth Street, Van Ness Street to Yuma Street; appropriates $19,000, as proposed by the Senate, for paving Twelfth Street, Otis Street to Michigan Avenue; appropriates $13,800, as proposed by the Senate, for paving Fifth Street, T Street to W Street; appropriates $3,500, as proposed by the Senate, for paving V Street, Fourth Street to Fifth Street.

On No. 57: Strikes out the provision proposed by the Senate with respect to the compensation of the assistant to the corporation counsel.

On Nos. 58, 59, and 60, relating to repairs of streets: Appropriates for three motor trucks, as proposed by the Senate, instead of one motor truck, as proposed by the House; fixes the allowance for privately owned automobile at $26 per month, as proposed by the Senate, instead of $20 per month, as proposed by the House, and appropriates $600,000, as proposed by the Senate, instead of $550,000, as proposed by the House.

On Nos. 61 to 63, inclusive, relating to gasoline tax, road and street fund: Restores the appropriation of $112,000 proposed by the House for paving Georgia Avenue, Military Road to Fern Street; appropriates $35,000, as proposed by the Senate, for paving Seventh Street, Pennsylvania Avenue to G Street SW.

On Nos. 65 and 66: Provides for an allowance of $26 per month for a privately owned automobile, as proposed by the Senate, instead of $20 per month, as proposed by the House, and provides that certain revenue shall be credited to the United States and the District of Columbia in the manner provided by law, instead of in the proportions required by law, as proposed by the House, and in the proportions that the appropriations have been or may be paid from the Treasury of the United States and the revenues of the District of Columbia, as proposed by the Senate.

On No. 67: Appropriates $75,000, for trees and parking, instead of $55,000, as proposed by the House, and $100,000, as proposed by the Senate.

On Nos. 68 to 75, inclusive, relating to sewers: Provides for the purchase of eight motor vehicles, instead of four motor vehicles, as proposed by the House, and 10 motor vehicles, as proposed by the Senate; appropriates $265,000, as proposed by the Senate, instead of $231,000, as proposed by the House, for cleaning and repairing sewers and basins; provides for the purchase of seven motor vehicles in connection with suburban sewers, instead of four vehicles, as proposed by the House, and eight vehicles as proposed by the Senate; appropriates $350,000 for suburban sewers, instead of $325,000, as proposed by the House, and $370,000, as proposed by the Senate; appropriates $250,000 for assessment and permit work, instead of $200,000, as proposed by the House, and $300,000, as proposed by the Senate; and appropriates $60,000, as proposed by the House, for the extension of the Rock Creek main interceptor, instead of $30,000, as proposed by the Senate.

On Nos. 76 to 81, inclusive, relating to the collection and disposal of refuse: Fixes the allowances for privately owned motor cycles and automobiles at $13 and $26 per month each, respectively, as proposed by the Senate, instead of $10 and $20 per month each, respectively, as proposed by the House; provides that certain revenue shall be credited to the United States and the District of Columbia, in the manner provided by law, instead of in the proportion required by law, as proposed by the House, and in the proportions as the appropriations are paid from the Treasury of the United States and the revenues of the District of Columbia, as proposed by the Senate; and strikes out the appropriation of $40,000 proposed by the Senate for the purchase of land for a garbage transfer station.

On No. 82: Restores the appropriation of $7,000 proposed by the House for the purchase of a site for playground purposes.

On Nos. 85 to 88, inclusive, relating to the electrical department: Appropriates $79,940 for personal services, as proposed by the House, instead of $81,080, as proposed by the Senate; fixes the allowance for privately owned automobiles at $26 per month each, as proposed by the Senate, instead of $20 per month each, as proposed by the House; appropriates $525,000 for lighting, as proposed by the Senate, instead of $500,000, as proposed by the House; appropriates $35,000 for illuminating fixtures, instead of $20,000, as proposed by the House, and $50,000, as proposed by the Senate.

On Nos. 91 to 115, inclusive, relating to public schools: Appropriates $53,580 for personal services in the superintendent's office, instead of $48,300, as proposed by the House, and $56,220, as proposed by the Senate; appropriates $13,020 for personal services in the secretary's office, as proposed by the Senate, instead of $11,700, as proposed by the House; provides for 2,676 teachers, as proposed by the House, instead of 2,690 teachers, as proposed by the Senate; provides for four assistant principals, to be deans of girls of the Business, Western, McKinley Manual Training, and Armstrong Manual Training High Schools, as proposed by the Senate; appropriates $3,459,740 for pay of teachers, instead of $3,450,140, as proposed by the House, and $3,476,540 ,as proposed by the Senate; appropriates $30,000 in connection with vacation schools and playgrounds, as proposed by the Senate, instead of $20,000, as proposed by the House; appropriates $660,000 for longevity pay, as proposed by the Senate, instead of $650,000, as proposed by the House; appropriates $60,000 for payment of annuities, as proposed by the Senate, instead of $50,000, as proposed by the House; appropriates $44,000 for allowance to principals, as proposed by the Senate, instead of $43,280, as proposed by the House; appropriates $90,000 for pay of night-school teachers, as proposed by the Senate, instead of $70,000, as proposed by the House; appropriates $13,330 for Americanization work, as proposed by

the Senate, instead of $9,500, as proposed by the House; appropriates $443,076 for salaries, care of buildings and grounds, as proposed by the House, instead of $452,520, as proposed by the Senate; appropriates $235,000 for fuel, etc., as proposed by the Senate, instead of $226,000, as proposed by the House; appropriates $100,000 for furniture and equipment for the addition to Armstrong Manual Training School, instead of $80,000, as proposed by the House, and $160,000, as proposed by the Senate, and appropriates $4,588 for furniture and equipment for the school building on Spring Road site, as proposed by the Senate; fixes the allowance for privately owned automobiles at $312 per annum each, as proposed by the Senate, instead of $240 per annum each, as proposed by the House; appropriates $125,000 for textbooks and school supplies, as proposed by the House, instead of $150,000, as proposed by the Senate; appropriates $10,000 for laboratory equipment, as proposed by the Senate, instead of $8,000, as proposed by the House; and appropriates $5,000 for preparation of plans and specifications for a new school building for McKinley Manual Training School, as proposed by the Senate.

On Nos. 121 and 122: Strikes out the appropriation of $15,000 proposed by the Senate for the purchase of a site for a new school in the vicinity of South Dakota and Rhode Island Avenues NE.; and appropriates $5,000, as proposed by the Senate, for the preparation of plans, etc., in connection with the Junior High School near Twenty-fourth and N Streets NW.

On Nos. 125 and 126: Provides for 25 policemen to be mounted on horses, as proposed by the Senate, instead of 20, as proposed by the House, and appropriates $1,745,700 for salaries, Metropolitan police, as proposed by the Senate, instead of $1,743,000, as proposed by the House.

On No. 127: Appropriates $400,000 for the policemen and firemen's relief fund, as proposed by the Senate, instead of $350,000, as proposed by the House.

On Nos. 128 to 135, inclusive, relating to the fire department: Appropriates $45,000 for repairs to apparatus, instead of $35,000, as proposed by the House, and $50,000, as proposed by the Senate; appropriates $30,000 for hose, as proposed by the Senate, instead of $25,000, as proposed by the House; appropriates for three pumping engines, as proposed by the Senate, instead of two, as proposed by the House, to cost $10,000 each, as proposed by the House, instead of $12,500 each, as proposed by the Senate; appropriates $2,000 for an automobile, as proposed by the Senate; strikes out the appropriation of $16,000, proposed by the Senate, for a drill tower and concrete smoke-test building; appropriates $62,000 for new truck-company house, as proposed by the Senate, instead of $50,000, as proposed by the House; and appropriates $56,000 for a new engine-company house, as proposed by the Senate, instead of $45,000, as proposed by the House.

On Nos. 136, 137, and 138, relating to the health department: Strikes out, as proposed by the Senate, the limitation proposed by the House on expenditures for personal services in connection with the prevention of contagious diseases; strikes out the allowance of $10,000, proposed by the Senate, in connection with the prevention of diphtheria; and fixes the allowance for a privately owned automobile at $26 per month, as proposed by the Senate, instead of $20 per month, as proposed by the House.

On No. 139: Strikes out the provision proposed by the Senate with respect to deputizing employees of the Juvenile Court to act in the capacity of absent employees.

On No. 142: Appropriates $3,500 for furniture for nurses' home at the Tuberculosis Hospital, as proposed by the Senate.

On No. 143: Appropriates $162,360 for personal services at the Gallinger Municipal Hospital, as proposed by the Senate, instead of $137,360, as proposed by the House.

On No. 144: Provides in connection with the Industrial Home School for Colored Children that certain revenue shall be credited to the United States and the District of Columbia in the manner provided by law, instead of in the proportion required by law, as proposed by the House, and in the proportions as the appropriations for such school are paid from the Treasury of the United States and the revenues of the District of Columbia.

On Nos. 145 to 148, inclusive, relating to the militia: Provides for the purchase and maintenance of athletic and other equipment, as proposed by the Senate; appropriates $23,000 for expenses of camps, as proposed by the Senate, instead of $20,000, as proposed by the House; appropriates $7,000 for rent of armory and drill hall, as proposed by the House, instead of $15,000, as proposed by the Senate; and appropriates $9,000 for pay of troops, as proposed by the Senate, instead of $7,000, as proposed by the House.

On No. 149: Appropriates $150,000 on account of Anacostia River and Flats, as proposed by the House, instead of $200,000, as proposed by the Senate, and provides, as proposed by the Senate, for continuing the work in accordance with the revised plan as set forth in Senate Document 97, Sixty-eighth Congress, first session, and further provides, as proposed by the Senate, that not more than $25,000 of the appropriation may be expended above Benning Bridge.

On Nos. 150 and 151: Provides for the purchase of motor cycles for park police, as proposed by the Senate, and appropriates on account of motor cycles, $4,250, as proposed by the Senate, instead of $3,000, as proposed by the House.

On Nos. 152 to 161, inclusive, relating to the improvement and care of public grounds: Strikes out the appropriation of $53,500 proposed by the Senate for laying cement and other walks and drives in various reservations; appropriates $60,000 for improvement, care, and maintenance of various reservations, as proposed by the Senate, instead of $50,000, as proposed by the House; appropriates $35,000 for improvement and care of East Potomac Park, as proposed by the Senate, instead of $25,000, as proposed by the House; provides that the tourists' camp shall be maintained on its present site in East Potomac Park, as proposed by the House, instead of without designation of its location, as proposed by the Senate; appropriates $15,000 in connection with outdoor sports in the parks, as proposed by the Senate, instead of $10,000, as proposed by the House; appropriates $40,000 for increased cost in park maintenance, instead of $30,000, as proposed by the House, and $50,000, as proposed by the Senate; appropriates $10,000 for purification of waters of Tidal Basin, as proposed by the House, instead of $12,000, as proposed by the Senate; appropriates $37,000 for lighting the public grounds, as proposed by the Senate, instead of $35,000, as proposed by the House; appropriates $5,000 for a survey to establish boundary line between the District of Columbia and the State of Virginia, as proposed by the Senate; and strikes out the provision proposed by the Senate allowing the use of appropriations interchangeably.

On No. 162: Strikes out the appropriation of $762,000, proposed by the Senate, for the acquisition of the Klingle Road Valley Park, the Piney Branch Valley Park, and the Patterson tract.

On No. 163: Appropriates $1,500,000 for increasing the water supply, instead of $800,000, as proposed by the House, and $2,500,000, as proposed by the Senate.

On Nos. 164 and 165, relating to the water department: Fixes the allowance for privately owned motor cycles at $13 per month each, as proposed by the Senate, instead of $10 per month each, as proposed by the House; and appropriates $44,000 for laying water main in the vicinity of Fourth Street and Rhode Island Avenue Northeast, as proposed by the Senate.

On No. 167: Fixes the limitation on expenditures for certain personal services from appropriations for water department work at $25,000, as proposed by the Senate, instead of $20,000, as proposed by the House.

The committee of conference have not agreed upon the following amendments of the Senate:

On No. 2, relating to the salary of the engineer commissioner.

On No. 18, relating to the apportionment of appropriations made for the use of the municipal architect in payment for services of draftsmen, etc.

On No. 28, relating to the submission of estimates of appropriations for the fiscal year 1926, in connection with motor-propelled and horse-drawn vehicles.

On No. 34, appropriating $250 to aid in support of the National Conference of Commissioners on Uniform State Laws.

On No. 64, relating to assessments and the disposition of moneys derived therefrom under the gasoline-tax road and street fund.

On Nos. 83 and 84, relating to the purchase of playground sites.

On Nos. 89 and 90, providing for business manager in the public schools.

On Nos. 116 to 120, inclusive, relating to the acquisition of sites for school purposes, and the construction of a junior high school on one of such sites.

On Nos. 123 and 124, relating to the School for Tubercular Pupils.

On Nos. 140 and 141, providing an additional assistant probation officer under the Supreme Court of the District of Columbia.

On No. 166, limiting the expenditures for personal services in connection with various kinds of work.

C. R. DAVIS,
FRANK H. FUNK,
MARTIN B. MADDEN,
W. A. AYRES,
JOSEPH W. BYRNS,
*Managers on the part of the House.*

Mr. DAVIS of Minnesota. Mr. Speaker, I desire very briefly to state the present condition of this bill. It has caused not only your committee but, I think, the committee of the Senate considerable trouble. There are 166 Senate amendments. I do not care to refer to them just now. The report just read, I think, ought to convince this House that we have done considerable work over a matter of this kind. While this city is not as large as Chicago or New York, yet the complications connected with it are almost enough to drive any ordinary man—not your humble servant—crazy in consideration of matters of this kind; and I assure the Members of the House that I worked honestly and conscientiously, as have the other members of the conference committee in this matter, having in mind not only the interests of the District of Columbia but the interests of the Government of the United States. We have done the best that we can. [Applause.]

The total of this bill as passed by the Senate was $29,227,519. The total of the bill as passed by the House was $24,652,697. The amount added by the Senate was $4,574,822. The Senate has receded from their total bill to the extent of $2,772,414. That is quite a concession, I think. The House recession in the conference committee—and the work has been quite laborious—amounts to $1,380,136, and upon matters which might be said to be still in dispute we shall recommend recession to the amount of $422,272. The total House recession, therefore, amounts to $1,804,408, as against the Senate recession of $2,772,414.

I think gentlemen ought to consider that a pretty fair compromise on our part. [Applause.]

The amount of the bill as agreed to by the managers on the part of the House is $26,455,105. The District of Columbia items in the second deficiency appropriation bill—policemen and firemen and schools and so forth—amount to $2,625,162.21. With that your conferees have nothing to do, and they have nothing to say about it. The items in the field service under the classification act chargeable wholly against the District of Columbia amount to $196,886. The total appropriation for the whole thing amounts to $129,277,153.21.

That is for the year 1925. There is payable by the United States under this bill $9,000,000, and payable from the District revenues, including the water revenues and the gas-tax revenues, $20,277,153.21.

These figures look large, and they are large for a city of this size. There is a great effort over in the Senate to still stick to the 60–40 proposition, and I think I deserve some compliment for helping to put through that proposition several years ago. Let me show you a comparison between the 60–40 basis and the new basis, called the lump sum. The total appropriations for 1925, as I said before, amount to $29,277,153.21. There is payable from water rates $1,196,860 and from the gas tax $925,000, making a total of $2,308,750. On the 60–40 basis the amount that the Government would have to pay would be $10,787,361.28 and the amount that the District would pay would be $16,181,041.93. Under the lump-sum arrangement the Government will pay $9,000,000, and the difference amounts to $1,787,361.28. The amount of estimated revenue surrendered by the United States under the lump-sum agreement is $700,000. The real difference in favor of the United States under the lump-sum arrangement, as contradistinguished from the 60–40 basis, amounts to $1,087,361.28. That is what your conferees have agreed upon, and that is what I shall ultimately ask this House to adopt in the conference report. I say to you that this is a fair and square proposition, at least as far as I am able to accomplish, together with my conferees. I am very much obliged to them for the services they have rendered. This has not been child's play. It has been hard work. In my judgment, it is harder work than any that comes before this House, except possibly work from the Ways and Means on a taxation bill. The Army and the Navy and the Agricultural and the other appropriation bills deal in larger sums, but not in intricacies in any case comparable with what we find in this bill.

I shall not want to yield very much time, because I think the conference report, which has been read and which will appear in the RECORD, makes it very plain. I now yield three minutes to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, I congratulate the gentleman from Minnesota [Mr. DAVIS], the chairman of the subcommittee in charge of the District of Columbia appropriation bill, on the successful work that he has accomplished in connection with the settlement of the problems involved in settling the method of paying the expenses of the District of Columbia.

Mr. DAVIS of Minnesota. I hope my friend will not overlook my colleagues on that committee, Mr. FUNK and Mr. AYRES.

Mr. MADDEN. I certainly do not, and I extend my congratulations to them. The settlement made, I think, is about the most equitable I have ever known. We have left behind us the question of the 60–40 or the 50–50 proposition, and we have fixed the amount of the Government's contribution to a flat sum.

And that fixed sum in this case is about 30 per cent of the total instead of 40 per cent. More than that, Mr. Speaker, in the settlement of this problem the conferees have guarded the Public Treasury by insisting that all revenue arising from expenditures made on the 60–40 basis or 50–50 basis, even though it comes in during the next fiscal year and ensuing years, shall be divided between the Government and the District in the proportion to which each was entitled by law during those years. These amount, perhaps, to $200,000 a year. The exact amount is not ascrtainable now. Under the leadership of the gentleman from Minnesota, accompanied by my colleague [Mr. FUNK] and the gentleman from Kansas [Mr. AYRES], there has been no day too long and no work too arduous for them to undertake. They have worked faithfully, they have worked consistently, conscientiously, and honestly for the accomplishment of a settlement which for all time, let us hope, will clarify the atmosphere and leave to the people of the District of Columbia an opportunity to tax themselves as much as they please and get as many improvements as they please at their own expense and to place the contribution of the people of the United States at a fixed sum which is fair. [Applause.]

Mr. MOORE of Virginia. Will the gentleman yield for a question?

Mr. MADDEN. Yes.

Mr. MOORE of Virginia. If that change which has been made continues, does the gentleman contemplate that the Bureau of the Budget shall still function?

Mr. MADDEN. Oh, yes, indeed. I think we ought not to permit the District of Columbia to come out from under the Budget's jurisdiction any more than we would the Bureau of Mines. There is no reason in the world why they should. The District of Columbia is only a child of the United States. This District was established that the Government might have control over its own affairs, and the mere fact that people have come here to help function the Government ought not to give them privileges that will enable them to act independently of the Government. [Applause.]

Mr. MOORE of Virginia. I hope the gentleman will give me credit for understanding that, but I was wondering, now there has been a lump-sum appropriation out of the Treasury of the United States, if it ends the liability of the United States.

Mr. MADDEN. No; I think now, more than ever before, we ought to visé and prevent from destruction the great Government of the District of Columbia by keeping guard over its activities and protecting and preserving in every way the integrity of every dollar of the money paid into the Treasury by the taxpayers of the District and prevent any peculation, dishonesty, or waste.

Mr. MOORE of Virginia. If the gentleman will allow me, then what is proposed in the future is that the Government shall pay a lump sum for the support of the District?

Mr. MADDEN. Yes, sir.

Mr. MOORE of Virginia. Beyond that the Government shall function as heretofore in connection with the Bureau of the Budget in restricting the authorities of the District in the matter of imposing taxes to raise the revenue to make the expenditures.

Mr. MADDEN. Well, I think, of course there must be some guiding spirit somewhere, and this is the guiding spirit over the creature of the Government, the child of the Government, we might say, and the father must not send the child adrift, and we are not going to do it if I have anything to say about it. [Applause.]

Mr. DAVIS of Minnesota. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, there are agreements in this conference report on at least a dozen different items that

make the conference report subject to a point of order. I could have made the point of order against it and sent the report back for further action, but it is too late now in the session to do that. The departments of the Government in the District must have money on which to run and function, and, as we are to adjourn to-morrow evening, I did not feel like doing it, but if we had had more time I would have done it, because it is not $9,000,000 but a total of $10,000,000 that the Government is paying the District in this bill, when no more than $5,000,000 should be paid.

Mr. MADDEN. Will the gentleman yield right there? I just want to say there is not anything in the conference report subject to a point of order.

Mr. BLANTON. Oh, if I had time I could convince the gentleman in two minutes that there are many items in here subject to the point of order agreed to in conference, but I have not the time. Of course; the gentleman from Illinois—he is one of the hardest working men in this Congress, and, thank God, we have got him here—has not had time to wade through it all. If we had not had him here this conference report would not have been completed. [Applause.] I can tell you that. He is the only man in Congress who could have brought this conference report to an agreement, and the committee knows it, but he did not have time to study all these matters in detail like I have studied them, and I know some things were put in by agreement that were beyond the scope of the conferees' authority and subject to the point of order, but, as I say, I would not make it. But by this bill we are paying $10,000,000 out of the Government Treasury next fiscal year to run the expenses of this city.

I want to show you what the total appropriation used to be and how they have gradually been enlarged. In 1894, 30 years ago, the total appropriations made for the District of Columbia for all purposes were only $5,413,223, of which the Government contributed half. In 1904 they were $8,888,097; in 1914, only 10 years ago, the total appropriations for this great city were only $7,392,239, of which the Government paid half; and in 1917, when we entered the war, the total appropriations for this city were $12,842,216, of which the Government paid half, but in this bill we are now appropriating the enormous sum of $29,270,000 for the fiscal year 1925, and the Government is to contribute $10,000,000. That should give us pause to think.

I agree with every word the gentleman from Illinois [Mr. MADDEN] has just said. This Government is not going to turn loose this District that is the Nation's Capital. It is going to control it, and in reply to the gentleman from Virginia [Mr. MOORE] I will say that if these people would have a tax rate of as much as $2.50 on the $100, which is less than any city in the United States now pays, if they would fix the tax rate here at $2.50 a hundred, instead of only $1.20 per $100, and let the Government of the United States pay $5,000,000 toward their expenses each year, which is as much as they ought to pay, they would then have more money to spend for everything they want in the way of improvements than they could use.

But they do not do that. They keep their tax rate at $1.20 per $100, and then expect the Government to pay all the balance of their civic expenses. I promise the Congress this: I promise you that when you meet next December, the District committee will bring you a proper bill to require a proper tax rate to be paid here in this city, and I hope you will pass it. [Applause.]

THE SO-CALLED SURPLUS OF $4,438,154.92

I am indebted to and thank my colleagues for permitting me to insert in the main part of the RECORD at this point my discussion of the so-called surplus of $4,438,154.92, which greedy, selfish, citizen associations of Washington are claiming is due the District of Columbia by the Government of the United States.

The Committee on the District of Columbia, neither during this Congress nor during any other Congress, has made any real investigation of this subject. In asking that this bill be passed, it is proposing to take $4,438,154.92 of the people's money out of the Public Treasury and give it to the people who are so fortunate as to live in the District of Columbia; and it is also inviting these Washingtonians to take from the Treasury a little later on the further sum of $819,373.83. If, under the provisions of law, strained or otherwise, this Government were due the District of Columbia any sum, I would unhesitatingly vote to pay it, for I promptly pay my own debts, and I want my Government to do likewise.

But the justice of this claim has not yet been demonstrated. It was hatched up in the minds of certain individuals representing the various citizens' associations of Washington in an attempt to make this Government pay as large a share as possible of the local civic expenses of Washington, in order to continue local taxes at a nominal rate.

COMMITTEE MADE NO INVESTIGATION WHATEVER IN LAST CONGRESS

From my minority report which I filed against this proposal in the last Congress, as then embraced in H. R. 14372, introduced by our colleague from Colorado [Mr. HARDY], I quote from my said report, found on page 4844 of the CONGRESSIONAL RECORD for February 27, 1923, the following:

The House Committee on the District of Columbia was called to meet at 10.30 o'clock a. m. on Wednesday, February 21, 1923. The committee has 21 members. The presence of 11 members is required to make a quorum. When the committee was called to order at 10.40 a. m. only eight members were present, to wit: Chairman FOCHT, ZIHLMAN, Walters, SPROUL, BLANTON, GILBERT, HAMMER, and O'BRIEN. After passing on routine matters, the committee conducted a hearing on the proposed legislation to extend the time for evicting alley residents, hearing the testimony of several witnesses. At 10 minutes before noon, the business of said committee apparently having been concluded, as members were then circulating a eulogy on the chairman, the writer stated that he would have to leave, in order to be in the House when a conference report was to be taken up.

Concerning what transpired thereafter, the press reports that a motion was made to report the alley bill, but was withdrawn when a Member made the point of no quorum, and then, upon motion of the gentleman from Maryland [Mr. ZIHLMAN], the few Members present ordered a favorable report on the Hardy bill (H. R. 14372), to credit said alleged surplus to the District of Columbia. At that time there was no quorum present, and said committee was sitting and acting without authority, for the House of Representatives has never granted authority to said Committee on the District of Columbia to sit during the sessions of the House. The gentleman from Kentucky [Mr. GILBERT] voted against reporting said bill. Such bill has never been considered by said committee. No hearing whatever was had on same by said committee.

None of the few members of said committee present had read even the majority report of said special select committee. None of them had conferred with the gentleman from Nebraska [Mr. EVANS] concerning the minority report he was going to file against said alleged surplus. The only excuse given for reporting out said bill without hearing or consideration was the statement of the gentleman from Maryland [Mr. ZIHLMAN] that he had promised the gentleman from Colorado [Mr. HARDY] to report it out. This ridiculous half-page report shows that an amendment in the Senate is pending to attach this $4,438,154.92 unjust legislation upon the deficiency bill which this House to-day is reading under the five-minute rule. The evident intention is to pass it without debate. These gentlemen do not understand that that surplus claim is wholly without merit.

The foregoing shows conclusively that the Committee on the District of Columbia of the House of Representatives held no hearings and made no investigation whatever of this proposal in the Sixty-seventh Congress, but reported the bill when there was no quorum present merely to comply with a request that had been made by the gentleman from Colorado [Mr. HARDY].

COMMITTEE MADE NO REAL INVESTIGATION IN THIS CONGRESS

When the Committee on the District of Columbia met on Wednesday, May 7, 1924, I then insisted that no action be taken on this bill until there was a hearing upon and an investigation of it. Only after urgent insistence on my part did the committee authorize a hearing. And the committee required, when creating the subcommittee, that it should make its report thereon back to the full committee on the next Wednesday, May 14, 1924. I immediately urged both the gentleman from Wisconsin [Mr. LAMPERT] and the gentleman from Pennsylvania [Mr. BEERS] to begin the hearings at once, but same was not called until 10.30 a. m., Monday, May 12, 1924, which permitted only an hour and a half that day and an hour and a half on Tuesday, as the House met each day at noon, and the report had to be made back to the full committee on Wednesday, May 14, 1924; and I realized full well that no proper hearing could be conducted in three hours, even if I were given the entire time to offer evidence against the bill.

COMMITTEE GAVE NO OPPORTUNITY TO PRESENT EVIDENCE AGAINST THE BILL

As a preliminary to presenting evidence, I tried to show that the main proponent of this measure would benefit materially by its passage, as he owned property here in Washington alleged to be worth about $200,000, but which was assessed for taxes at only $95,010, and at the already low rate of only $1.20 on the $100 made his taxes on same amount to only $1,140.12, and that giving this $4,438,154.92 to the District would naturally cause a further reduction in his taxes. The committee would not allow my statement to go in the record, and further tried to curtail me to just a few minutes, so I turned the sham hearing over to them.

JUST WHAT OCCURRED

In order to show just what did occur, I quote same from the printed hearings, to wit:

Mr. BLANTON. There are one or two matters that I want to start the investigation with, Mr. Chairman, if I may have the consent of the committee. I requested the hearing.

Mr. BEERS. The gentleman from Texas may proceed.

(Mr. BLANTON thereupon made a statement which was later stricken from the record on a point of order raised by Mr. KUNZ.)

Mr. BLANTON. Well, gentlemen, I am sorry, but if I can not put a statement in the record in protection of my position before the committee I respectfully withdraw from the committee and turn it over to you gentlemen. You can do what you please about the bill. This hearing is had at my request. I filed a minority report against this bill in the Sixty-seventh Congress.

Mr. KUNZ. Mr. BLANTON, do you think it is fair to attack a man——

Mr. BLANTON (interposing). I am not attacking him.

Mr. KUNZ. You are.

Mr. BEERS. I do not think you mean to.

Mr. BLANTON. It is not attacking a man merely to state that he owns property here assessed at $95,000. There is my statement, gentlemen [handing statement to representatives of the press].

I had some evidence that I wanted to put in in regard to this alleged surplus. I expect to offer two auditors who will demonstrate that the Government owes the District nothing.

Mr. BEERS. We shall be glad to hear any evidence bearing upon the question that is before us.

Mr. KUNZ. You are going to present evidence as to the question of the surplus?

Mr. BLANTON. Gentlemen, I give notice that I shall file a minority report on the bill. I had a lot of evidence that I wanted to offer, but I now see that it would avail nothing.

Mr. BEERS. We want to hear the evidence.

Mr. KUNZ. Mr. Chairman, let the record show that the gentleman is going to file a minority report before any action is taken by this committee. The gentleman requested that a subcommittee be appointed for the purpose of taking up the consideration of this bill, to show the committee that there is not a surplus.

Mr. BLANTON. I have given close study to this subject for two years, and I filed a minority report against it in the Sixty-seventh Congress. Do you mind my stating this for the record, Mr. Chairman, without mentioning any names—that the party to whom I referred the other day as owning property here, owns property assessed at over $95,000, with a frontage of 543 feet on Twenty-ninth Street NW., that is not needed for residential purposes, in connection with his residence which fronts 100 feet on Cathedral Avenue.

Mr. KUNZ. You may state that; but if you state that he is personally interested and that he legislates because of his interest in the property that he owns in the District of Columbia, then I think you are wrong.

Mr. BLANTON. Mr. Chairman, the only thing I desire to state, without any attempt to reflect upon anyone, is this: That the party to whom I mentioned the other day as a property owner here has property assessed in three different assessments in the District of Columbia, aggregating a total of $95,010.

Mr. KUNZ. In his own name?

Mr. BLANTON. In his own name.

Mr. KUNZ. As shown by the records of the District?

Mr. BLANTON. Yes; as certified by Mr. William P. Richards, the tax assessor of this District. The part embracing his residence is assessed at $81,010, the tax on same being $972.12. Another portion is assessed at $7,000, the tax on same being $84. Another portion is assessed at $7,000, the tax on same being $84. This makes a total assessment of $95,010, with a total tax of $1,140.12.

Mr. KUNZ. Mr. Blanton, referring to the remark you made a few moments ago, when I raised the point of order, is it your contention that the board of assessors in setting a valuation on that property lowered the value and reduced the taxes on his property because he is a Senator?

Mr. BLANTON. Not at all; no lower than any other Congressman or any other Senator.

Mr. KUNZ. Or any other property owner in the District; is that it? Or am I led to believe that Senators and Representatives have influence enough to get a reduction?

Mr. BLANTON. No. It is all assessed low. For instance, there is a Texas man, with large southern interests, who owns the Meridian Mansions, at 2400 Sixteenth Street. It is assessed at something over $1,400,000; less than $1,500,000. I have the statement of E. Kirby Smith, who owns it, that he gave $2,500,000 for it, and that he has spent quite a large sum in improving that property, and that the improvements alone could not be placed there for $3,000,000, let alone the land; and yet it is assessed at less than $1,500,000.

Mr. KUNZ. Do you not think that Congress ought to investigate the valuation and see whether these gentlemen are doing their duty?

Mr. BLANTON. There are numerous pieces of property here, that I have put in the record already, that are assessed at less than half their value—large pieces of property.

Mr. KUNZ. Then, if that injustice is being done to the District and to the people of this country—because they are paying 60 and 40—if it is really an injustice, I think an investigation should be made.

Mr. BLANTON. You can not get full assessment as long as you have a pro rata payment by the Government and the District of 60-40. You have got to fix a tax rate here at a certain reasonable amount.

But I want to finish my statement.

Mr. KUNZ. You can have a just valuation of the property.

Mr. BLANTON. If you are going to take up all my time by asking questions, I can not put anything in the record at all.

Mr. KUNZ. Go on and let us see what else you want to put in.

Mr. BLANTON. Of this property, the main residence fronts 100 feet on Cathedral Avenue, but there are 543.1 feet fronting on Twenty-ninth Street NW., which has recently been graded up, apparently for the purpose of building improvements thereon. Upon same could be built 21 residences having a frontage of 25 feet each, and not hurt the main residence, which has its own frontage of 100 feet on Cathedral Avenue.

Now, Mr. Chairman, I want to show how large a question this is that we are called upon to report on day after to-morrow.

I quote from my minority report filed against this proposal in the last Congress on page 4843 of the RECORD for February 27, 1923:

"When the claim for this so-called surplus was made Congress passed the act of June 29, 1922"—

For the purpose of having this matter investigated—

Which provided:

"A joint select committee * * * is created and is authorized and directed to inquire into all matters pertaining to the fiscal relations between the District of Columbia and the United States since July 1, 1874, with a view of ascertaining and reporting to Congress what sums have been expended by the United States and by the District of Columbia, respectively, whether for the purpose of maintaining, upbuilding, or beautifying the said District, or for the purpose of conducting its government or its governmental activities and agencies, or for the furnishing of conveniences, comforts, and necessities to the people of said District. * * *"

"And on February 5, 1923, after spending nearly $20,000 [on this investigation], the majority of the above special select committee * * * filed their report showing that they had made only—

"'A detailed audit and examination of the District's accounts from June 30, 1911, to June 30, 1922.'"

Mr. KUNZ. You are now talking about the Senate committee; is that it?

Mr. BLANTON. The joint committee. In other words, they reported that they had made a detailed audit and examination only from 1911 to 1922. I quote further:

"Whereas in said act creating said special select committee Congress provided that said committee—

"'Is authorized and directed to inquire into all matters pertaining to the fiscal relations between the District of Columbia and the United States since July 1, 1874.'"

In other words, they skipped from July 1, 1874, to June 30, 1911. All that interim between July 1, 1874, and June 30, 1911, was not investigated at all.

Now, notice, gentlemen, this further quotation from my minority report:

"In explaining why they did not comply with the above direction and go back to 1874, instead of limiting their audit and examination to the short period between June 30, 1911, and June 30, 1922, the majority in their report said:

"'It would have been necessary to ask the Congress for a year's additional time, at least, within which to make a final report, and an additional appropriation of many thousand dollars.'"

In other words, they give as their reason for not going back of 1911, that it would have taken another year and would have required the expenditure of some thousands of dollars more.

"The majority of the committee wholly disregarded the following direction given them by Congress"—

Then I quote where Congress directed them to go back to July 1, 1874.

Now, I want to show you what Mr. Evans, our colleague from Nebraska, says in his report on page 4764, RECORD for February 26, 1923. This is his minority report that I am quoting from:

"*To the Senate and House of Representatives:*

"The minority views of your committee appointed pursuant to the act of Congress approved June 29, 1922, to inquire into the fiscal relations between the District of Columbia and the United States.

"The undersigned is unable to agree with the findings and conclusions of the majority of the committee for the following reasons:

"(1) The construction of the act raising the committee as made by the majority report is erroneous, and the same objection lies as to the

construction or effect of other acts bearing upon or affecting the matter investigated by the committee.

He says that their construction was erroneous. Then he says:

"(2) The investigation made by the committee has covered neither the period nor the extent that Congress directed."

Notice what he says:

"The investigation made by the committee has covered neither the period nor the extent that Congress directed."

Then he goes on:

"(3) The finding by the majority of a balance or surplus of $4,438,154.92 as due to the District of Columbia is not supported by facts or law."

That is what Mr. Evans tells you.

Let me read you a few other excerpts:

"The purpose Congress had in creating the joint select committee was to discover and report to Congress all facts bearing on the fiscal relations between the District of Columbia, hereinafter called the District, and the United States, hereinafter called the Government, in order that Congress might be able to determine the exact state of such fiscal relations. Such a discovery and report has not been made."

That is your Republican member of this committee in the House that is talking—not a Democrat.

Mr. LAMPERT. Mr. Chairman, I want to be fair with the gentleman from Texas, but I do not think it is quite fair on his part to take up all the time this morning. We have called a witness here who is a very busy man, to hear his story.

Mr. BLANTON. Gentlemen, I will beg you to excuse me. I do not care to waste any further time on such a hearing. If the only man who has objected to this report and asked a hearing can not have a few minutes, excluding all interrupting questions to introduce pertinent evidence showing that no such surplus exists, then I withdraw, and will show it in a minority report.

Mr. LAMPERT (interposing). I have not taken up a minute of the time of this committee this morning.

Mr. BLANTON. Well, I have had about five minutes, excluding questions.

Mr. LAMPERT. I do not know anything about this subject. I want to hear something about it.

Mr. BLANTON. I will ask you to excuse me. I do know about it.

Mr. LAMPERT. All right, if you feel that way about it.

(Mr. Blanton thereupon retired.)

SO-CALLED HEARING WAS A COMPLETE FARCE

And the extent of the hearing conducted by this subcommittee consisted in putting on the stand Mr. Daniel J. Donovan, who is employed by the District of Columbia as its auditor, who naturally made a general statement favoring the District's contention. Besides being an interested employee of the District of Columbia, he is an interested citizen and taxpayer of Washington, interested in getting everything out of the Government that he can for Washington. Then for a few minutes the subcommittee heard our colleague from Colorado [Mr. HARDY], who made no attempt to discuss the fiscal business relations of the Government and District back to 1874, as Congress had commanded us to do, but merely made general statements relating wholly to matters between 1911 and 1922; and he was followed by a few words from Mr. Edward F. Colladay, who represents leading citizens of Washington, in getting everything he can out of the Government, and he presented an urgent request that Congress give this $4,438,154.92 to the District, signed by the following:

Theodore W. Noyes, chairman executive committee of Citizens' Joint Committee on District of Columbia Fiscal Relations; E. F. Colladay, president board of trade; Isaac Gans, president chamber of commerce; Anton Stephan, president Merchants and Manufacturers' Association; Charles A. Baker, president Federation of Citizens' Associations; Stanton C. Peelle, president Bar Association; Herbert L. Davis, president Columbia Heights Citizens' Association; Evan H. Tucker, president Northeast Citizens' Association; J. A. Oliver, president Georgetown Citizens' Association; H. E. Stringer, president City Club; H. V. Haynes, president District of Columbia Bankers' Association; J. C. Weedon, president the Real Estate Board; Arthur D. Marks, president Rotary Club; Harry G. Kimball, president Kiwanis Club; James M. Proctor, president Civitan Club.

Mr. COLLADAY. I understand that Major Donovan has dealt fully with the matters of accounting and technique which you might wish to consider and that Congressman HARDY, who is a member of the congressional joint committee which reported this surplus, has given you such information as you might naturally desire from that committee's point of view. Therefore there is no necessity for any statement by way of relating fact or law or setting forth argument on the part of the citizens' joint committee at this time.

We content ourselves with standing upon the report of the joint committee of Congress and upon the action taken by the Senate on the Phipps bill and the merits of the case, and respectfully petition your committee to favorably report the Phipps bill.

Mr. KUNZ. Mr. Chairman, I move that the bill be reported.

Mr. BEERS. Do we not want to hear from Mr. Donovan? I thought he came here to further report.

Mr. KUNZ. I know. I said yesterday I was convinced. What is there more you want to question him on? He has gone over everything, unless you want him to repeat.

Mr. BEERS. It was my impression he had not gone over everything. We stopped him, you remember.

Mr. KUNZ. I know; but he has covered everything. You have covered everything, haven't you, Mr. Donovan?

Mr. DONOVAN. Yes, Mr. Kunz. I think my testimony yesterday went into all the worth-while phases of this hearing.

Mr. KUNZ. It covered every point that Mr. BLANTON had attacked.

Mr. DONOVAN. That is right, except I would like——

Mr. BEERS. Gentlemen, you have heard the motion.

Mr. DONOVAN. Mr. Chairman, with your permission I would like to make one short statement for the record, to answer a statement made by Mr. BLANTON yesterday regarding the valuation of the Meridian Mansions, 2400 Sixteenth Street.

You will recall, Mr. Chairman, one of the statements made by Mr. BLANTON, and if you do not object I would like to make a reply from our assessors' end of it.

Mr. KUNZ. The gentleman from Texas owns that place?

Mr. DONOVAN. Louisiana.

Mr. KUNZ. He said he was from Texas, did he not?

Mr. DONOVAN. I understand Mr. Kirby Smith, the present owner of the property, is from Louisiana and not Texas.

Mr. KUNZ. He said he expended $2,000,000 on the property and is only paying taxes on $800,000.

Mr. DONOVAN. That was not quite the statement. He made the statement to this effect, that the property is assessed, in round figures, on the full valuation basis, at $1,500,000, and that the owner of the property, Mr. Kirby Smith, had told him that since he purchased the property he had put improvements into the building costing more than $3,000,000.

As a matter of fact the only improvements that have been made by Mr. Kirby Smith to the Meridian since the property came into his possession have cost not more than $50,000.

Mr. KUNZ. Mr. Chairman, I move that the hearings be concluded and that the bill be reported favorably.

Mr. BEERS. Gentlemen of the committee, you have heard the motion that we report the bill favorably to the general committee. All those in favor of the motion please say "aye."

(The motion was carried.)

Mr. KUNZ. Mr. Chairman, I move we adjourn.

(Whereupon, at 11.15 o'clock, the committee adjourned.)

NEITHER COULD QUOTE CORRECTLY EITHER FIGURES OR EVIDENCE

You will note that, after I had left the hearing, in attempting to quote me the gentleman from Illinois [Mr. KUNZ] incorrectly asserted that I had stated that—

Mr. E. Kirby Smith had expended $2,000,000 on his property and is only paying taxes on $800,000—

when I did not say anything of the kind, as the following, quoted from the hearings, is what I said:

Mr. KUNZ. Or any other property owner in the District; is that it? Or am I led to believe that Senators and Representatives have influence enough to get a reduction?

Mr. BLANTON. No. It is all assessed low. For instance, there is a Texas man, with large southern interests, who owns the Meridian Mansions, at 2400 Sixteenth Street. It is assessed at something over $1,400,000—less than $1,500,000. I have the statement of E. Kirby Smith, who owns it, that he gave $2,250,000 for it, and that he has spent quite a large sum in improving that property, and that the improvements alone could not be placed there for $3,000,000, let alone the land, and yet it is assessed at less than $1,500,000.

And you will also note that this expert auditor, employed by the District of Columbia, Mr. Daniel J. Donovan, likewise quoted me incorrectly when in reply to Mr. KUNZ's question he asserted that I said what I did not say. Read carefully:

Mr. DONOVAN. I understand Mr. Kirby Smith, the present owner of the property, is from Louisiana and not Texas.

Mr. KUNZ. He said he expended $2,000,000 on the property and is only paying taxes on $800,000.

Mr. DONOVAN. That was not quite the statement. He made the statement to this effect, that the property is assessed in round figures on the full valuation basis at $1,500,000, and that the owner of the property, Mr. Kirby Smith, had told him that since he purchased the property he had put improvements into the building costing more than $3,000,000.

As a matter of fact, the only improvements that have been made by Mr. Kirby Smith to the Meridian since the property came into his possession have cost not more than $50,000.

MY STATEMENT ABSOLUTELY CORRECT

Every word of my statement about Mr. E. Kirby Smith and his Meridian Mansions was correct, but the trouble was that neither Mr. Donovan nor Mr. KUNZ could quote me correctly, for both of their attempted quotations were erroneous.

MR. E. KIRBY SMITH, HIMSELF, ADMITS ALL I SAID

I quote the following excerpts from a letter received by me from Mr. E. Kirby Smith:

MERIDIAN MANSIONS HOTEL,
*Washington, D. C., February 1, 1924.*

Hon. THOMAS L. BLANTON,
*Representative from Texas,*
*House Office Building, Washington, D. C.*

MY DEAR MR. BLANTON: In the Washington Daily News of January 28, under the head of "Properties underassessed," I note that you list Meridian Mansions Hotel, at 2400 Sixteenth Street, which is a property purchased by me on January 1 of last year. * * *

The writer is at this time the president of the Louisiana Society of Washington, and for six years I was a director in the Federal Reserve Bank of Dallas. * * *

The usual assessment on property is 50 per cent of the valuation. This property could not be replaced for less than $3,000,000, in addition to the land * * * it was sold to me on very long-time payments for $2,250,000. * * *

I have spent quite a fortune refurnishing and building over the place to make it attractive.

Very truly yours,

E. KIRBY SMITH.

The tax assessor of the District of Columbia advised me that for last year the Meridian Mansions was assessed at $1,481,960, and at the $1.20 rate of taxation on the $100 paid a tax of only $17,783. The evidence filed before the Rent Commission showed that its annual receipts from rentals aggregate $281,532.20.

COMMITTEE'S FAVORABLE REPORT

It is certainly amusing to read the committee's favorable report on this bill. It is short and sweet. It couldn't be otherwise. Here it is:

Mr. BEERS, from the Committee on the District of Columbia, submitted the following report to accompany S. 703:

"The Committee on the District of Columbia, to whom was referred the bill (S. 703) making an adjustment of certain accounts between the United States and the District of Columbia, having considered the same, report favorably thereon with the recommendation that it do pass."

And upon that simple statement the Committee on the District of Columbia expects the Congress to take out of the people's Public Treasury the enormous sum of $4,438,154.92 and make a present of it to the petted people of Washington.

What reason is given for it? None. What facts are offered in support of it? None. The committee expects the Congress to vote for it blindly. The committee expects the Congress not to be of an inquisitive mind. The committee expects the Congress not to be interested. And most of the time when District business is before the Congress it is not interested. And that is just why these citizens' organizations of Washington are able to get so many millions handed out to them from the Public Treasury.

On May 26, 1924, when we had up the bill authorizing $1,100,000 a year to be spent here in buying additional parks, every year from now to eternity, I began my argument against it, as follows:

Mr. BLANTON. Mr. Chairman, a few hours ago we had 385 Members of Congress present.

Mr. SPROUL of Illinois. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SPROUL of Illinois. We can have 385 Members here again in a few minutes, and I make the point of order that there is no quorum.

Mr. BLANTON. Oh, do not do that; we want to occupy this time.

Mr. SPROUL of Illinois. If the gentleman will take out of the RECORD the statement that we had 385 Members present and only 25 now, I will withdraw my objection.

Mr. BLANTON. That is a part of my argument, and I must leave it in the RECORD.

Mr. SPROUL of Illinois. I do not think it is a very good argument, and I insist on the point of order.

And after the Members were called over I said:

Mr. BLANTON. Mr. Chairman, when the distinguished gentleman from Illinois [Mr. SPROUL] made the point of order, I had just called attention to the fact that a half hour previous we had 385 Members on the floor to vote on the tax reduction bill, while at that particular time we had only 25 Members left on the floor to pass on this bill involving an annual appropriation of $1,100,000; and that is illustrative of the condition that still prevails here in the District of Columbia with regard to tax matters, to the detriment of the people of the United States who pay much of the bill. That is the reason why there has been no change in the existing law in that respect.

I mention these facts merely to show that it is necessary for some member of the District Committee to make careful investigation of all legislation reported by it. The gentleman from Massachusetts [Mr. UNDERHILL] is a distinguished member of the District Committee. I quote from page 8378 of the CONGRESSIONAL RECORD for May 12, 1924, his reflection on what usually happens to bills from this committee, which shows that proper minority reports are effective:

Mr. UNDERHILL. It has become almost a habit in the Committee of the Whole House on the state of the Union to strike out the enacting clause of every bill the District of Columbia Committee reports. It is a wrong.

And so forth.

ORIGIN OF THIS FICTITIOUS CLAIM

This claim of a so-called surplus due the District of Columbia arose in the following manner: Until 1922 the fiscal arrangement was that the expenses of the District should be paid 50 per cent by the District and 50 per cent by the Government; and since that time such expenses have been paid 60 per cent by the District and 40 per cent by the Government.

As the taxes from the people of the District at their low assessment and low rate of taxation have been collected they have been placed in the Treasury to the separate credit of the District of Columbia. And the license fees, franchise fees, fines, and penalties have also been credited. And because of the fact that in many of the supply bills for the various Government departments Congress has each year made appropriations for various civic enterprises, amounting to millions on the water system alone, which came 100 per cent out of the Government, the appropriations made in the regular District of Columbia appropriation bills did not exhaust all of the credits which the District of Columbia had in the Treasury, credited from such taxes, licenses, franchises, fines, and penalties, simply because the needs and necessities of the District had been provided for by the Government 100 per cent out of its own Treasury in various of its departmental supply bills.

And because of these facts the District of Columbia Commissioners and citizens saw a fine opportunity to make a claim against the Government to the effect that because Congress did not actually exhaust such credits of the District in the Treasury by appropriations in the regular District of Columbia appropriation bills that the aggregate of such credits not so exhausted ought to be given to the District of Columbia. These commissioners and citizens of the District of Columbia specially avoided taking into account the millions and millions of dollars the Government spent in other departmental supply bills taken 100 per cent out of the Government Treasury, which, if matched by funds of the District under the regular fiscal relation agreement, would exhaust two or three times the unexpended credits in the Treasury claimed by the District of Columbia.

WHAT CONGRESS AUTHORIZED

And when the District of Columbia made this claim the Congress required that all of these matters be taken into consideration back to the year 1874. Let me quote from the act of June 29, 1922, which created the joint select committee of Senators and Representatives to investigate this claim, the following:

A joint select committee composed of three Senators to be appointed by the President of the Senate and three Representatives to be appointed by the Speaker of the House of Representatives, is created, and is authorized and directed to inquire into all matters pertaining to the fiscal relations between the District of Columbia and the United States since July 1, 1874, with a view of ascertaining and reporting to Congress what sums have been expended by the United States and by the District of Columbia, respectively, whether for the purpose of maintaining, upbuilding, or beautifying the said District, or for the purpose of conducting its government or its governmental activities and agencies, or for the furnishing of conveniences, comforts, and necessities to the people of said District.

Neither the cost of construction nor of maintenance of any building erected or owned by the United States for the purpose of transacting therein the business of the Government of the United States shall be considered by said committee. And in event any money may be or at any time has been by Congress or otherwise found due, either legally or morally, from the one to the other, on account of loans, advancements, or improvements made, upon which interest has not been paid by either to the other, then such sums as have been or may be found due from one to the other shall be considered as bear-

ing interest at the rate of 3 per cent per annum from the time when the principal should, either legally or morally, have been paid until actually paid. And the committee shall also ascertain and report what surplus, if any, the District of Columbia has to its credit on the books of the Treasury of the United States which has been acquired by taxation or from licenses. And the said committee shall report its findings relative to all the matters hereby referred to it to the Senate and House, respectively, on or before the first Monday in February, 1923.

You will specially note that said committee was required by Congress to audit all of such business relationship of the District of Columbia and the Government back to July 1, 1874, and instructed said committee to take into consideration all sums of money which the Government during that time had spent—

For the purpose of maintaining, upbuilding, or beautifying the said District, or for the furnishing of conveniences, comforts, and necessities to the people of said District.

That required this committee to check up all departmental supply bills, and to glean from the same all sums expended by the Government for the purposes above mentioned during all of the period back to July 1, 1874, and Congress intended that all such sums should offset, in the proportion that the District and Government should pay the expenses, the various credits the District of Columbia had in the Treasury.

BUT COMMITTEE DID NOT OBEY DIRECTIONS OF CONGRESS

The gentleman from Nebraska, Mr. Evans, who was a member of this joint select committee, filed a most comprehensive minority report against this so-called surplus, asserting that the committee refused to obey the directions of Congress and refused to make any investigation or audit of the business during the period between July 1, 1874, and July 1, 1911, as Congress had directed it to do, but that such committee confined its investigation and audit only to the period between July 1, 1911, and July 1, 1922. This minority report of Mr. Evans's is printed in the CONGRESSIONAL RECORD for February 26, 1923, on pages 4763 to 4773, inclusive. Let me quote you a few excerpts from same:

EXCERPTS FROM MINORITY REPORT FILED BY MR. EVANS, OF NEBRASKA

The undersigned is unable to agree with the findings and conclusions of the majority of the committee for the following reasons:

(1) The construction of the act raising the committee as made by the majority report is erroneous, and the same objection lies as to the construction or effect of other acts bearing upon or affecting the matter investigated by the committee.

(2) The investigation made by the committee has covered neither the period nor the extent that Congress directed.

(3) The finding by the majority of a balance or surplus of $4,438,154.92 as due to the District of Columbia is not supported by facts or law.

The language of the act under which the committee was created is clear and positive in its authorization and directions. There is, as to the points upon which the majority of the committee and the writer differ, no ambiguity in the language of the act.

The purpose Congress had in creating the joint select committee was to discover and report to Congress all facts bearing on the fiscal relations between the District of Columbia, hereinafter called the District, and the United States, hereinafter called the Government, in order that Congress might be able to determine the exact state of such fiscal relations. Such a discovery and report has not been made.

The alleged surplus reported by the majority of the committee is not based on such facts or information so gathered, because not all of such facts or information was gathered or searched for. In addition it was desired to have fixed accurately and authoritatively the amounts contributed by the District and the Government, respectively, for "maintaining, upbuilding, or beautifying said District, or for the purpose of conducting its governmental activities and agencies or for the furnishing of conveniences, comforts, and necessities to the people of said District." This direction of Congress has been ignored or so performed as to amount to a disregard of the congressional mandate.

I

The construction of the act raising the committee as made by the majority is erroneous, and the same objection lies to the construction of other acts bearing upon or affecting the investigations by the committee.

The act "authorizes and directs" inquiry into all matters pertaining to the fiscal relations between the District and the Government since July 1, 1874.

First, there is no question but that the act is mandatory. It is not left to the choice or desire of the committee or a majority of the committee to determine whether it is best or proper or just to go into the subject matter presented for inquiry, and the act is equally specific as to the extent. It covers "all matters" pertaining to the fiscal relations * * * since July 1, 1874.

What did the committee do under this authorization and direction? It secured the services of Haskins & Sells, accountants, and secured through them an audit of the District general fund from June 30, 1911, to June 30, 1922. It secured a calculation and stating of the amount of interest on a portion only of the fund found due from one to the other. It inquired of certain persons if they knew of any other items unsettled in the accounts between these interests. It had submitted to it a report of a previous audit made by persons in no way responsible to it, and so far as known such report could not be vouched for as a complete and comprehensive audit of the period prior to June 30, 1911.

Such items as its inquiries developed, it inquired into to only a limited extent. Outside of the audit of the District general fund for the time intervening between June 30, 1911, and June 30, 1922, it has and can produce no certified audit of any period or any account. I wish to emphasize this fact: It does not have an audit that covers fully all accounts between these interests between the dates mentioned in the act, June 30, 1874, and June 30, 1922. None was made. I assume that the construction placed by the majority of the committee, hereinafter called the majority, is measured by its acts, and hence I feel there has been a misconception of the intent of the act. No accountant or auditor, no committee or part of a committee with financial reliability back of its certificate will certify to the correctness of the surplus reported or the completeness and thoroughness of the audit reported.

The effect of the majority report boiled down is that within limits of the time given a thorough audit can not be made. To make such an audit will require more money and more time than was given to the committee. It has inquired of certain persons, former officials, or auditors of a portion of these accounts if they or either of them knew of unreported items, which, if there had been items so known to such persons it would have been their duty to report, and upon receiving an answer denying knowledge of unreported items the majority have accepted as final and complete the investigation of Haskins & Sells as to the District general fund covering the period between June 30, 1911, and June 30, 1922.

Thus it is clearly apparent that this joint select committee did not do what Congress had directed it to do, and that it did not go back to July 1, 1874, but that it merely considered the short period embraced between July 1, 1911, and July 1, 1922. But let me quote further excerpts from Mr. Evans's minority report:

It is also claimed by them that Congress has very materially reduced District appropriations during the war (p. 184). This is an inaccurate statement. The appropriations by years since 1892 follow:

[NOTE.—Total appropriations, including water department.]

| | |
|---|---|
| 1892 | $5,597,125.17 |
| 1893 | 5,372,737.27 |
| 1894 | 5,413,223.91 |
| 1895 | 5,616,138.57 |
| 1896 | 5,761,383.25 |
| 1897 | 5,900,319.48 |
| 1898 | 6,205,015.06 |
| 1899 | 6,536,580.07 |
| 1900 | 6,874,525.77 |
| 1901 | 7,577,369.31 |
| 1902 | 8,502,269.94 |
| 1903 | 8,586,089.97 |
| 1904 | 8,888,097.00 |
| 1905 | 11,023,440.00 |
| 1906 | 9,844,197.62 |
| 1907 | 10,346,062.16 |
| 1908 | 10,442,598.63 |
| 1909 | 10,001,888.85 |
| 1910 | 10,699,531.49 |
| 1911 | 10,840,257.99 |
| 1912 | 12,061,286.50 |
| 1913 | 10,670,733.00 |
| 1914 | 11,392,259.00 |
| 1915 | 12,272,539.49 |
| 1916 | 11,950,063.60 |
| 1917 | 12,842,216.10 |
| 1918, including $956,003 in deficiency acts | 15,129,000.85 |
| 1919, including $830,482.80 in deficiency acts | 15,971,001.46 |
| 1920, including $12,000 in sundry civil act, $726,825.04 in deficiency acts, $591,281.75 in special acts, and $15,264,421 in the District of Columbia act | 16,694,527.79 |
| 1921, including $533,727.90 in deficiency act | 18,881,949.43 |
| 1922 | 21,039,972.99 |
| 1922 (deficiency acts) | 1,566,700.00 |
| 1922 (Army act) | 200,000.00 |
| 1922 (permanent annual and indefinite appropriations) | 1,380,600.00 |
| 1923 | 22,459,609.80 |
| 1923 (deficiency act) | 382,000.00 |
| 1923 (special act) | 10,000.00 |
| 1923 (permanent annual and indefinite appropriations) | 1,624,600.00 |

It will be seen that while there was a slight reduction in one or two years that there has been a gradual increase throughout the entire period.

The majority report also challenges attention to the fact that since 1912 the appropriations have not been equal to the estimates, and by

inference, if not statements, conveys the impression that this is unusual and had not been the fact prior to 1912, and the statement is also made that this failure to appropriate the amount estimated and because appropriations were so reduced the surplus accumulated. The majority fails to state that for some of the years covered there was an estimate calling for expenditure of large amounts exclusively from the Federal funds, but does include those amounts in the estimates copied into the report.

Schedule 1 of the Mapes report shows that the total District revenues in 1912 were $7,078,091.16, and that there was a gradual increase, until in 1922 the amount was $13,917,005.62, approximately doubling in 11 years. This fact and a comparison of the preceding tables refute the majority statements referred to so far as material to the consideration of the subject in hand.

In this connection it is also urged that expenditures for public schools in the District during the war were reduced. The expenditures for schools, by years, since 1914 follow:

[Note: Total for public schools.]

APPROPRIATIONS

| | |
|---|---|
| 1915 | $3,382,840.00 |
| Deficiency | 13,152.00 |
| 1916 | 3,308,740.00 |
| In deficiency acts | 42,204.00 |
| 1917 | 3,090,299.00 |
| Deficiency act | 88,150.00 |
| 1918 | 3,568,225.00 |
| Deficiency | 103,637.00 |
| 1919 | 3,478,840.00 |
| Deficiency | 92,000.00 |
| 1920 | 3,665,950.00 |
| Deficiency | 175,744.00 |
| 1921 | 5,018,160.00 |
| Deficiency | 69,719.56 |
| 1922 | 5,871,140.00 |
| 1922 (deficiency) | 1,544,000.00 |
| 1923 | 7,240,800.00 |
| Deficiency act | 260,000.00 |

ESTIMATES

| | |
|---|---|
| 1915 | 3,781,245.00 |
| 1916 | 3,362,700.00 |
| 1917 | 3,647,721.00 |
| 1918 | 4,131,180.00 |
| 1919 | 5,101,253.00 |
| 1920 | 3,986,300.00 |
| 1921 | 4,556,915.00 |
| Supplemental | 54,520.00 |
| 1922 | 7,115,645.00 |
| 1923 | 7,614,280.00 |

It is apparent from this table that schools have been fairly treated.

EVANS INTIMATED THAT COMMITTEE AVOIDED PROPER INVESTIGATION

Let me quote further excerpts from this splended minority report filed by Mr. Evans, of Nebraska.

II. THE INVESTIGATION MADE BY THE COMMITTEE HAS COVERED NEITHER THE PERIOD NOR THE EXTENT THAT CONGRESS DIRECTED

The language of the act is very plain in two particulars, i. e., the period covered, June 30, 1874, to time of the act June 30, 1922, and the matters covered; that is, all matters pertaining to the fiscal relations.

There has been but one fund to which the investigation of Haskins & Sells has gone—the District general fund. If there have been other items followed or investigated, it has been because such items have been connected with the District general fund or the inquiry has been made on special request of the committee or its chairman or a member. The same is true of the Mayes investigation. Nothing has been done outside of the District general fund unless the item was connected with the general fund or unless there were instructions to the accountants to investigate a particular item or group of items.

The remarkable thing about it all is that it is from items outside of the general fund that the debits against the District have nearly always been found. It will be found that when a complete and thorough investigation has been made that the oversights and omissions will be in matters not strictly within the general fund. The reason for this is plain. It is an account with the appropriations and in touch by practically daily audits by both the District and the Treasury. This is not true of the "interest and sinking fund" handled in the Treasury alone, or of an account such as the Washington Market, the District insane, or even rentals when they go into the District account without a check-back.

It is because of these conditions that now is the time to check up all appropriations made wholly from Federal funds and which reach the District or benefit it and at the same time to search all receipts to their sources so as to determine whether or not the District has received revenues equitably belonging to the Government.

No man at either end of the Capitol has such thorough knowledge of the relations between the District and the Government as Hon. BEN JOHNSON of Kentucky. Certainly no one knows more of the House committee work as covered by the Mayes and Spaulding audits covering the period from 1878 to 1911 than he.

It was upon his motion that such action was taken. He was before the joint committee, and I quote a part of his comment before the committee on those audits:

"They were not what you might call, Senator, audits in the strict sense of the word. They were supposed to look through the acts of Congress and find where Congress had made loans or advancements to the District of Columbia, with the distinct understanding that those that the District should reimburse, they should make a report as to those. Now, they did report as to several of those, and the Congress directed what they found, and which finally became undisputed, to be returned to the United States. But there was not an audit of the accounts between the District of Columbia and the United States made by either Mayes or Spaulding.

"The CHAIRMAN. That could be termed a complete audit, you mean?

"Representative JOHNSON of Kentucky. Yes.

"The CHAIRMAN. There were audits made, but you would not term them complete audits?

"Representative JOHNSON of Kentucky. Why, I would term them most incomplete." (Hearings, p. 199.)

It is stated in the majority report that Mr. JOHNSON has spoken "against the necessity for or advisability" of "a further detailed audit" of the period between July 1, 1874, and June 30, 1911.

This is an error. Mr. JOHNSON stated in substance that it was not necessary to audit the portion—not the period—of the accounts audited by Mayes, which was the general fund, and some special items. The Member from Kentucky does not need assistance from the majority or minority either in the expression of his views or their interpretations, and this mention is only made that this statement of the majority may not remain unchallenged.

On page 202 Congressman JOHNSON, in answer to a question by Senator BALL, states:

"Representative JOHNSON of Kentucky. You take it for granted; your premise is laid down now that a former Congress has settled this. There I take issue with you. I do not think the former Congress ever settled it.

"Now, Mayes and Spaulding made reports that they found that many advances to the District of Columbia under certain congressional acts had been paid to the District of Columbia with the provision that the United States was to be reimbursed, and then their report was as to the amounts advanced, and the report also was to the fact that no reimbursement had ever been made. So the two naked facts of advancement to the District and nonpayment by the District to the United States of a specified amount were the extent of their reports.

"Then the Appropriations Committee just put in the appropriation bill clauses requiring the District of Columbia to account for and pay the amounts so reported, saying nothing whatever of interest, as to whether it was to be calculated at some other time or whether it was to be remitted.

"That condition relates to the insane asylum affairs and to a number of other items. If I had known I was coming here, I would have read the report." (Hearings, p. 202.)

When Hon. BEN JOHNSON was before the committee he made the following statement in answer to questions then asked him:

"Representative EVANS. When the committee which presented the report that covered the period prior to July 1, 1911, presented that report, had they covered all of the work that was referred to them?

"Representative JOHNSON of Kentucky. Most certainly not.

"Representative EVANS. What items, if any, were investigated by either the Mayes or Mr. Spaulding which were not specifically mentioned, and they directed to investigate, except the single subject of appropriations and disbursements under appropriations?

"Representative JOHNSON of Kentucky. I do not believe I caught your meaning.

"Representative EVANS. The Mayes, and subsequent to them Mr. Spaulding, were asked to check up the matter of disbursements against the matter of appropriations for the period mentioned, were they not?

"Representative JOHNSON of Kentucky. For the purposes mentioned; yes.

"Representative EVANS. Now, were there any other items investigated by either the Mayes or Mr. Spaulding except such as were specifically called to their attention?

"Representative JOHNSON of Kentucky. If they went into the investigation of anything except matters to which their attention was specifically invited by the House District Committee, I am not aware of it.

"Representative EVANS. Was that investigation under the control of the District Committee?

"Representative JOHNSON of Kentucky. It was under the control of a subcommittee of the District of Columbia Committee.

"Representative EVANS. What relation had you to the District Committee and to that subcommittee?

"Representative JOHNSON of Kentucky. I was chairman of the House District Committee and I was chairman of that subcommittee." (Hearings, p. 209.)

That the Mayes report did not pretend to be a completed investigation of the accounts under consideration was called to the committee's attention. (Id. 240.)

On January 31, being the Wednesday immediately preceding the Monday on which the majority report was filed and presented, the minority member inquired of Mr. Hill, the representative of Haskins & Sells, the accountants employed by the committee, whether or not Haskins & Sells would then, without an additional audit, cover with a certificate or under their signature the accuracy of a statement of account of the period preceding June 30, 1911. His reply was, "Absolutely not."

SALARIES OF ARMY OFFICERS DETAILED TO DISTRICT SERVICE

An item mentioned in the report of Haskins & Sells has not received the attention it merits—Engineer officers detailed by the Army for District work whose salaries are wholly paid by the Government.

These men so detailed are men whose counterparts in similar cities as a rule receive large salaries. No other city can secure a similar detail. It has been suggested that on river work to which they are assigned they are paid by the Government, but the rivers are under the War Department. It is suggested that they are assigned to advise in engineering problems, but even in that case the service rendered is only advisory, of short duration, and nothing more. In this case, however, it is all kinds of engineering work, streets, water, auto vehicles, every branch of engineering work in the city. The salary of the engineer commissioner might be excepted, but even as to that no sufficient reason can be given for the exception.

FINES AND FEES IN DISTRICT COURTS

There is an item in the Haskins & Sells report to which it calls special attention; that is, fines and fees in the District Supreme Court. There is another item in that report to which special attention is not called: Fines in the police court of the District, which during the period covered by the Haskins & Sells audit amounted to $1,536,958.73. It was all covered to the District's credit and should have been divided.

These courts are supported from the joint appropriation, except that clerk and marshal of the former are paid entirely from Government funds. It is the opinion of the writer that both of these should be divided between the District and Government on the basis of their contributions.

CONGRESSMAN EVANS ASSERTED THERE WAS NO SURPLUS DUE DISTRICT

Let me quote a few more excerpts from the concluding portion of Mr. Evans's minority report:

III. THE FINDINGS BY THE MAJORITY OF A SURPLUS OF $4,438,154.92 AS DUE TO THE DISTRICT OF COLUMBIA IS NOT SUPPORTED BY FACTS OR LAW

In order that there shall be a surplus in favor of the District in the Treasury of the United States under the law, it must appear that all accounts between the District and the Government from June 30, 1874, to June 30, 1922, have been audited and that the balance sheet covering that entire period shows such balance.

THE MAJORITY DID NOT SO FIND THE SURPLUS THEY REPORT

The only period that has been covered by the majority audit is that between June 30, 1911, and June 30, 1922. The only account covered in that period is that of the District general fund. Other funds or appropriations not contained in the District appropriation acts have not been checked or audited except as to specific items, and as to the period preceding June 30, 1911, there is only the guess that it is as found by the Mayes, of whom it is established that they only completely checked the District general fund.

To arrive at the conclusions presented by the majority it was compelled to violate the ordinary canons of construction in construing the acts of Congress, and to disregard the directions of the act of June 29, 1922, under which it was supposed to act.

In arriving at its conclusions the majority omitted from consideration the following items for the Government:

One-half of the 5–20 bonds.

One-half of the interest on the 5–20 bonds.

Interest on all items of advances or credits upon which interest has not been paid.

One-half of the fines of the police court for the Government.

One-half of the $5,000 appropriation to buy land for the National Training School for Girls, which, it seems, has been expended but no land bought.

One-half of the salaries of Army officers who work only for the District.

The interest item alone on known changes shows a credit to the United States of $1,691,889.93, as shown by the majority report.

The 5–20 bonds show a credit of over a million for the Government, and interest from the dates of payment should be added.

There are many other items not included in the foregoing which are known to a limited number of persons, which, when properly inquired into, will doubtless disclose other large sums that have gone from the Treasury to the benefit of the District.

EVANS SHOWED THAT COMMITTEE RECOGNIZED INVESTIGATION INCOMPLETE

I quote from Congressman Evans's minority report the following excerpts showing that members of this joint select committee admitted to themselves that their work was only partially done, and were reporting only because they had already expended the $20,000 allowed them by Congress:

Representative WRIGHT. Mr. Chairman, I am impressed that the legislation which created this committee contemplated that the entire period from 1874 on up should be covered; and, if it be necessary, to render a report which would finally settle these mooted questions between the United States and the District of Columbia—in other words, when this report shall have been filed that Congress can take such action upon it as will finally set at rest these disputed items. I think that was thoroughly in contemplation when the legislation was passed.

Now, the chairman has suggested that only 11 years of that period have been covered, and that that, coupled with the formal report, might clear up the situation so that a comprehensive report might be submitted by this committee.

It has developed that the examination of those 11 years alone has consumed practically all the time——

Representative HARDY of Colorado. And all the money.

Representative WRIGHT (continuing). And all the money; so that this committee has very little time to formulate a report, and the question arises as to whether we have sufficient data or information now to render that report.

This thought occurs to me: What would be the status of this committee after the 29th of February, which is the date fixed as that upon which we should render this report? If we submit a preliminary report, would we not necessarily have to ask Congress to extend our time and make an additional authorization of appropriation for the work?

Senator BALL. Would you suggest a preliminary report?

Representative WRIGHT. I think that would be the sensible thing to do. I hardly see how it would be physically possible for this committee to thoroughly investigate all of these items, with the issues which have been raised here, between now and the first Monday in February.

Senator BALL. Personally I would rather submit no report until we were ready with our final report. We might make a statement in this preliminary report, if one were submitted, that we would find afterwards was not well founded, and it would be in existence and would be quoted in the future, probably, against our final report.

Representative WRIGHT. I would certainly want to avoid what the Senator suggests. If you made a preliminary report, it would not particularly bind anybody. My idea would be to have Haskins & Sells submit a preliminay report.

The CHAIRMAN. A preliminary report could be in two forms, as I see it, one including the figures or recommendation, and another, which would be practically a report of progress, with an explanation of the situation that has developed.

Senator BALL. That is the kind of report I would like to see.

The CHAIRMAN. With a recommendation for further time and, if necessary, that further money be allowed for the purpose.

Yet, in the face of the above situation, the majority of said special select committee made its report recommending that Congress allow and pay to the District said alleged surplus of $4,438,154.92.

RECENT SO-CALLED HEARING A SHAM AND PRETENSE

As stated in the beginning of this report, the House Committee on the District of Columbia made no attempt whatever in the Sixty-seventh Congress to hold any hearing on this so-called surplus, and made no investigation whatever of such fiscal relation. And in the present Congress the only consideration which said House Committee on the District of Columbia gave to this bill was to have a subcommittee casually discuss it on May 12, between 10.30 a. m. and noon, and on May 13, between 10.30 a. m. and noon, 1924, at which time I have already shown by quoting the hearings that such subcommittee gave me only about 5 or 10 minutes to present any facts against it.

In an attempt to explain why the joint select committee did not obey the instructions of Congress and investigate the period between July 1, 1874, and July 1, 1911, Mr. Daniel J. Donovan, auditor for the District of Columbia, testified before the subcommittee on May 12, 1924, as follows:

Mr. DONOVAN. To go back for a moment to a previous investigation—because it enters into this question in view of what Mr. BLANTON has said—the joint select committee appointed under the act of June 29, 1922, did not go back of any period prior to July 1, 1911, but continued its examination only from that point down to and including June 30, 1922, and the reason was this: During the time that Mr. BEN JOHNSON was chairman of the Committee on the District of Columbia of the House of Representatives he had got through the House a resolution providing for an investigation into the fiscal relations between the United States and the District covering the period between

July 1, 1874, and June 30, 1911. Mr. JOHNSON's committee employed two accountants, a father and son, by the name of Mays—both from Kentucky—and those two gentlemen did actually conduct that investigation during a period of two and one-half years; and I want to emphasize the fact that it took two and one-half years for that particular examination. Those two accountants did conduct as fine-tooth-combed an investigation and examination into the fiscal relations between the United States and the District of Columbia as was humanly possible.

WAS MR. DONOVAN CORRECT?

Thus Mr. Donovan led the House subcommittee to believe that the investigation which Mr. JOHNSON of Kentucky caused to be conducted while he was the chairman of the House District of Columbia Committee was a complete investigation covering the entire period between July 1, 1874, and July 1, 1911, when, as a matter of fact, that it was a partial investigation covering only specific items of controversy, as I will now show from a statement from Congressman JOHNSON himself.

The following is a copy of a letter written by me to Mr. JOHNSON:

WASHINGTON, D. C., *June 5, 1924.*

Hon. BEN JOHNSON, M. C.,
*House Office Building.*

MY DEAR COLLEAGUE: With reference to the so-called surplus alleged to be due the District of Columbia by the Government, Mr. Daniel J. Donovan, the auditor for the District, testified that the reason the joint congressional committee created June 29, 1922, confined its investigations to the period between June 30, 1911, and June 30, 1922, and did not go back to July 1, 1874, as directed by Congress, was because you had fully covered the period between July 1, 1874, and July 1, 1922, in an investigation you had conducted while chairman of District Committee. And he claimed that you had balanced accounts up to July 1, 1911.

From my conversations with you and in examining many speeches made by you on the many ways the District has overreached the Government on finances, I am constrained to believe that Auditor Donovan is mistaken.

Will you kindly advise me whether you did, in fact, cover all matters involved between July 1, 1874, and July 1, 1911, and whether you agree that the District balanced accounts up to July 1, 1911?

Sincerely yours,

THOMAS L. BLANTON.

The following is Congressman JOHNSON'S reply:

[BEN JOHNSON, M. C., fourth Kentucky district. Member Appropriations Committee]

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D. C., June 7, 1924.*

Hon. THOMAS L. BLANTON,
*House of Representatives, Washington, D. C.*

MY DEAR COLLEAGUE: I am just in receipt of your note asking whether or not, in my opinion, all matters relative to the fiscal relations between the District of Columbia and the United States Government were covered by the investigations made by the Committee on the District of Columbia while I was chairman of that committee.

In reply thereto I wish to say that not only is the statement made by Mr. Donovan incorrect, but that it was never contemplated under the authority given by the House to the District Committee to go into the entire fiscal relations between the United States and the District of Columbia. The authority given and the work undertaken included nothing more than to recover specific items due the United States from the District of Columbia.

In those items were embraced considerably more than a million dollars owing to the United States by the District of Columbia on account of the lunatic asylum, approximately half a million dollars on account of the Center Market, and various other items on account of advancements made for schoolhouse purposes, the jail, the 3.65 bonds, and a number of other items which I can not now enumerate.

When I retired from the chairmanship of the District Committee, I invited the attention of my successor to several other items which, beyond any sort of doubt, were due to the United States by the District of Columbia and volunteered my assistance in helping him to develop them, so that they might be paid. The resolution which would have authorized additional payments to the United States by the District was never asked for, and my offer to designate the specific sums due the United States was not availed of.

In my opinion large sums of money are still owing to the United States by the District between the 1st of July, 1874, and the 1st of July, 1911.

I notice in the local papers that those who are designated as "friends of the District" are asking for another investigation into the fiscal relations between the District of Columbia and the United States. In my opinion the "special committee" now being asked for to once more inquire into these relations is but an excuse to avoid the real issue. It is easily ascertainable that every time the District of Columbia has been called upon to pay a decent rate of taxes without infringing upon the rights of the people of other States to help them pay their taxes they have restored to a "special committee" to inquire into the fiscal relations between the District of Columbia and the United States. It is not the investigation that they want. Instead it is delay and a lack of adjustment that they desire by seeking an investigation.

The last investigation, with all due respect to those who conducted it, was farcical. That "special committee" was particularly directed to make specific findings. If they had complied with the law made two years ago they could not possibly have failed to find the District of Columbia indebted to the United States in excess of $50,000,000 spent in beautifying and upbuilding the District of Columbia.

Instead of going into the matter in detail they treated the proposition in a blanket way, and found that the United States owes the District of Columbia what is now known as "the four and one-half million dollar surplus"; while, as I have said, if they had followed the directions of the law the balance would have been on the other side of the ledger in an amount certainly not less than $50,000,000.

Very truly yours,

BEN JOHNSON.

Remember that Congressman Evans said that Representative BEN JOHNSON of Kentucky is the best posted man in the United States on civic conditions in Washington, and the fiscal relation between the District of Columbia and the United States. And Congressman BEN JOHNSON says in his letter that if an audit were made as Congress directed back to July 1, 1874, such audit would demonstrate that instead of the Government owing the District a surplus of four and one-half million dollars, the District of Columbia owes the Government at least $50,000,000.

Mr. DAVIS of Minnesota has for years framed the District of Columbia appropriation bill. In debate the other day he said that, large and small, there are about 600 parks in Washington. Most of these were paid for or furnished by the Government to the District of Columbia without cost to the people here. For most of them the money came out of the Public Treasury 100 per cent. And Congress has just passed a bill giving $1,100,000 every year for additional parks from now to eternity.

Will any person claim that the beautiful Potomac Park with its wonderful boulevards down to the point opposite the War College, which has cost the Government huge sums, does not beautify the city and furnish conveniences and pleasures for the people that in every other city they must pay for themselves? Will any person claim that the beautiful grounds and reflecting pools surrounding Lincoln Memorial and Washington Monument do not constitute conveniences and pleasures for the people here which to enjoy the people in every other city must furnish and pay for themselves?

Why, the Government paid nearly $500,000 for the playground on Sixteenth Street near Mrs. Henderson's residence. Why should this Government furnish it to the children there?

And why should the Government furnish the $1,000,000 Connecticut Avenue Bridge for the people of Washington? Why should the Government furnish the numerous bridges across the Potomac for the people here? The people everywhere else furnish their own bridges.

Why should this Government furnish part of the expense of paving the streets and alleys, maintaining them, furnishing sewer service and water service for the people here? The people in all other cities furnish these things for themselves. Read the following:

LETTER FROM AUDITOR DONOVAN

The following is the letter referred to as received from Auditor Donovan:

OFFICE OF THE AUDITOR OF THE DISTRICT OF COLUMBIA,
*Washington, January 25, 1924.*

Hon. THOMAS L. BLANTON,
*House of Representatives, Washington, D. C.*

MY DEAR MR. BLANTON: In response to your request of several days ago I take pleasure in furnishing you the information you desire.

Prior to the passage of the Borland amendment property owners were subject to an assessment for sidewalks, alleys, and curbs to the extent of one-half of the total cost. This is also the law at the present time. Property of the United States and the District of Columbia is not subject to assessment for special improvements. Roadway improvements were first charged against property owners by the terms of the Borland law. Service sewers and water mains were and are now also charged in part against abutting property.

The half cost of roadway pavement immediately abutting the frontage of assessable property, excluding street intersections between building lines of the intersecting streets and excluding any pavement area beyond a line 20 feet abutting the property, is assessed as a special

improvement tax against such property. The cost of any pavement area in excess of 40 feet is borne by the United States and the District of Columbia in the proportion that each is charged with the appropriation. On streets where there are street railway tracks the railway companies are chargeable under the law with the whole cost of paving between the tracks and 2 feet exterior to the outer rail of the tracks. The property of the United States and the District of Columbia is not subject to assessment under the Borland law.

For service sewers the law at present provides for a flat rate assessment of $1.50 per front foot, with certain deductions made for corner property. This rate represents approximately 37 per cent of the cost of the work.

The special assessments received for the several forms of improvements indicated are paid into the Treasury of the United States, 60 per cent to the credit of the District of Columbia, and 40 per cent to the credit of the United States, this being the proportion that each bears of the appropriations for the improvements.

For water mains the law provides a special assessment of $2 per front foot, and this amount represents approximately 66 per cent of the cost of the work. Water-main assessments when received are paid into the Treasury of the United States to the credit of the water-department fund.

At the time of the passage of the Borland law approximately 90 per cent of the streets within the limits of the old city of Washington were already paved, and many of the streets outside of those limits also were paved. I am unable at this time to give you an idea of the proportion of the streets outside of the original city of Washington that were paved when the Borland law was passed.

Not only new paving but the resurfacing and replacing of pavements is chargeable against abutting property under the Borland law.

The Knox case in the court of appeals involved the question of the application of the Borland law to outlying sections of the District of Columbia and to the particular matter of paving Naylor Road, near the eastern boundary of the District of Columbia. The Knox property was agricultural property. There were no settlements in the immediate vicinity. There were no sewers, water mains, electric or gas lights, curbs, sidewalks, or building lines, and no other conditions which might be called town or village conditions. The court of appeals held in that case that because of the language of the law Congress intended it to apply to those settlements or sections which exhibited town or village conditions, and that the law did not apply to situations like those presented in the Knox case. The assessments were therefore ordered to be canceled. Similar cases are now pending in the courts in regard to other localities, which are claimed to present conditions that existed in the Knox case.

The following appropriations were made by Congress for repair and maintenance of streets during the fiscal years 1921, 1922, 1923, and 1924, each of such appropriations being charged 60 per cent against the revenues of the District of Columbia and 40 per cent against the revenues of the United States:

| | |
|---|---|
| Fiscal year 1921 | $575,000 |
| Fiscal year 1922 | 575,000 |
| Fiscal year 1923 | 460,000 |
| Fiscal year 1924 | 550,000 |
| Total | 2,160,000 |

The following appropriations covering the same period have been made for repairs to suburban streets and roads, payable 60 per cent from the revenues of the District of Columbia and 40 per cent from the revenues of the United States:

| | |
|---|---|
| Fiscal year 1921 | $250,000 |
| Fiscal year 1922 | 250,000 |
| Fiscal year 1923 | 225,000 |
| Fiscal year 1924 | 275,000 |
| Total | 1,000,000 |

The following appropriations have been made for the same period for street improvements, including the paving and grading of streets, payable 60 per cent from the revenues of the District of Columbia and 40 per cent from the revenues of the United States:

| | |
|---|---|
| Fiscal year 1921 | $614,200 |
| Fiscal year 1922 | 144,840 |
| Fiscal year 1923 | 233,500 |
| Fiscal year 1924 | 573,300 |
| Total | 1,565,000 |

The following appropriations have been made for construction and maintenance of sewers for the fiscal years 1921, 1922, 1923, and 1924, payable 60 per cent from the revenues of the District of Columbia and 40 per cent from the revenues of the United States:

| | |
|---|---|
| Fiscal year 1921 | $515,000 |
| Fiscal year 1922 | 523,000 |
| Fiscal year 1923 | 502,000 |
| Fiscal year 1924 | 690,000 |
| Total | 2,231,000 |

I regret very much that it has not been practicable for me to furnish you with this information at an earlier date. In the event that you desire any more details regarding the several matters herein, I shall be very glad to respond to such a request from you.

Very truly yours,

D. J. DONOVAN,
*Auditor District of Columbia.*

PRESENT DISTRICT OF COLUMBIA APPROPRIATION BILL

We have one of the strangest situations imaginable here. This is a city, according to the last census, of 437,000 people, exclusive of transients and exclusive of Members of the House and Senators and their employees, who maintain their residences in their home States. At one time this was a very small city. It was nothing more than a big town, and the people who then owned the real property remember that its value was a very low figure, indeed; but the Government of the United States has expended millions of dollars here in the construction of magnificent buildings and securing and maintaining magnificent grounds in this Capital, and besides its own property has given $215,000,000 to Washington for civic purposes. Property values have soared upward until now in many instances you find lots that at one time were worth no more than a hundred dollars now are worth, with their improvements, a million dollars.

For instance, our colleague from New York [Mr. BLOOM], according to the paper yesterday, indicated that he is willing to give this Government the stupendous sum of $8,000,000 for the block of land upon which stands the Patent Office.

And what is the tax rate in this great city? One dollar and twenty cents on the hundred dollars, and at a very low valuation, assessed at not much over 50 per cent valuation in most cases, and we are continuing that in a ridiculous fiscal policy that yet requires the taxpayers of the United States to pay 40 per cent of all of the local civic expenditures here in the city of Washington. Until 1922 these same taxpayers paid every year 50 per cent of these expenses of this great city. Why is it that that is permitted? It must be because the membership of this House have not yet all found it out. It is because the membership of this Congress have not all given close investigation to the subject.

The Washington Post for Sunday, May 25, 1924, said in the following big headlines:

Three million four hundred and forty-nine thousand three hundred and twenty-two dollars is added to the District bill by the Senate committee—$28,102,019 is total carried in measure.

And this article then recites:

Carrying appropriations amounting to $28,102,019, which is $3,449,322 more than provided by the House, the District appropriation bill for the fiscal year 1925 was favorably reported to the Senate yesterday by the Committee on Appropriations.

A further increase in the appropriation may be made when the bill is considered on the floor of the Senate this week, as Senator LAWRENCE C. PHIPPS, of Colorado, in charge of the measure, has been authorized by the committee to offer amendments which would add $1,062,000 to the bill.

If the Phipps amendments authorizing appropriations of $762,000 for enlarging the park system and $300,000 toward the construction of a $735,000 fireproof addition to the courthouse are adopted, the bill will go to conference carrying appropriations amounting to $29,164,019, the largest amount ever authorized in a District supply bill.

Senator PHIPPS is expected also to offer an amendment to the bill his bill, recently passed by the Senate, making the District surplus fund, amounting to $4,438,154, available for expenditures. With the adoption of this amendment the bill would carry $33,602,173, which is more than the commissioners and the people of Washington ever expected in the wildest flights of fancy.

Thus, if the plans as indicated in the Washington Post are carried out in the Senate, the appropriations for the District of Columbia in the coming fiscal year will aggregate $33,602,173.

MAKING WASHINGTON BEAUTIFUL DOES NOT MEAN EXEMPTING PEOPLE HERE FROM TAXES

I want to say this to you: I am for making Washington the most beautiful city in the world. I am for taking every million dollars out of the Treasury of the United States for the Government to spend to do it that is justly needed, but I am not willing to continue taxing the already tax-burdened people of this country, who have to pay their own large taxes at home, to pay the civic expenses here, and then let these specially favored, petted, pampered, selfish, spoiled people in Washington pay only $1.20 on the hundred and enjoy all the benefits of this great city at the expense of our constituents back home.

Take this magnificent $6,000,000 Congressional Library that would cost at least $15,000,000 now; is not it enjoyed by every citizen of the District? Take the magnificent Smithsonian In-

stitution, the magnificent museums here, the art gallery, the magnificent parks, the magnificent playgrounds. Are not the people of the District of Columbia getting the benefit? And yet they want to tax the Government of the United States more than $8,000,000 a year, which the Cramton amendment offers them, for the very property that they enjoy hourly here in this District.

THE OLD SLOGAN HAS WORN THREADBARE

Whenever a Member of Congress seeks to change the unjust system of allowing the people of Washington to pay the ridiculous tax rate of only $1.20 on the $100, the newspapers and citizens' associations immediately resort to their old battle cry—

That Washington is the Nation's Capital and must be made the most beautiful city in the world; that the Government should pay a big part of the local city expenses because it owns so much property here.

Washington is the Nation's Capital and should be made the most beautiful city in the world, and I will go just as far as any other man through all legitimate and proper means to make it the most beautiful city in the world. Before the Government built all of its fine institutions here Washington was a mere village. Property here was of little value. It is because of the fact that the United States has spent its millions here that has caused some lots to jump in value from $100 to $100,000. Every piece of property owned by the Government in Washington is daily enjoyed by the people of Washington.

The local pay roll of the Government is a bonanza to the merchants and business enterprises of Washington. The Government pays its nearly 100,000 employees in Washington their wages promptly every two weeks in new money that has never been spent before. Chicago, or any other big city in the United States, would gladly exempt the Government from paying all taxes on its property to get it to move its Capital to such city.

Because we want to make it the most beautiful city in the world is no reason why the Government should pay for building million-dollar school buildings and employing 2,500 teachers and buying the schoolbooks for the 70,000 school children of the thousands of families living in Washington who have no connection whatever with the Government except to bleed it on all occasions and to grow rich on the Government pay rolls expended here.

Because we want to make Washington the most beautiful city in the world is no reason why the Government should pay for the army of garbage gatherers, the army of ash gatherers, the army of trash gatherers, the army of street cleaners and sprinklers, the army of tree pruners and sprayers, and the street-lighting system for the several hundred miles of private residences owned by rich tax dodgers who have no connection whatever with the Government; nor is it any reason why the Government should pay for their water system, their sewer system, their police protection, their fire protection, for playgrounds for their children, for parks for their enjoyment, for their municipal golf grounds, for their numerous public tennis courts, for their bathing beaches, for their skating ponds, for their cricket grounds, for their baseball and football grounds, for their horseback-riding paths, for paving the streets in front of their residences and maintaining and keeping them in repair, for building their million-dollar bridges, furnishing million-and-a-half-dollar market houses, their municipal trial and appellate courts, their jails and houses of correction, their municipal hospitals, asylums for their insane, special asylum schools for their deaf and dumb, asylums for their orphans, a university for their 110,000 colored people, their municipal libraries, their municipal community-center facilities, salaries of all their municipal officers, employees, buildings, furnishings, equipments, sanitary and health departments, and the hundreds of other things that all other cities of the United States must furnish and pay for themselves, but a very substantial part of which the people of Washington have been getting out of the Federal Treasury for years.

The magnificent Capitol and its beautiful grounds are daily enjoyed by Washington people. The Congressional Library, which cost $6,032,124, in addition to the sum of $585,000 paid for its grounds, and for the upkeep of which Congress annually spends a large sum of money, is daily enjoyed by the people of Washington. The Government furnished and maintains the magnificent Botanic Garden here for the pleasure and enjoyment of Washington people.

The Government furnished and maintains the wonderful Zoo Park, with all its interesting animals, for the instruction and amusement of Washington children. The Government furnished and maintains the extensive and most beautiful Rock Creek Park, with its picturesque picnic grounds, its miles of wonderful boulevards, its incomparable scenery, all for the pleasure of Washington people. Congress has spent millions of dollars reclaiming and purchasing the lands now embraced in the Potomac Park and Speedway, daily used and enjoyed by Washington people. The Government has spent several million dollars building the various bridges spanning the Potomac River and huge sums for the bridges spanning the Anacostia River, and spent $1,000,000 building the beautiful "million-dollar bridge" on Connecticut Avenue. The Government has spent millions of dollars on the Lincoln Memorial grounds, and reflecting pool, the Washington Monument Grounds, Lincoln Park on East Capitol Street, and the numerous beautiful little parks scattered all over the city, all for the pleasure and benefit of Washington people.

During the recess of Congress I wrote to the mayor of every city of any size in the United States and asked them to advise us of their local tax rates, of the charges for water, sewer, paving, and so forth, and what rate, in their judgment, they thought Washington people should pay as a minimum. I want to insert just a few in this report. The consensus of opinion was that the rate here should be at least $2.50 per $100, and there was a large per cent who were in favor of it being much higher, and the rates for taxation ranged from $2.75 to over $6.50, and in all these cities the people were charged more for water, sewer, and paving.

Let me again quote a few excerpts from the letter sent me by the mayor of the city of Peoria, Ill.:

[City of Peoria, Ill., mayor's office. Edward N. Woodruff, mayor]
NOVEMBER 1, 1923.

Hon. THOMAS L. BLANTON,
*Representative, Washington, D. C.*

DEAR SIR: Answering your questionnaire of October 15 concerning relative tax rates of the cities of Washington and Peoria:

The tax rates on each $100 taxable valuation levied against the real and personal property of the citizens of Peoria for the year 1922 is itemized as follows:

| | | |
|---|---|---|
| City corporate tax, including liberty, tuberculosis, garbage, and police and fire pension fund | $1.94 | |
| Street and bridge | .24 | |
| School district | 2.70 | |
| Park district | .41 | |
| | | $5.29 |
| State | .45 | |
| County | .59 | |
| County highway | .25 | |
| | | 1.29 |
| Total, all purposes | | 6.58 |

Unless there is a tremendous revenue derived from sources other than from taxes, the rate of $1.20 for Washington is ridiculous. While I have never had my attention called to this disparity, I am amazed that the light has not been let into financial affairs of the Capital City long before this time.

You should be supported by every colleague in your effort to compel the citizens of Washington to do theirs, even as every citizen outside the District is doing his.

Wishing you success, I am,

Very truly yours, E. N. WOODRUFF, *Mayor.*

The foregoing statement from the mayor of Peoria, Ill., fairly indicates the sentiment of the people over the United States. It might be enlightening to quote from a few of the letters received the tax rates of some of the cities over the United States as certified to me by the mayors of such cities.

When I speak of the tax rate of these cities I, of course, mean their total tax—State, county, school, and municipal—which is the total tax citizens of those respective cities have to pay on their property, as compared with the $1.20 on the $100 rate Washington people have to pay in the District of Columbia.

The tax rate paid by the people in Baltimore, Md., $3.27 on the $100; in New Orleans, La., $3.16½ on the $100; in Portland, Oreg., $4.52 on the $100; in my birthplace, Houston, Tex., $4.29½ on the $100; in Ogden, Utah, $3.33 on the $100; in Cheyenne, Wyo., $3.75 on the $100; in Fort Smith, Ark., $3.32 on the $100; in New Bedford, Mass., $3.13; in Burlington, Vt., $3.10 on the $100; in Pittsburgh, Pa., $3.22 on the $100; in St. Louis, Mo., which is a distinct political subdivision of the State, the city tax is $2.43 on the $100; in Boston, Mass., $2.47 on the $100; in Rochester, N. Y., $3.36 on the $100; in Portland, Me., $3.40 on the $100; in Boise City, Idaho, $4.29 on the $100; in Mobile, Ala., $3.40 on the $100; in Detroit, Mich., $2.75 per $100; in Duluth, Minn., $5.79 on the $100; in Atlanta, Ga., $3.15 on the $100; in Kansas City, Mo., $2.93 on the $100; in Minneapolis, Minn., $6.52 on the $100; in Salt Lake City, Utah, $3.18 on the $100; in Oakland, Calif., $4.02 on the $100; in Austin, the capital of Texas, $3.54 on the $100; in Denver, Colo., $2.76 on the $100; in Trenton, N. J.,

$3.22 on the $100; in Racine, Wis., $2.87 on the $100; in Nashville, Tenn., $2.80 on the $100; in Charlottesville, Va., $2.85. And let me illustrate as the tax rate runs generally over Texas: In Paris, Tex., $4.10 on the $100; in Port Arthur, Tex., $3.54 on the $100; in Tyler, Tex., $4.61 on the $100; in Denison, Tex., $3.32 on the $100; in Waco, Tex., $3.63 on the $100; in Amarillo, Tex., $3.55 on the $100; in Temple, Tex., $3.15; in Wichita Falls, Tex., $5.05 on the $100; in Beaumont, Tex., $4.04.

Mr. Edward F. Bryant, tax collector for San Francisco, Calif., has sent me a statement certifying that the following is the tax rate paid by the citizens in the following cities: In Seattle, Wash., $8.80 on the $100; Chicago, Ill., $8 on the $100; in Reno, Nev., $7.38 on the $100; in New York, N. Y., $5.48 on the $100; in Philadelphia, Pa., $6 on the $100; in Detroit, Mich., $4.48 on the $100; in San Francisco, Calif., $3.47 on the $100; in Los Angeles, Calif., $3.89 on the $100.

What excuse have we to offer to our constituents back at home who are paying the above tax rates for permitting by our votes here the 437,000 people in Washington, D. C., to continue paying the measly little pittance of only $1.20 on the $100, based on a half to two-thirds valuation, when our constituents have to pay all the balance of the expenses of this great city?

Numerous millionaires live in Washington, having no connection with the Government, merely to get the benefit of the low taxes. You may offer all the excuses available, but we are responsible, for we could change this system, but we do not do it. Some of you will claim that "this is not the time." But it is the time, if you so ordained it, and voted now to change it.

Some of the finest people in the world live in Washington; they are selfish, but still they are fine people. You can hardly blame them; they have been sponging on the Government for years. They are making a strenuous fight now to continue the 60–40 system. They must have these hand-outs from the Government. I am in favor of making them pay not what our people pay, but $2.75 or $2.50 per $100 at least. I would be satisfied with $2.50. Let them pay $2.50 on the $100 like they used to pay, and let them pay on a full valuation instead of half, and then take every bit of the balance of the expense out of the Federal Treasury, and I am then willing to go the limit with you. I want them to pay only a decent, reasonable, fair tax.

We are to be called upon to build a $44,000,000 plant up here that some of the expert engineers of this city assure me instead of costing $44,000,000 will cost at least $75,000,000 or $80,000,000 before the Government can get out of it. Let me call your attention to the fact that when the Army first attempted to build Muscle Shoals they estimated that all three dams would cost only $19,500,000, and then after we appropriated the first few million dollars for them they came back with the next estimate that the Wilson Dam, No. 2, alone would cost $25,000,000, and then the next estimate was the Wilson Dam, No. 2, would cost $35,000,000, and the latest estimate we have now is that the Wilson Dam, No. 2, alone will cost $45,000,000, while the original estimate of the War Department engineers was that all three dams, all told, would cost only $19,500,000. So you see you can not depend upon these War Department estimates. You are going to be called upon soon to vote for this $44,000,000. These newspapers here are hounding you about it already, with editorials and articles in the paper furthering that cause, and, incidentally, sticking me with pins and needles, pricking me because I am fighting it.

I have secured from the Rent Commission, the offices of the tax assessor and tax collector, and other reliable sources in Washington the facts concerning the rendition of numerous pieces of property which prove conclusively that property in the District of Columbia is assessed far below its value.

The Bradford Apartments is assessed at $229,407, and at $1.20 pays a tax of $2,752. The owner of this property claimed before the Rent Commission that its value is $450,000.

Tudor Hall Apartments is assessed at $266,653, and at $1.20 pays a tax of $3,199. The owner of this property claimed before the Rent Commission that its value is $362,576.

The Argyle Apartments is assessed at $207,437, and at $1.20 pays a tax of $2,489. The owner of this property claimed before the Rent Commission that its value is $344,000.

The Alabama Apartments is assessed at $219,870, and at $1.20 pays a tax of $2,638. The owner of this property claimed before the Rent Commission that its value is $305,000.

The Imperial Apartments is assessed at $207,500, and at $1.20 pays a tax of $2,490. The owner of this property claimed before the Rent Commission that its value is $350,082.

The Pelham Courts Apartments is assessed at $192,760, and at $1.20 pays a tax of $2,313. The owner of this property claimed before the Rent Commission that its value is $250,000.

The Riviera Apartments is assessed at $124,709, and at $1.20 pays a tax of $1,496. The owner of this property claimed before the Rent Commission that its value is $240,000.

The Earlington Apartments is assessed at $151,793, and at $1.20 pays a tax of $1,821. The owner of this property claimed before the Rent Commission that its value is from $225,000 to $240,000.

The Savoy Apartments is assessed at $218,000, and at $1.20 pays a tax of $2,616. The owner of this property claimed before the Rent Commission that its value is $250,000.

The Lonsdale Apartments is assessed at $160,233, and at $1.20 pays a tax of $1,922. The owner of this property claimed before the Rent Commission that its value is $240,000.

Edward B. McLean's residence property at 1500 I Street NW. is assessed at $600,604, and at $1.20 pays a tax of $7,207. It is reliably estimated to be worth double that sum. His magnificent country estate, "Friendship," on Wisconsin Avenue NW., is assessed at $492,944, and at $1.20 pays a tax of $5,915. It is reliably estimated to be worth far in excess of double that sum. As owner and editor of the Washington Post, it is not strange that he should fight for this system of low taxation. And it will be remembered that Mr. McLean is the one who loaned to Mr. Fall, of New Mexico, the $100,000 without security.

The residence of Mr. E. F. Colladay at 3734 Northampton is assessed at $14,356, and at $1.20 pays a tax of $172, when it is reliably estimated to be worth far in excess of double that sum. It is to be expected that through the Washington Star he would lead the fight for this system of low taxation in the District, when the whole people of the United States pay the balance of the expenses. Mr. Colladay has printed many series of articles trying to "cabbage" the alleged surplus. The above reflects in no way upon the Washington Star, which is one of the fairest and best papers in the United States.

The magnificent residence of Mrs. Marshall Field on Sixteenth Street NW. is assessed at $139,722, and pays a tax of $1,676. It is reliably estimated to be worth double that amount.

The magnificent Belmont residence at 1618 New Hampshire Avenue is assessed at $472,502, and at $1.20 pays a tax of $5,670. It is reliably estimated to be worth double that sum.

The New Willard Hotel properties is assessed at $2,594,705, and at $1.20 pays a tax of $31,136. This is the most valuable location in Washington, and is reliably estimated to be worth nearly double that sum.

The Raleigh Hotel properties is assessed at $1,972,200, and at $1.20 pays a tax of $23,666. It is reliably estimated to be worth at least half a million dollars more than that sum.

Hotel Washington is assessed at $1,951,605, and at $1.20 pays a tax of $23,419. It is reliably estimated to be worth far in excess of that sum.

The magnificent semicircular Wardman Park Hotel, covering quite an area of ground and housing many wealthy families, is assessed at $3,105,346, and at $1.20 pays a tax of only $37,264, and I am reliably informed that you could not buy this property for much under $5,000,000. The annual receipts paid this fashionable family hotel by its patrons would astonish any Member of this Congress.

The residence at 1835 Irving Street NW. is assessed at $10,416, and at the $1.20 rate pays a tax of only $125, while it could be sold at any time for as much as $22,500, a similar residence in the same block having recently sold for $25,000.

The residence at 3100 Sixteenth Street NW., which recently sold for more than $40,000, is assessed at $15,181, and at $1.20 pays a tax of $182.

Garfinkle's department store is assessed at $420,975 and pays a tax of $5,051. Woodward & Lothrop (whole block) department store is assessed at $3,468,833 and pays a tax of $41,626. You could not purchase either of these properties for double the amount at which they are assessed.

The residence which I am renting at 1929 Kenyon Street NW. has recently sold for $11,750. It is assessed at $6,486 and pays a tax of $77.84.

A distinguished southern Senator told me the other day that for several years he has been trying to sell his residence in his home town for $7,000, and that he pays more taxes on it in his home State than he pays on his residence in Washington, which under any conditions is worth $22,500, but which could be sold for $25,000.

And the District gets several extra millions annually from the United States Treasury where the whole people pay the full 100 per cent. The Washington Times for Thursday, January 10, 1924, on page 2, in an article headed "District given $1,647,700," mentioned the several local institutions here in the

District which are given the sum of $1,647,700 direct out of the Treasury, concerning which there is no division of 60–40, but all is paid by the whole people, for said items are in the Interior Department appropriation bill now before the House, all of which comes out of the people's Treasury.

This system has prevailed here simply because the 437,000 people in Washington are organized with citizens' associations, who will attempt to ruin any Congressman who fights the situation, and because the people of the United States don't know about the situation. Whenever the people find it out they are going to have it stopped.

What particular halo is there about the head of the rich tax dodgers living in Washington that they should be permitted to pay a total tax rate of only $1.20 on the $100, assessed at about half valuation, while the people of every other city in the United States have to pay all the way from $2.75 to $6.50, and the balance of the local expenses of the people of Washington has to be borne by the whole people? Why should it be continued? Why should Washington people be more favored than all of the balance of the people in the cities of this Nation?

THE TIME HAS COME TO STOP IT

We must disallow this so-called surplus. We must not let this bill pass. It would be a crime against the people of the United States. And we must require the people of the District of Columbia to pay a reasonable, fair, just rate of taxation, and then let the Government pay its part.

TAX EXEMPTIONS

Each taxpayer in the District of Columbia is allowed an exemption from taxes on $1,000 household furniture. And then, too, certain tangible property is exempt. The tax rate on intangible property is only one-half of 1 per cent in the District of Columbia. To show the facts as they exist here, I quote the following written statement issued by the District of Columbia, to wit:

INTANGIBLE PROPERTY

Intangible property, which includes moneys and credits, including moneys loaned and invested, bonds, and shares of stock—except the stock of banks and other corporations within the District of Columbia, the taxation of which banks and corporations is herein provided for—of any person, firm, association, or corporation resident or engaged in business within said District shall be scheduled and appraised in the manner provided by law.

EXEMPTIONS ON INTANGIBLE PROPERTY

1. Savings deposits of individuals in a sum not in excess of $500 deposited in banks, trust companies, or building associations subject to notice of withdrawal and not subject to check.

2. Shares of stock of the local banks, including savings banks, the telephone and electric light companies, the gas companies, and street railway companies; the bonding and title insurance companies and building associations of the District of Columbia and any other corporation paying a tax upon its gross receipts, earnings, premiums, etc.

3. Shares of stock of any business company incorporated in the District of Columbia and receiving no special franchise or privilege in addition to incorporation, whose property, real and personal, or capital stock, is subject to taxation here.

4. Shares of stock of business corporations which are incorporated in other jurisdictions, but chiefly for the purpose of doing business in the District of Columbia, and receive no other special franchise or privilege here, and whose property, real and personal, or capital stock, is subject to taxation here and which are engaged in business here.

5. United States bonds, State and municipal bonds, District of Columbia bonds, Philippine and Porto Rican bonds, and such other bonds as are specifically exempted by Congress from taxation, are not subject to taxation under the intangible personal property act of the District of Columbia.

6. Deposits in banks and trust companies of corporations and individuals neither resident nor doing business in the District of Columbia.

7. Bank notes or notes discounted or negotiated by any bank or banking institution, saving institution, or trust company.

8. Savings institutions having no capital stock, building associations, firemen's relief associations, secret and beneficial societies, labor unions, and labor-union relief associations; beneficial organizations paying sick or death benefits, either or both, from funds received from voluntary contributions or assessments upon members of such associations, societies, or unions.

9. Life or fire insurance companies having no capital stock.

10. Corporations, limited partnerships, and joint-stock associations within said District, liable to tax under the law of the said District on earnings or capital stock, shall not be required to make any report or pay any further tax under this section on the mortgages, bonds, and other securities owned by them in their own right, but such corporations, partnerships, and associations holding such securities as trustees, executors, administrators, guardians, or in any other manner, shall return and pay the tax imposed by this section upon all securities so held by them as in the case of individuals.

11. National-bank stock is exempt from taxation under section 5219 of the United States Statutes. Such stock is taxed in the city or town where the bank is located, and not elsewhere.

12. The exemption provided by law on deposits runs to the sum of $500, subject to notice of withdrawal, and not subject to check. Above that amount, the excess is taxable. As to stock held by individuals in building associations, the same ruling should be followed that applies to stock held in local banks, etc., i. e., that such stock is exempt from taxation, whatever the amount held.

13. An individual residing elsewhere but having a bank deposit in the District of Columbia—as a matter of convenience—would not be taxable in this jurisdiction.

14. Proceeds from war-risk insurance.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. DAVIS of Minnesota. Mr. Speaker, I yield five minutes to the gentleman from Michigan [Mr. CRAMTON] or so much thereof as he desires.

The SPEAKER. The gentleman from Michigan is recognized for five minutes.

Mr. CRAMTON. Mr. Speaker, the conferees on this bill, headed by the gentleman from Minnesota [Mr. DAVIS], have brought back a splendid report; splendid both from the standpoint of the District and the standpoint of the Nation. It is the largest bill that ever passed for the District. It gives them everything that the Senate added for schools and street improvements that are so greatly needed. On the other hand, it provides for the payment by the District under the lump-sum plan of a million dollars less than otherwise would have been the case, and every deficiency bill that will come in next year will be exclusively their own. This $9,000,000 represents the whole charge upon the Federal Treasury for 1925. The bill which I introduced proposing this plan a year ago fixed the amount at $8,000,000, on the assumption that the Federal share of refunds which would hereafter go to the District would be $1,000,000 as estimated by Auditor Donovan. We learn from the District auditor to-day that that share will not exceed, perhaps, $700,000 or $500,000, so that the increase granted by the conference report over the House proposition the other day is only about $500,000 or $700,000.

We have, then, in a remarkably short period accomplished this change to this new and desirable basis in our fiscal relations. The gentleman from Minnesota [Mr. DAVIS], and the gentleman from Kansas [Mr. AYRES], and the gentleman from Illinois [Mr. FUNK], as well as Mr. MADDEN and Mr. BYRNS of Tennessee, are entitled to a great deal of credit for the result which has been achieved.

There are men in the District who have a large share of responsibility for the condition of hostility and friction that has existed heretofore.

The statements and editorials which the newspapers of the city of Washington have sometimes carried, especially such things as the Washington Times has been running here concerning Members of this House, are a disgrace to journalism. Here is an editorial from the Washington Times of last evening, entitled "The House's injustice to the District of Columbia," and what the paper says about the gentleman from Minnesota particularly is contemptible and in total disregard for the truth. It says:

To offset the injury they may be doing to the National Capital in their attitude, these Congressmen expect to go into their districts and set up the cry that wealthy people of the District are tax dodgers; that they are paying smaller taxes than anywhere else in the United States. They know that there will be nobody on hand to answer them or to explain what taxes or assessments are levied on the people of this city.

Then it continues, referring to the gentleman from Minnesota:

It is about the only thing that may put Congressman DAVIS back into the House.

The gentleman from Minnesota has performed his duty. For more than a quarter of a century in his service here he has been adamant against all the blandishments and flattery and other inducements that surround one in Washington. All honor to the gentleman from Minnesota! I say that Members are bound to resent such editorials as that. [Applause.]

But let us not permit any personal feeling, such as would naturally be raised by irresponsible newspaper articles of that kind, to influence our judgment or our action.

The arrangement on this bill is fair to the District and opens the way to the proper development of this growing city, and the committee are to be highly congratulated.

Mr. STEVENSON. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes; just briefly.

Mr. STEVENSON. I hope the gentleman will not overlook the statement of Mr. Frank Hogan in the address he made before the realtors, that the people keep their wise men back home and send their fools to Congress, and that the people of Washington consider Congressmen to be representatives of a lower sort of life. [Laughter.]

Mr. CRAMTON. The realtors have now had an opportunity to judge of Hogan's irresponsibility as we have had heretofore. I want to answer a question propounded by the gentleman from Virginia [Mr. MOORE] a little while ago. I say the fact that the money we are appropriating is limited to a lump sum so far as the Federal Treasury is concerned is no reason why we should say, "You can be as extravagant as you want with the money of the taxpayers of the District." But the Budget, next fall, if we make this permanent law, will not have to consider, when the District authorities come before them, what is the tax on the Federal Treasury. They can set down $9,000,000, and the further consideration which they give to the subject will be with a view to ascertaining whether the proposed expenditures are deserving and wise and whether they can be provided under a reasonable tax rate. The Congress has not the time to make the investigation necessary for the accomplishment of that purpose, but the trained officials of the Budget are the best investigators we can get.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. MOORE of Virginia. Aside from the discussion of the editorial and the statement of Mr. Hogan, I want to ask the gentleman this question: What percentage of the total expenditure carried in the bill will the lump-sum contribution represent?

Mr. CRAMTON. Under the bill as it stands, it will be substantially 30 per cent. Of course, there will be from $500,000 to $1,000,000 of deficiences during the year, but the bill as it stands is a 70-30 bill.

Mr. BLANTON. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BLANTON. Would it not be advisable for the people of Washington to understand that abuse of Congressmen from the various newspapers here is not going to get them anywhere?

Mr. CRAMTON. I have passed by many things with reference to myself, but I could not pass by this contemptible article about the deserving gentleman from Minnesota [Mr. DAVIS]. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. DAVIS of Minnesota. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. TUCKER, for an indefinite period, on account of death in family.

WHAT I WILL DO WITH THE MILLION DOLLARS IN WEST VIRGINIA

Mr. ALLEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD concerning an address made some time ago about my State of West Virginia.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. ALLEN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include a speech delivered at the banquest of the West Virginia Society of the District of Columbia, as follows:

Mr. Toastmaster and fellow mountaineers, it is beyond ordinary pleasure to be counted one of such a patriotic and happy assembly as this, an assembly of people from a great State, met to celebrate the fact that they are from that State and to show their pride in it.

To demonstrate how I would spend a million dollars in West Virginia is no ordinary after-dinner thought, and no doubt you are anxious and very speculative as to just how, when, and where I would use so vast a sum of money among our beloved hills. After second thought you will find the idea far more serious than frivolous, and one that is worthy of your best consideration.

The fundamental basis to which this inspiration is applicable is that part of our Nation which is the most northern of the Southern States, the most southern of the Northern States, the most eastern of the Western States, the most western of the Eastern States, the larger of the smaller States, the smaller of the larger States, and the dearest of all the States.

To take a million dollars and judiciously put it into operation so that it will benefit humanity morally, intellectually, and physically, so that it will lessen the burdens and diminish the evils of the State, will be an undertaking without a selfish motive.

It is beyond question that every human being owes a debt of gratitude to some other human being, community, State, or nation. Our path can not be so smooth but that we may stumble some time, nor can a day be so short that rest will not be needed, a sky so clear that clouds are not needed, nor can humanity be so perfect as to reject assistance.

In making the choice of how to spend the million dollars there are many things about our State which must be taken into consideration. For instance, there are men of honor and prominence, true and loyal West Virginians, whose patriotism and public service to State and Nation bid triumphantly for a monument in order that their name and fame may be carried on for all time.

Again, you all know of places that are patiently waiting for some philanthropic person to appear and start a great industry there, in order that the community might be benefited and wealth produced.

Many opportunities present themselves to create school advantages, so that the day may come when the State would be proud of its intelligence and its superior educational institutions.

Numerous are the places that are sending forth appeals for some one to come and help turn nature's resources into beauty and comfort and to make of our "Little Switzerland" the most ideal playground in America.

Then there is the alluring temptation to dispossess the mind of its power and carry it to some mountain crest and lodge it in a castle of beauty and luxury where the rays of the morning light bring many pleasures, and the sinking of the sun brings quiet and rest.

Still there is another alternative that we may use; our State is not so extensive after all but that we might seek other hills and see other people. Our surroundings are small and our knowledge of the world must be broadened. It would certainly be helpful to know the way people live, think, and act elsewhere. To go to the palatial resorts of the North during the summer months, where the air is cooling and healing, and as the temperature begins to drop, to turn southward to the lands of sunshine would for many persons be a desirable mode of life.

But there is in my mind a more persuasive thought than any of these, although all of these ways have a certain attraction for our million dollars. Let us travel back to our green fields and beautiful valleys and stop on a broad plateau on the top of one of our magnificent hills where nature has given us an ideal setting for happiness and peace of mind. There, with the million dollars we will build a great and endurable mansion with many rooms and with every comfort and convenience; a great hospital, to be directed and operated with supreme skill, where the sick may be made well, the diseased and afflicted cured, the unfortunate and weak made strong, the sorrowing made happy, the poor welcomed, the rich accepted; where the body may be cleansed and the soul made pure.

I do not at present have the million dollars, but I do have faith and hope, and with these powerful influences I trust that I shall be able to accomplish this one desire before my strength shall fail me; build this great hospital where all shall be cared for without prejudice, discrimination, or favor.

DISTRICT APPROPRIATION BILL

Mr. SPROUL of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the appropriation bill just under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SPROUL of Kansas. Mr. Speaker and gentlemen of the House, the Capital of the United States Government is located in the city of Washington, D. C. The Government has in its employ 56,000 employees who reside in the city of Washington all or a major portion of each year. They receive an average salary of approximately $2,000 a year, or a total of $112,000,000.

A careful investigation discloses that approximately 200,000 people visit Washington each year, spending on an average of $40 each while here, the sum total of which amounts to approximately $8,000,000 annually. The location of the Capital in the city of Washington brings to the city and its business interests $112,000,000 per year. The incidental expenditures of guests is almost $8,000,000 annually, making a total of $120,000,000 expended in Washington as a result of the location of the Capital in the city.

In addition to the United States Government bringing, through the location of its Capital in the city, the sum of $120,000,000 annually, it has been spending millions of dollars in the past in the purchasing and maintaining of parks, the erection of public-school buildings for the city, the extension of

streets and public highways, and it has also been paying 40 per cent of the general expenses of the city. The result is that taxes in the city of Washington are only from one-third to one-half of what the taxes are in the various other cities in the United States. Now, in order to maintain in the city of Washington a low, unusual tax rate, it is proposed that the United States Government continue to pay 40 per cent of the general governmental expenses of the city of Washington and appropriate therefor annually $29,000,000 or $30,000,000.

Mr. Chairman and gentlemen, there is not a leading city in the United States which would not pay the whole of its general governmental expenses and give the property of the Government all the police protection which is afforded the Government property in the city of Washington. To appropriate $8,000,000 or any other sum out of the National Treasury to help defray the general expenses necessary in the government of the city of Washington is unwarranted and unjust to the taxpayers of the United States. I am therefore opposed to appropriating out of the National Treasury $8,000,000 or any other sum of money for the general expenses of the city of Washington.

DUTY TO FULFILL PREELECTION PROMISES AND PLATFORM

Mr. RAKER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of general legislation.

The SPEAKER. The gentleman already has that privilege.

Mr. RAKER. I want this consent in addition to that privilege.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. RAKER. Mr. Speaker and gentlemen, permission was given me to extend my remarks in the RECORD on legislation generally and my work as a Member of Congress since my first appearance in 1910, Sixty-second Congress.

On July 15, 1912, by permission of the House, I then extended my remarks, and I can do no better than insert them here. I have complied with those promises, and all of them have been carried to final and proper determination. The last one was the exclusion by law of the Japanese. This law is now on the statute books. That insertion of July 15, 1912, is as follows:

Mr. RAKER said:

Mr. Speaker, I believe it is but proper and right for me at this time to say a few words upon the important question of the duty of those who seek to represent the people of this great Nation or any branch of it, as well as one of the sovereign States, to fully carry out their preelection promises and platform. The promises made by a man when seeking to obtain the suffrage of the people for any office within their gift should not be lightly made, and when made should not be broken. He should be at all times ready and willing to let the public know, as near as he can, his position upon public questions and matters of public concern. When thus made they should be considered as a moral and legal pledge between the public and himself, binding upon him and to be truly and fully executed.

I have heretofore acted upon and tried to fulfill such promises and shall continue to do so in the future. One who violates his preelection promises and platform is not entitled to the support of any constituency. He is a poor and faithless public servant. He has obtained a high position by fraud and deception if he takes any other course. His title to the office would be obtained and held by committing an offense, while not punishable by any known law yet enacted, though grossly guilty under the moral code. Though his conviction is not always had, it most generally follows when he next appears before the people for their judgment. While not so certain of condemnation in the past, in the future it will be, because the people are taking a closer inventory of their public servants and are now more fully appreciating their rights and the means with which they can execute them.

There can be no moral or legal excuse for a want of fulfillment of preelection pledges.

I made promises to the people of the first—now second—congressional district two years ago. Those promises have been observed and executed by me to the fullest extent of my knowledge, power, and ability.

The promises and platform upon which I was elected to this Congress are made a part of this statement; likewise some of the things in which I have participated as a Member of this House and my future promises and pledges to the California people, in particular those of the second congressional district.

"IMPORTANT QUESTIONS — PLATFORM OF PRINCIPLES — POSITION TAKEN BY JOHN E. RAKER ON IMPORTANT QUESTIONS INVOLVED IN THE ISSUE BEFORE THE PEOPLE ON BEHALF OF BETTER GOVERNMENT

"When a candidate for Congress in 1910 I prepared a statement explaining my position on the important questions facing the voters at that election to be held in November of that year. That statement is as follows:

"This Government should not be a business asset of the favor-seeking corporations. It must be the people's Government and be administered in all departments according to the Jeffersonian maxim, 'Equal rights to all, special privileges to none.'

"'The people must rule' is the living issue which presents itself in all public questions now under discussion.

"That such is the primary issue has become perfectly clear. The course of national legislation in the past shows that gross abuse of power by the 'machine' has emphasized the fact that the people do not rule. This is wrong. This is usurpation of power. It is a control of the Government by the corporations and trusts instead of a control of the corporations and trusts by the Government; and so long as this exists just so long will the people be deprived of their rights.

"I am therefore in favor of—

"1. A progressive, honest, and economical Government.

"2. An end of all official graft.

"3. An honest revision of the tariff downward.

"4. A fair and equitable banking and currency law—not a great central bank controlled by Wall Street.

"5. Conservation of our natural national and State resources and a progressive, upbuilding policy, honestly and economically enforced; that we control our natural resources and use them now, in the present, but still control them so the future use of them will be saved for the people of this Nation—keep them from the hands of the few.

"6. Controlling the trusts and preventing monopoly.

"7. Reciprocity for a progressive purpose and not for retaliation.

"8. A genuine control of railroads, freight and passage rates.

"9. A just and genuine control of railway discrimination between cities and towns.

"10. Controlling overcapitalization of stocks and bonds of railroads and of industrial monopolies.

"11. Physical valuation of railways as a basis of fair rates and fares.

"12. A parcel post and a genuine postal savings bank act, and that it be constituted so as to keep the deposited money in the community where it is established.

"13. Proper control of the gigantic gambling in stocks and bonds and in agricultural products.

"14. A progressive inheritance tax on large and gigantic estates and an income tax.

"15. Permanent system of development of our national waterways and of national good roads.

"16. A national law for publication of campaign funds before all elections and a sound corrupt practices act.

"17. Election of United States Senators by direct vote of the people and an amendment of the Constitution of the United States for such purpose.

"18. Congress providing its own rules, and that the Speaker should not be the ruler of the House, but that the House itself should rule, to the end that honest, just, and proper legislation may be enacted.

"19. Honest, fair, just, and proper legislation on behalf of labor. Labor must be dealt with in a spirit of fairness.

"20. An exclusion law excluding from the United States and Territories all Asiatics except certified merchants, students, and travelers.

"There are many questions presented in the above. I have thus stated them so there can be no misunderstanding as to my position on the important questions now confronting the people of this Nation.

"It is true that those now demanding the principal attention of our people are: Corporation control of our elections, monopoly of our necessaries of life, domination by special-privilege corporations of our legislation, and conservation of our national resources.

"I believe in individual and national success and prosperity. Merit should be rewarded. I have no quarrel with corporations. They are necessary and should be encouraged for the purposes for which they are formed. Corporations being formed for the purpose of serving the general welfare should not partake of the freeman's political rights. It is no part of their business to run the Government or to attempt to run it; and when they do they are stepping beyond their legitimate functions and should be stopped.

"The Aldrich-Payne tariff law is a violation of the first principles of this Government. It is so arranged that it gives to the already wealthy and takes from the needy. It should be revised, and revised downward. The beneficiaries of the tariff should not be given this task.

"Progressive constructive legislation should be had at all times, and I am unalterably opposed to 'obstructive' or 'de-

structive' legislation, just because it is 'obstructive' or 'destructive.'

"If elected I would deem it my duty to do the best within me for the entire Nation. When I could be of special service to this State or to my district, it would be one of my pleasures, if within my power so to do, if not in conflict with duties to the Nation. No task would be too burdensome to thus perform for this district or the State or any part of the State.

"The rivers and harbors of this district and State need material improvement and special care and attention, and the National Government should be prompt and liberal for such common good.

"We have no desert lands in this State when water is applied. With an abundance of water going to waste and not restrained, and an empire of land lying idle, every effort should be made to put the water on the land and utilize it. This can and should be done. No man is doing his whole duty unless he bends his energy to that end.

"I am opposed to the system of which Cannon or Cannonism is but a representative, a symbol. No man who holds the views of parliamentary procedure or national policy of Cannon should be Speaker of the House of Representatives.

"And I would consider that I held a commission from the people of this district to vote against any man of such views, and if elected would vote for a Speaker who is in favor of the House providing its own rules and methods of procedure, which should be free from domination by its Speaker.

"The will of the people would be my guide. This is a Government of the people, for the people, and by the people. The people can be trusted.

"I have no special claim upon the people of this district for their suffrage. I have no 'ax' to grind. Having an abiding faith in our institutions and form of government and holding the views I do, I would consider it a high privilege and right to participate in its affairs, believing that I would not abuse the confidence of this people. Having been a resident of this district for 30 years, I feel I know their wants and needs.

"The matters and things here presented are for the purpose of making my position clear to the public, with a firm belief in the same and with a free and full promise to carry the same into effect as far as it may be in my power and ability so to do.

"JOHN E. RAKER.

"ALTURAS, CALIF., *August 31, 1910.*"

My work as your Representative in Congress, and the CONGRESSIONAL RECORD, will show that I have labored earnestly and hard to carry out these principles. I have accordingly worked and voted for the legislation that had for its objects and purposes the fulfillment of my pledge to the people and the enactment of the same into law.

1. Much progressive legislation has passed the House for which I worked and voted. Such legislation has been efficient, along economic lines, progressive, and constructive.

2. The rules of the House of Representatives have been revised so as to give the Representatives of the American people freedom of speech and of action in introducing, proposing, and defending progressive and remedial legislation.

3. Bills have been passed for the relief of the people and the development of the country.

4. There has been an honest effort to revise the tariff taxes downward in favor of the masses and thus to reduce the high cost of living.

5. There has been proposed an amendment to the Federal Constitution providing for the election of the United States Senators by direct vote of the people.

6. Arizona and New Mexico have been admitted into the Union as sovereign States.

7. A law has been passed requiring the publicity of campaign expenses both before and after election and fixing a limit on campaign expenses of the United States Senators and Representatives.

8. A bill to prevent the abuse of the use of the writ of injunction has been passed.

9. A law establishing an eight-hour day for workmen on all national public works has been secured.

10. A resolution which forced the President to take immediate steps to abrogate the Russian treaty was passed.

11. The great supply bills passed by the House lessened the waste and extravagance and reduced the amount of expenses of the Government by many millions of dollars.

12. The three-year homestead law was passed and is now a law.

13. Laws were passed giving relief to desert-land claimants and to homestead claimants under the Government reclamation projects.

14. A law creating and establishing a Children's Bureau was secured.

15. The phosphate bill was passed.

16. The law establishing the Bureau of Mines was amended and passed, to the end that this bureau might have ample and sufficient power to extend its operations, particularly in metalliferous mining. This affects the great Rocky Mountain and Pacific coast mining States.

17. The Panama Canal bill passed the House exempting from tolls all American ships engaged in constwise trade passing through the Panama Canal and prohibiting the use of the Panama Canal by ships owned or controlled by railroad carriers engaged in transportation competition with the canal.

18. The excise tax bill has passed the House.

19. The bill providing for national post (good) roads, the publication of the names of all owners of all newspapers, together with their stockholders, and indications in said papers as to the authors of all newspaper articles, and a partial parcel post was passed.

20. A bill granting home rule to the Territory of Alaska.

21. A pension bill has passed the House and is now a law which is a better recognition of the soldier than before given.

22. Trial by jury in contempt cases, when alleged to be committed without the view of the court, is now pending and will pass the House.

23. Bills suppressing the pernicious practice of gambling in agricultural products are now pending before the House and will be passed.

24. The various planks of that splendid progressive platform adopted at Baltimore on June 29, 1912, will be carried out and enacted into laws. For the enactment into laws of those progressive policies I will earnestly and diligently labor.

25. A bill providing for workmen's compensation is before Congress and will pass.

There are many important measures now pending in Congress which are intended to give the people of the Nation more progressive and better laws. In fact, every principle enumerated has received much earnest and careful attention and consideration by the House. Many of them have become laws of the land, others have passed both the House and the Senate and have been vetoed by the President. Many others are before the committees of the House, and those that relieve the American citizens of the unjust burdens of taxation, reduce the high cost of living, control the trusts, and prevent monopoly, and being just and wise measures, will receive the consideration and sanction of the House.

In this great constructive work of the House I have endeavored to do my part, and have voted according to my best conscience to carry out what I promised I would do, if elected, and have striven to advance the cause of justice and right.

I am in favor of more liberal laws, rules, and regulations for miners; have given this most vital and important subject personal consideration. Miners and the mining interests desire the right to obtain and must get just and fair treatment.

I am for conservation of our National and State resources. What I said two years ago in my statement is hereby reaffirmed. I am against the destruction of those resources. Since my election two years ago I have, in and out of Congress, worked for progressive and true conservation.

The proper handling of our public lands and coal and oil lands, here and in Alaska, and the proper use, control, and development of our water, water rights, and power sites have been given and will continue to be given every consideration.

Under my statement of two years ago—No. 20—that I was in favor of an exclusion law, excluding from the United States or its Territories all Asiatics except certified merchants, students, doctors, and travelers, I have introduced a bill—H. R. 13500—which fully carries out this pledge. This bill is comprehensive and just and contains proper restrictions, etc. I have given and shall continue to give this bill my best efforts and feel that eventually it will receive the approval of Congress. This is a big and important question, and of necessity takes much care, labor, and time. This I will unswervingly continue to give.

I realize that it is quite hard to do much until after one has had some little experience; but notwithstanding this fact I have been "on the job" and voted and answered roll calls at all times, which will be borne out by the CONGRESSIONAL RECORD.

I have given personal attention to the work before the various committees and have succeeded in assisting and securing much legislation that was necessary. With more experience I know I could do better.

There is much progressive legislation needed. I would like to assist in this work, and, if I have been reasonably faithful in the past, with what experience I have had as your present Representative, with your approval I can and do unhesitatingly say that my work in the future will be to better carry out the statement of principles and work for the enactment of laws that will keep and run this great Government for its 95,000,000 of people and not for a favored few—the interests or the trusts. My sympathies are with the people. I am one of them, a humble worker in the ranks. I stand for advancement all along the line. The people should be permitted to have a full voice and say in this Government of theirs. I stand for progressive legislation, both State and National, to that end.

You generally know whether or not I have given proper care and attention to the interests of the people of the district. No letter has been left unanswered and no inquiry passed by unnoticed and without care and attention.

My attention has been given, maybe not always properly and wisely, but anyway the best that could be given and done. I have endeavored to do as your Representative what I promised I would do when seeking this responsible and honorable position at your hands. How well I have done this you must be the judge. My conscience knows that I have faithfully and truly striven to accomplish it. This will be my promise for the future. Many needs and wants of this district and State have been impressed upon me by personal contact and knowledge and by individuals as well as by the newspapers. Some of the many requirements are set out in this statement, and these and all other just and progressive principles will receive my best efforts.

If my past course, work, and conduct have been such that you can reasonably approve them, considering the inexperience, the principles that I have and do stand for and those that have been carried out and enacted into laws, then I most respectfully request that you give me an opportunity to use this experience for more and better work and better results.

Since that time, as a Member of the House of Representatives, I have voted for, advocated, and championed the following legislation:

United States Shipping Board: To establish and encourage and develop a merchant marine so that American commerce, including our heavy tonnage of exported agricultural products, will not have to depend on foreign ships for ocean transportation. (May 20, 1916, p. 8374, CONGRESSIONAL RECORD.)

Good roads law: This bill provides a system of cooperation between the Federal and State Governments in the building of hard-surfaced highways. Liberal appropriations have been made by Congress under it, and as a consequence more improved highways have been built than during any other similar period in American history. (January 25, 1916, pp. 1536, 1537, CONGRESSIONAL RECORD.)

Immigration restriction: To regulate entry of aliens into the United States and provide certain restrictions against their entry. This law was amended in 1921 and 1922 to still further restrict the number of admissible aliens, and I voted for these amendments in both cases. Also supported legislation to deport undesirable aliens, such as Emma Goldman and Alexander Berkman. As a member of the Committee on Immigration and Naturalization, I have assisted in formulating and passing all immigration laws since 1912.

Farm loan act: Established system of 12 farm-loan banks. System affords farmers opportunity to borrow money, to be used in purchasing or improving homes, at low rate of interest and long terms of payment. (May 15, 1916, p. 8017, CONGRESSIONAL RECORD.)

War revenue act: To provide money for defraying the expenses of the war, levying high surtaxes on large incomes, and excess-profits tax on corporations making large profits during the war. (May 23, 1917, pp. 2818, 2819, CONGRESSIONAL RECORD.)

Food control: To prohibit hoarding of foodstuffs, insure ample supply, and to prevent profiteering in foodstuffs. (June 23, 1917, p. 4190, CONGRESSIONAL RECORD.)

Farm-loan bonds: Authorized the Secretary of the Treasury to purchase farm-loan bonds during the time when the bond market was being absorbed in the sale of Liberty bonds. Under the law the Secretary purchased $195,175,000 farm-loan bonds, which money was in turn loaned by the farm-loan banks to the farmers of the United States. (January 4, 1918, p. 615, CONGRESSIONAL RECORD.)

Wheat guaranty: Provided for fulfillment of Government promise of guaranteed price of wheat raised by the producers. (February 22, 1919, pp. 4051, 4052, CONGRESSIONAL RECORD.)

Amend and liberalize war risk insurance act: This bill, usually known as the Sweet bill, amended the war risk insurance act so as to provide a larger amount of compensation to the wounded and disabled veterans of the World War. The act applies in equal degree to officers and privates. This act has been amended to meet up with new conditions and to correct imperfections not realized when the first act was passed.

Veterans' Bureau: Creates an independent bureau under the President known as the Veterans' Bureau and coordinates under one head hospitalization, vocational training, war-risk insurance, and compensation payments of veterans of the World War. This saves much duplication of work and if properly administered should enable ex-service men to secure more prompt consideration of their claims. There have been important amendments to this law since its enactment which are intended to make the act more workable and just.

War Finance Corporation: A bill to enlarge and extend the facilities of the War Finance Corporation and enable it to make advances to banks, cooperative organizations of farmers, and other financing institutions to assist in production of farm products and livestock and help in the orderly marketing of same. This act has been amended and extended.

Farm-loan-bank deposits: This bill authorizes and directs the Secretary of the Treasury to deposit, from time to time as the needs of the farm-loan banks may require, $25,000,000 to be used by said banks in making farm loans during the time sales of farm-loan bonds are taking place. Said money so deposited to be returned to the Treasury as soon as the sale of bonds is effected. This law is working with excellent results. Under its operation the Treasury has suffered no loss and the loan operations of the farm-loan banks have been greatly helped. Since originally passed the bill has had some valuable and important amendments made to it which make it more workable.

Veterans' hospitals: The Langley bill provides for the construction and purchase immediately of additional hospitals for sick and disabled veterans of the World War and appropriates $17,000,000 for said purpose. Proper amendments for hospitals and hospitalization have been made from time to time. (March 31, 1922, p. 5313, CONGRESSIONAL RECORD.)

Good-roads machinery: A bill requiring the Secretary of War to turn over to the Secretary of Agriculture, for distribution in the several States through the State highway commissions, all surplus Army trucks and other suitable tools and machinery for use in road building. This has put to good use much surplus war material which otherwise would have had to have been sold at great loss. (November 6, 1919, p. 8049, CONGRESSIONAL RECORD.)

Postal salary bill: A bill to increase salaries of postal employees and put their compensation on a more equitable basis.

Farm organization bill: This bill, usually referred to as the Capper-Volstead bill, makes broad and liberal provisions for the organization of farmers in the following language:

Persons engaged in the production of agricultural products, as farmers, planters, ranchmen, dairymen, nut or fruit growers, may act together in associations, corporate or otherwise, with or without capital stock, in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce such products of persons so engaged.

Such associations and their members may make the necessary contracts and agreements to effect such purposes.

If there ever was the slightest doubt about the complete authority of the farmers to organize and bargain collectively, that doubt has now been entirely removed. (February 11, 1922, p. 2739, CONGRESSIONAL RECORD.)

Have taken a firm stand and worked—

For coordination of Government bureaus: Authorizing the President to consolidate and coordinate functions of executive bureaus more efficiently to conduct the public business to avoid waste and duplication of work.

For the Budget system: To secure more effective economy in Government expenditures by requiring the estimates from the several departments to be carefully examined and revised by the Director of the Budget and all objectionable items eliminated before submission to Congress.

Child labor law: Affording protection to the youth of the land.

Extension of Children's Bureau: To investigate matters pertaining to welfare of children.

Vocational education act: Provided for the promotion of practical education; to cooperate with States and provide for training of teachers in vocational subjects.

Safety of railway employees: Requiring installation of improved safety appliances, affording better protection of railway employees.

Exempting labor organizations from prosecutions under the Sherman antitrust law.

Employees' compensation: Providing compensation for Government employees who are injured while in performance of their duties.

Corrupt practices act: Providing against the unlawful use of money in elections; to prevent vote buying; to prevent corrupt election methods, so elections will be clean, honest, open, and free from crooked dealing.

Good roads: Providing Federal assistance in improvement of highways.

The distribution among the States of Army trucks and other machinery for road construction.

Increasing the pay of soldiers, sailors, and marines.

Taxing the incomes of those able to pay to prosecute the war.

The Government providing educational advantages and employment for disabled and wounded soldiers, sailors, and marines.

The eighteenth amendment: Prohibiting the manufacture, sale, or transportation of intoxicating liquors, and so forth.

The acts to enforce the eighteenth amendment, known as the Volstead Act and Willis-Campbell Act.

The rule creating Committee on Woman Suffrage: Was the author of this rule and the first chairman. This committee reported out the woman suffrage amendment, which passed the House and lacked one vote in the Senate of passing Sixty-sixth Congress.

The nineteenth amendment to the United States Constitution: In the Sixty-seventh Congress the resolution was the first piece of legislation to pass in the House, and then passed the Senate. I was the ranking minority member of the committee at this time reporting this amendment.

Flood control and improving of rivers and harbors.

Amendments to the Federal reserve act: Reducing the normal rate of interest for discounting and giving a fair deal to State banks.

The readjustment of excess profits and income tax.

The readjustment of salaries of post-office employees.

Every measure looking to the best interest and advancement of the cause of education.

The declaration that the labor of a human being is not a commodity.

Legislation giving proper protection and relief to labor.

Against all measures that seek to foist upon America any plan or system that smacks of military despotism.

SIXTY-EIGHTH CONGRESS, FIRST SESSION

I supported, worked, and voted for—

Amending the rules of the House: This gave the House an opportunity to consider bills buried in committee. (January 18, 1924, p. 1143, CONGRESSIONAL RECORD.)

Muscle Shoals: To develop this great national resource and produce fertilizer for the American farmers. (March 10, 1924, pp. 3925–3928, CONGRESSIONAL RECORD.)

Law enforcement, increasing coast guards (prohibition). (March 13, 1924, p. 4091, CONGRESSIONAL RECORD.)

Adjusted compensation to veterans of World War (bonus). (March 17, 1924, p. 4444, CONGRESSIONAL RECORD.) Voted to override the President's veto. (May 17, 1924.)

Postal employees: To adjust and increase compensation.

Tax bill: This had for its purpose adjustment of the income taxes, surtax and normal and inheritance taxes. Voted against the "Mellon tax plan" and for the "Garner plan," and then for the conference report with the "Simmons plan" substituted.

Irrigation relief bill: This had for its purpose relief of the farmers on Federal irrigation projects. (April 7 and 30, 1924, CONGRESSIONAL RECORD.)

Immigration act of 1924: This bill puts on the statute books a real restrictive immigration bill with humane provisions and effective. It includes the exclusion of aliens ineligible to citizenship. This excludes the Japanese. As a member of this committee for many years gave a great deal of care and consideration to this legislation and procured many effective and important amendments adopted by the committee and approved by the House. (April 5, 12, 19, and May 15, 1924, CONGRESSIONAL RECORD.)

Howell-Barkley bill: Providing for adjustment of difficulties between labor and the railroads to the interest and protection of the general public.

Agricultural relief legislation: This legislation for agriculture of all kinds was defeated.

Boulder Canyon Dam, Colorado River: This is to develop the Colorado River, prevent the floods in Imperial and other valleys in California, and the Yuma Valley in Arizona, provide water for irrigation and domestic use, and power for the great Southwest by the Government. (Hearings before House Committee on Irrigation and Reclamation.)

Child labor: Proposing constitutional amendment to the United States Constitution to protect child labor. (April 26, 1924, p. 7295, CONGRESSIONAL RECORD.)

Hawaiian Bill of Rights: Extending the provisions of Federal road acts and other Federal aid acts to the Territory of Hawaii.

As a member of the Committee on Public Lands and Irrigation and Reclamation of the House, have participated in all public land and irrigation legislation for the past 13 years. This has included Alaska's coal and oil fields, about which so much was said before the Sixty-second Congress; the three-year homestead law; desert and mineral laws; stock-raising homestead law; relief land legislation for soldiers, sailors, and marines who were serving and served in the World War; preference right of entry to ex-service men; the coal, oil, and gas leasing bill; creation of national parks; the National Park Service law; exchange bills; Federal water power act; and many other bills, all of which became laws, and assisted greatly in building up the Western, Rocky Mountain, and Pacific Coast States of the Union. This was conservation legislation.

Never failed when possible to help any constituent.

Have been and remained "on the job."

I do not fail to fully appreciate the constituency sending me here for these past years. Have striven to meet up with the confidence given me by repaying in giving all my time, attention, and the ability I may possess to Government work—district, State, and Nation.

The longer you do congressional work the better one becomes equipped to do more and better work and thereby accomplish things. No one knew this from experience and practice better than Speaker Champ Clark when in the House of Representatives on March 16, 1916, speaking to the subject "The Making of a Congressman," he said:

> No man should be elected to the House simply to gratify his ambition. All Members should be elected for the good of the country. * * *
>
> A man has to learn to be a Representative just as he must learn to be a blacksmith, a carpenter, a farmer, an engineer, a lawyer, or a doctor. * * *
>
> Useful and influential Congressmen are made largely by experience and practice. * * *
>
> A new Congressman must begin at the foot of the class and spell up. * * *
>
> Former Speaker Cannon is serving his fortieth year.
>
> I am serving my twenty-second year; Minority Leader Mann is serving his twentieth year; Mr. Kitchin, chairman of Ways and Means, his sixteenth. * * * Messrs. GILLETT and COOPER, who are serving their twenty-fourth year, are the ranking Republicans on Appropriations and Foreign Affairs. * * *
>
> Go through the whole list and you will find, with few exceptions, that the men of long service have the high places. * * *
>
> The best rule, it seems to me, is for a district to select a man with at least fair capacity, industrious, honest, energetic, sober, and courageous, and keep him there as long as he discharges his duties faithfully and well. Such a man will gradually rise to high position and influence in the House. His wide acquaintance with Members helps him amazingly in doing things.

I no doubt may and from certain quarters am sure to get quite severe criticism for this seeming fulsome résumé of "general legislation." That may be expected. It is the result of public service. To be sure, it refers to the author of this extension. The matters referred to relate to facts and what actually occurred and was done. This is my only way of informing the public as to the conduct of their public servant.

Have always voted on every measure either yea or nay and do not answer "present," but vote.

Have conceived it my duty to act and therefore have not "paired," because I was always "on the job" to vote. I was not sent to Congress to remain away from the House or the committees to which I have been elected.

It all is germane to questions on general legislation. Have therefore taken this method in discussing them.

NORTHAMPTON COUNTY (PA.) MEDICAL ASSOCIATION

Mr. GARRETT of Tennessee. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. KENT] may have permission to extend his remarks in the RECORD on the subject of Federal legislation as it affects the public health.

The SPEAKER. Is there objection?

There was no objection.

Mr. KENT. Mr. Speaker, in the city of Bethlehem on June 5, 1924, in the ballroom of the beautiful new Hotel Bethlehem, was held the seventy-fifth anniversary of the Northampton County (Pa.) Medical Association. This organization is one of the oldest of its kind in the United States. It has not, and does not, confine its activities to the medical world but is a leader in all social, moral, political, scientific, and industrial activities.

It was my great pleasure and privilege to speak upon that occasion to one of the finest audiences I have ever addressed. My speech was the last set speech upon the program, and as the audience had listened attentively to all preceding speeches, beginning approximately at 8 o'clock in the evening, I very much feared when I began my address at about 11.45 p. m. that the audience would be restive. But I found one of the most intent and responsive audiences that I have addressed in a period of over 20 years.

I am going to say here a few of the things that I said at that time, because I feel that there is no more important service in our Federal Government than that affecting the public health.

I felt very much at home and intensely interested at this anniversary meeting. It was a pleasure to know that 75 years

before the meeting Dr. Robert E. James presided over the first meeting of the association. He was a first cousin of my grandfather. For many years he was a leading medical practitioner in Pennsylvania, and even to-day in and around the village of Stone Church, Northampton County, Pa., where he lived and wrought, are many traditions of his superior skill, of his kindness of heart, and of his progressiveness as a citizen. He was a great physician, and my grandfather, as his cousin, was his hostler. But although his hostler performed honest and efficient service, and although the service might have been considered menial, this big-hearted man, Dr. Robert E. James, during all the time my grandfather worked for him, extending over a period of a few years, endeavored to persuade his hostler to enter upon the study of medicine, and offered to pay all of the expenses in order that his own employee might become skilled in the medical arts and sciences. It was a matter of regret on the part of my grandfather to his dying day that he did not accept the kind offer of his employer.

We owe much, from the standpoint of health and education, to those early pioneer physicians who had the courage, the patriotism, and the love of humanity in establishing themselves to practice one of the greatest of professions in far-away places, secluded from the busy world of industry and away from means of transportation. There is no more interesting figure in our history than the early physician, who braved the wind, the rain, the snow, and the elements generally, fighting cold, heat, dust, and mud through the hills and valleys in our early settlements and pioneer days, alleviating pain and curing bodily ills. He was then, as his successors are, one of the necessary progressive elements in the civilization of that day and the present. Without the physician civilization would have perished.

You have all heard the story of the little island of Torcello, in the Adriatic, outside of Venice. In ancient days this was a flourishing and important center. Palaces, temples, marts of trade, and bustling thoroughfares marked the prosperity of its inhabitants. No doubt the business men of the tenth century in Torcello considered their prosperity as indestructible as the Rock of Gibraltar. But to-day there is hardly a trace of the ancient grandeur of this little world. The monuments of greatness and palaces of luxury have melted away, the marble-lined canals have become sluggish and weedy mudholes, all the beauty has perished, and hardly a ruin is left to mark the place of ancient glory.

Why did Torcello perish? Was she overwhelmed by war, by earthquake, or by tidal wave? Torcello was overthrown by the mosquito and the ravages of malaria carried by these little pests. Torcello died and is almost forgotten, because she failed to keep disease outside her borders.

And so, our ancient pioneer physician and those of to-day stand as the vanguard against the greatest enemy that can threaten or overcome any civilization, the dreaded scourge and germ of disease.

We are living in the most wonderful age in the history of mankind. Democratic and republican citizenship is impressing itself upon all peoples everywhere and, too, we are living in a commercial age. We require almost a social and political revolution to cause the minds of our people to dwell upon the needs of future generations: We became wasteful and extravagant in the control of our resources. We are inclined to ignore the great cry of humanity which comes from the mills, the farms, the mines, the factories, the counting houses, and the schools. The cry is for moral and social advancement. The empire builder in America has thought principally of great commercial achievement. What a blessing it has been to civilization that the physician follows in the wake of this great advancement and becomes the forerunner in practically all of our battles for social legislation affecting the social and moral welfare of our people.

To the physicians of America may be credited in large measure most of our legislation in the several States affecting child health, child life and care, child-labor legislation, restricted hours of labor for men and women in dangerous and burdensome industries, workmen's compensation legislation, and practically all legislation affecting public health.

But there is a line of demarcation between the duties assumed by the physician of half a century ago and those imposed upon the physician of to-day. The old-time doctor spent his energies "curing" people, the doctor of the future will prevent disease. His every energy will be devoted to heading off disease. Preventive medicine will be his chief concern.

We have just passed through the greatest war in history. In its trail in our country it has left many boys with their eyes blinded by the deadly fires of the enemy, their lungs stopped in their functions by poisonous gases, and with their maimed and broken bodies confronting us constantly. In Europe we find hunger, disease, undernourishment of children, social unrest, interrupted education, mentality spent, and broken lives. It will be largely the duty of the physician of to-day and of the future to meet the great problems of health thrust upon us by the great World War. We must reestablish health, vigor, and happiness, which are the natural outcome of peace and industrial activity and freedom.

There are two distinct lines of health service in our country—that maintained by the States and that maintained by the Federal Government. By harmonizing these two lines of service, by constructive cooperation between them, results can be accomplished far beyond the dreams of our forefathers. If the present exodus from the farms of our country shall continue, it will not be many years before the greater part of our population will be found in the congested centers. The greater the congestion becomes in those centers, the greater will become the need of public-health service. In 1922, 1,000,000 people left the farms of our country and moved into towns and cities. They were followed in 1923 by 1,000,000 more from the agrarian population. It has become the duty of the health service in the cities to preserve efficiently the purity of our food and water supply generally and to prevent rather than cure disease. Broadly speaking, the duties of the Federal health service are to prevent disease from entering the country, either brought through immigration and commerce and from spreading from one State to another, to suppress epidemics, investigate disease, and disseminate health information.

The most important of these tasks is the prevention of disease from entering the country and from spreading through it. Exclusion of disease through foreign quarantine was once entirely in the hands of the States but has gradually been surrendered by them to the Federal authorities, who, in the nature of things, are much better equipped to manage it.

Prevention of the spread of disease through domestic quarantine is now efficiently handled by State health boards. The Public Health Service has charge of the State-to-State spread of disease, and the States have charge of the spread within their respective borders. In practice, however, the Federal and State officers cooperate freely whenever there is danger of an epidemic becoming serious.

In this connection, may I sound a warning against the present prevalent tendency to centralize the powers of government, affecting the public health, in the Federal authorities at Washington? The wisdom of the founders of our Republic is exemplified with peculiar force when we deal with the public health. No power affecting the public health of the people of the States should be considered as lodged in the Federal Government where those powers can just as well be exercised by the States and the people in local communities. Congress should always have power to control, prevent, and even cure disease as the same may be spread by entrance into the country through immigration and foreign commerce and as the same may be spread throughout the Nation in interstate commerce.

Maternity legislation and that affecting the most vital and delicate concerns in our family life should not be permitted to be exercised by the Federal Government, because it was never intended by the founders, and it is not intended now, that the strong arm of the Federal Government should reach out from its home in a clearly defined district, passing the borders of State after State, to touch upon the most delicate concerns of family life in local communities. The States, the cities, the towns and townships can properly, with the assistance of local public-spirited physicians, exercise sovereignty and jurisdiction over their people. Federal legislation upon this subject, above all others, should be strictly confined to Federal activities authorized under the Constitution and should be extended to the States largely through departments of research and dissemination of information. Cooperation between the State and Federal departments, each working in its own sphere of activity, should bring about the very best results.

Peace and prosperity will follow a healthy people only, and efficiency in the bodies and minds of future generations can be attained only by properly safeguarding the lives and health of the peoples of the present generation. War and famine fear a people which is happy, healthy, contented, and militant in the protection of their rights.

I am proud of this association of Northampton County's medical men and wish it Godspeed in the great work and accomplishments of its members.

It is my pleasure to recite a little of the history of this association.

In 1847 the American Medical Association was organized.

In April, 1848, the Pennsylvania State Medical Society was organized.

On July 10, 1849, at 3 o'clock in the afternoon, after due notice had been given through the daily press, there met in the armory at Easton, Pa., 22 members of the regular medical profession and organized the Northampton County Medical Society.

There were present at the meeting and enrolled as members of the society the following list of physicians: Drs. Traill Green, Griffith Sholl, R. E. James, Samuel Sandt, Edward Swift, Cridland C. Field, Abram Stout, Samuel Zulick, Evan Slough, Frank Hollinshead, Q. C. Mulhallon, Zachariah Drake, George Klinefetter, Lewis D. Gray, S. E. Cook, H. H. Abernethy, Charles Innes, W. E. Barnes, David Lachenour, John Deichman, A. F. Probst, and Amos Seip.

Dr. Robert E. James, of Upper Mount Bethel, was elected president, and he was reelected annually for eight consecutive terms.

Dr. S. E. Cook was elected vice president and Dr. Traill Green was made secretary.

The society had regular meetings and was active for a few years. Dr. Amos Seip, one of the founders, notes in his historical sketch given at the fiftieth anniversary:

In October, 1857, the society met in Easton. It transacted little business, there being barely a quorum present. For six years after this date there is no record upon the minutes.

Dr. Seip states further:

At last the society existed only on paper. In 1862 the State society's transactions sets forth that the Northampton County Medical Society had ceased to have an organization.

You may be interested to know, however, that more than 100 years before this time what may properly be called the first county medical society in the United States was organized in the section which is now Northampton County.

Allow me to give a little preliminary medical history which leads up to this statement of which I wish you to make especial note:

John Adolph Meyer was the first resident physician in Northampton County. He came over with the Moravian colony of 54 on the *Catherine*. He was located in Bethlehem from 1742 to 1744. He was a botanist and apothecary as well as a physician. He organized his little stock of drugs and herbs into a primitive apothecary shop, which was located in a room of the Gemeinhaus (clergy house) of the little Moravian settlement. This little shop was kept up, enlarged from time to time, and in 1752 a regular laboratory was established and was the beginning of the pharmacy which exists to-day as Simon Rau & Co., Main Street, Bethlehem.

Dr. John Frederick Otto was the second physician of the county. He was also a Moravian. He was a regular graduate in medicine. (There is some doubt that John Adolph Meyer was a regular graduate.) He was a pupil of the celebrated Hoffman of the University of Halle.

John Frederick Otto arrived in this country in 1743. His much more celebrated brother, John Mathew Otto, came over in 1750.

In 1744 Bishop Spangenberg, with proper authority from Hernhut, came to Bethlehem and immediately began the organization of the Bethlehem colony upon a comprehensive community scale.

In this organization was a collegium medicum, having an infirmary as an adjunct. While this college was not composed wholly of physicians, it may very properly be named the first medical school in the United States. There is a historical reference to a meeting of the members of this college at which there were 22 persons in attendance and medical and sanitary matters were discussed. After this followed regular monthly meetings.

Bishop Levering states that this "college" was a combination of hospital staff and board of health.

We may justly claim, therefore, that the first county medical society in the United States met in Bethlehem, November 5, 1745. Though Northampton County had not yet been constituted, it belonged to the region which is now Northampton County.

Unfortunately the present society can not be traced back to this original organization. The spirit of collective study and organized effort was thus early indicated and much of the subsequent scientific and community achievement of our country may be attributed to the influence of those educated and farsighted colonists.

Four physicians stand out as the medical pioneers in the history of Easton.

Dr. Andrew Ledlie was the first resident physician in Easton. The records of his life are a little uncertain, but it seems he was the only resident physician in Easton from 1763 to 1768. He probably lived until 1790.

Then followed John Cooper, 1794–1851. He was for a time a rival of Doctor Ledlie.

Followed then Dr. Amos Seip and Dr. Traill Green, whose history is well known.

Doctor McIntire in his brochure "Contribution to the history of medicine in Northampton County," written for our jubilee meeting in 1899, states, "Andrew Ledlie, John Cooper, Amose Seip, three generations of physicians, compass the history of medicine in Easton."

May 9, 1863, the Northampton Medical Society was reorganized. Dr. H. L. Huebner was elected president. At this meeting the death of Dr. R. E. James, the first president, was reported.

This was the Civil War time and though the society was reorganized there was scant attendance and little interest in the meetings. After the war the society took on new life and has been active ever since.

Of the founders, Traill Green and Amos Seip lived for many years in active work in the society.

Traill Green was of national reputation and was for many years the scientific man and nestor of the physicians of the Lehigh Valley.

Another outstanding member who for 22 years—1876 to 1898—consecutively served as the most painstaking, active, and faithful secretary was Charles McIntire.

To these two men—Trail Green, its founder, and Charles McIntire, its medimediæval enthusiastic secretary—the society owes most for its present existence and prosperity.

Dr. Irving Jordan—Alumni Register of University of Pennsylvania, January, 1900—states that "the Philadelphia Medical Society was instituted February 4, 1765, thus antedating the State Medical Society of New Jersey, which was organized in 1768." (It must be noted, however, that other authorities give the date of this organization of the Medical Society of New Jersey as 1766.)

The Massachusetts Medical Society was organized in 1781.

The Philadelphia College of Physicians was founded in 1787.

The Lancaster County Medical Society antedated the organization of the State Medical Society something like two years.

The Bucks County Medical Society was organized in 1848.

The Northampton County Medical Society was the fourth county medical society in the State, if the information the realtor has is correct.

Three score and fifteen years is a long period of time when measured in terms of medical organization in the United States.

For many years dissension within the profession on account of the branches newly organized—homeopaths, and so forth—retarded the fraternal spirit and behavior of medical men in our country and, of necessity, hindered the growth of the Northampton County Medical Society. Nevertheless the society has grown from 22 to 141 active members in the 75 years.

The past presidents of the Northampton County Medical Society number some of the leading citizens of the United States in their several generations. They are as follows:

PAST PRESIDENTS

Robert E. James, 1850–51–52–53–54–55–56; A. L. Huebner, 1863–64; Edward Swift, 1867–68; Traill Green, 1869–70; P. B. Brenig, 1871; John Sandt, 1872; J. M. Junkin, 1873; A. K. Seem, 1874; Amos Seip, 1875; Samuel Sandt, 1876; Traill Green, 1877; A. A. Seem, 1878; G. T. Fox, 1879; David Englemen, 1880; Abraham Stout, 1881; J. Buzzard, 1882; Isaac Ott, 1883; William L. Estes, sr., 1884; Tobias M. Uhler, 1885; Samuel S. Apple, 1886; C. H. Ott, 1887; J. H. Wilson, 1888; S. J. Weaver, 1889; J. W. Moore, 1890; Joseph S. Hunt, 1891; David Angleman, 1892; Ed. Moore Green, 1893; Ed. D. Schnabel, 1894; Francis H. Erwin, 1895; William H. Dudley, 1896; Evan W. Evans, 1897; Abraham L. Kotz, 1898; Charles McIntire, 1899; Doctor Wilhelm, 1900; David H. Keller, 1901; W. H. McIlhaney, 1902; Henry D. Michler, 1903; Jacob C. Keller, 1904; George N. Swartz, 1905; Arthur D. Reagan, 1906; Sterl. A. Shimer, 1907; Tyrus A. Swan, 1908; William Pomp Walker, 1909; Charles E. Beck, 1910; B. Rush Field, 1911; Walter D. Chase, 1912; James J. Quiney, 1913; Noah Reichard, 1914; Thomas L. Zulick, 1915; C. C. McCormick, 1916; Carl F. Weldon, 1917; W. P. O. Thomason, 1918; Charles Collmar, 1919; Vic. S. Messinger, 1920; Milton W. Phillips, 1921; Delbert K. Santee, 1922; Paul Correll, 1923.

The present officers of the organization are as follows:

OFFICERS

Dr. E. S. Rosenberry, president; Dr. W. L. Estes, jr., first vice president; Dr. J. E. Condran, second vice president; Dr. A. B. Hamilton, secretary-treasurer; Dr. S. G. Beck, 60 West Market, corresponding secretary; Dr. F. J. Hahn, reporter; Dr. W. P. O. Thomason, district censor; Dr. W. P. Walker, county censor; Dr. J. C. Keller, county censor; Dr. C. E. Royce, county censor.

The anniversary committee for the seventy-fifth anniversary was as follows:

ANNIVERSARY COMMITTEE

B. Rush Field, chairman; W. L. Ester, jr., vice chairman; C. H. Stoffett; F. C. Roberts; E. D. Schnabel, treasurer.

This seventy-fifth anniversary meeting was presided over by Dr. E. S. Rosenberry, of Stone Church, Pa. He now practices medicine upon practically the same location as that utilized by the first president of the association, Dr. Robert E. James. Doctor Rosenberry is a skilled physician, and stands out prominently as one of the leaders of his profession in eastern Pennsylvania. The toastmaster was Dr. W. L. Estes, sr., of Bethlehem, Pa., who is renowned throughout the United States as a physician and surgeon. His writings upon medical subjects are considered as authority throughout the world.

Robert E. James, jr., district attorney of Northampton County, Pa., is a grandson of the first president of the association, and made a splendid speech upon the subject "Our Forefathers." Dr. Edward Martin, former commissioner of health of Pennsylvania, spoke upon the subject "Words for the Future." Hon. Russell C. Stewart, president judge of the courts of Northampton County, made a constructive address upon the subject "What Words Mean to the Bench and Doctor." Judge Stewart had addressed this society at its fiftieth anniversary, 25 years before, June 5, 1924. Dr. Judson Daland, of the Jefferson Medical College of Philadelphia, Pa., spoke on "Medical Musings." Dr. Anthony Meyers, of Blooming Glen, Pa., secretary of the Bucks County (Pa.) Medical Society, conveyed the greetings of his county association, and Dr. W. A. Hausman, jr., of Allentown, Pa., conveyed the greetings of the Lehigh County, Pa., physicians. Dr. Albert Rau, dean of the Moravian College, Bethlehem, Pa., made a very interesting impromptu address, which was much appreciated by the audience. Altogether the occasion was a marked success, and I am highly honored at the privilege this congress has accorded me in addressing its members concerning what I regard as one of the most important meetings from a medical standpoint ever held in the State of Pennsylvania.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 2821. An act authorizing the erection of a sanitary, fireproof hospital at the National Home for Disabled Volunteer Soldiers at Santa Monica, Calif.;

H. R. 3104. An act granting 160 acres of land to the Western State College of Colorado, at Gunnison, Colo., for the use of the Rocky Mountain biological station of said college;

H. R. 8233. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 8237. An act for the relief of Bruusgnard Kiosteruds Dampskibs Aktieselskab, a Norwegian corporation of Drammen, Norway;

H. R. 4442. An act to extend the insurance and collect-on-delivery service to third-class mail, and for other purposes;

H. R. 4012. An act to reimburse William H. Flagg and others for property destroyed by mail airplane *No. 73*, operated by the Post Office Department;

H. R. 2647. An act for the relief of Lena Garagnon Owens;

H. R. 2123. An act for the relief of the Thompson-Vache Boat Co., of Bonnots Mill, Mo.;

H. R. 1438. An act for the relief of D. H. MacAdam;

H. R. 192. An act to provide for a girls' dormitory at the Fort Lapwai Sanatorium, Lapwai, Idaho;

H. R. 5541. An act for the relief of Hubert Reynolds;

S. 966. An act for the continuance of construction work on the San Carlos Federal irrigation project in Arizona, and for other purposes;

H. R. 2126. An act for the relief of C. C. Carson; and

H. R. 4526. An act to incorporate the United States Blind Veterans of the World War.

RESIGNATION

The SPEAKER. The Chair lays before the House the following communication.

The Clerk read as follows:

The SPEAKER,
*House of Representatives, Washington, D. C.*

DEAR SIR: Having been informed that I have been elected a member of the Naval Affairs Committee, will you please accept my resignation as a member of Claims Committee and Committee on Alcoholic Liquor Traffic.

Respectfully submitted.

CHARLES BROWNE.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

POSTWAR CONDITIONS—A PERIOD OF UNREST

Mr. LOWREY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the present state of unrest in the country.

Mr. LONGWORTH. The gentleman's own remarks, I presume?

Mr. LOWREY. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. LONGWORTH. Mr. Speaker, I take it for granted that when a gentleman makes that request they are his own remarks.

The SPEAKER. The request is granted with that understanding.

Mr. LOWREY. Mr. Speaker, Bill Nye, the unique, said: "There are no noble men but Romans and Ohio men." Possibly, were the great humorist alive to-day, he might concede some degree of respectability to Massachusetts. However, I am thinking just now of a son of Ohio who once left his impression, or depression, on the section of the country in which I was born and reared, a seemingly rather ungentle gentleman by the name of William Tecumseh Sherman. I can not say the hearts of our people were among the things he took by storm, yet the South extended him a warm reception. My father, being himself a military man, was away from home attending the reception when I discovered America. So the older members of the family tell me. For myself I do not definitely remember.

In those days this bold Ohio man made a trip across my native State to Vicksburg and back again. This was before our roads were all macadamized, and as he crossed the muddy "bottom" of a Mississippi stream he is said to have given utterance to an epithet concerning war which seemingly has added something to his fame. It is needless to quote. We all readily recall the words.

But the intrepid son of Ohio was never bold enough, in so far as is recorded, to undertake a characterization of the years which follow a great war. If he had done so, he doubtless would have added something to his epithet.

Anyway, I am sure we all realize that a period immediately following a great war is abnormal morally, economically, and politically. I would not have our people abate anything of their effort to get back to normalcy. Yet I wish that they might with a little more patience realize that the abnormal conditions which are now trying us so sorely are just what we should normally expect at such a time. All history so teaches.

War is a time of bloodshed and hate, and hence a time that greatly stimulates the spirit of "kill." Small wonder if it should be followed by a period of discord, personal, political, national, and international, or even by a period of murders and bloody crimes.

War is a time of great waste and extravagance; and a time when men see and take part in the collection and expenditure of large sums of "easy money." Small wonder if it should be followed by a period of extravagant demands and reckless speculation.

War is a time for the exciting and the unusual, a time when men go from home and see and experience many things previously unknown to them. Small wonder if it should be followed by a period when men do not readily settle down to the usual and the commonplace.

War is a time when multiplied thousands of people, soldiers, and civilians live on Government pay with little concern about making a living. Small wonder if it should be followed by a period when many people are grasping for something from the Public Treasury.

In the exigencies of war the Nation looms up large and the Federal Government assumes authority and supervision over many activities that in times of peace are local matters and should be locally administered. Small wonder if in the years immediately following war people expect paternalism and seem to demand that the Government provide everything and take care of everybody.

And so we might go on almost indefinitely discussing the things that are different in a post-war period and that make it a time of discontent and unrest.

But to the often-asked question "What is the matter with the country?" I should simply answer: We are in a post-war period. Things will finally come back to normalcy. They come slowly and may at times even seem to be going the other way. But we must be patient. "Learn to labor and to wait," and learn to do that without fretting. We must be patient with ourselves, with conditions, with private citizens, and with public officials.

The people need, it seems to me, to learn two things especially. First, legislation and government can not work miracles. Many things that are seriously needed are beyond the reach of government, and to demand them of the Government is to work perversion. Second, public officials, like private citizens, are in this confusing whirl. Like private citizens, they differ honestly on political questions and may be honestly wrong. But it is a mistake to blindly discredit and abuse the Congress or the administration at a time like this because hard conditions are not immediately corrected.

All public officials are selected by the people and from among the people, and, like the people who select them, they are just folks, neither wholly bad nor wholly good. Bill Arp quotes a southern negro just out of the penitentiary:

> You see, boys, in de penitentiary it's des like it is ever'whar else. Dey's some good folks, and dey's some bad folks. I'se seed some jest 'bout as mean folks in de penitentiary as I ever seed anywhar in my life.

I may say here that I find the American Congress much like the penitentiary in that respect. We are not saints nor devils; just plain folks. Yet it would be a sad reflection on the people to say that the public officials whom they select are as a lot weak and dishonest. I resent such a charge against the intelligence and the integrity of the American people. My three years of constant and close association with our national legislators and other Federal officials has convinced me that, regardless of party, they measure up to a high level of honesty and ability.

Frank Mondell, after serving for 26 years in this House and attaining the leadership of his party, said:

> I can not close a service of more than a quarter of a century in this House without an expression of my high appreciation of the honor and dignity of service here and of the splendid character of the men whom American constituencies have sent to represent them on this floor. * * *
>
> In expressing my view of the men with whom I have served in this body I am not honoring them more than the people who sent them here. If they were not honest, conscientious, and faithful public servants, devoted to the interests of their constituents, what a sad, sorry reflection on their constituencies. When I express my faith and my confidence in the American House of Representatives I but express faith and confidence in the people. * * *
>
> My respect and my affection for the membership has grown with the passing years. My confidence in this Chamber, in the hands of whose membership rest the destinies of the Republic, has grown firmer with the passing of time.

At the close of this present session we have two distinguished Members retiring to accept high judicial positions—the gentleman from Illinois [Mr. GRAHAM] and the gentleman from North Dakota [Mr. YOUNG]. Both have taken occasion to express similar estimates of the integrity of their associates here.

If this be the cool judgment of large men who have served long in the American Congress, there must yet be honor in the State and safety for our country. We, the Representatives of the people, are to return home soon to mix with our constituencies. Again I am reminded, as I was two years ago, that a campaign year is a time of serious responsibility to men in public life. While we should not cover up the evils and abuses that exist, yet we should not magnify these evils to the exclusion of hope and confidence. We have yet in America the best government known to history and the best conditions that now obtain anywhere on the face of the earth. Millions of people in war-stricken and famine-stricken lands are turning longing eyes toward our happy shores and would risk their lives for but half the liberty, peace, and plenty we enjoy.

Let us go to our fellow citizens of this good land which God has given us, not with expressions of despondency and bitterness, but with messages of cheer and good will.

### THE SILVER BILL OF 1924

Mr. RICHARDS. Mr. Speaker, in addition to the general privilege to extend remarks in the RECORD, I ask unanimous consent to extend my remarks in the RECORD on the so-called silver bill.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. RICHARDS. Mr. Speaker, the bill known as S. 2017 carries with it the undivided attention and interest of the silver-producing section of our country. It is not due to the degree of prosperity it might add to those sections should it become a law that brings this interest. Naturally any man who possesses a commodity desires the highest possible price obtainable. The silver-mine owners would rather receive $1 an ounce than 65 cents, and yet with the purchase of 14,500,000 ounces of silver at $1 per ounce it will not stimulate silver mining to any appreciable degree. The interest that comes to this legislation is the fact that the executive officers of our Government have failed to carry out a mandatory provision of the so-called Pittman Act, to the great detriment of the silver interests of the country. This is strange in a sense, because silver is a precious metal, and although it retains the status of a commodity only, it forms a part of our monetary system along with gold, that carries a fixed value by law. There exists an antagonism toward silver as a money. That fact spells all the trouble. The supply of gold, constituting our money value fixed by law, and the control of it in quantity permits of manipulation that might not so easily exist were the price of silver fixed and its coinage permitted to any extent. This finds the silver producer as a class without any sympathy from those whose interest is best served with the smaller quantity of money for world use.

I am forced to quote the language of our President used by him on last Memorial Day at Arlington; the sentiment therein contained was apropos of the occasion, because it was voiced over the breathless bodies of those who had played the part of real Americans. As I read the paragraph I am about to quote I was struck forcibly with the idea of how much better and with greater realization could it be applied to the living. None honor the fallen soldier more than I. None appreciate the cause for which he fell more than I, but his service has been rendered and his life's cycle has reached a finish. Care and worry are his no longer. We are willing to pause and give him credit for all he is entitled to, but our present concern is with the living. Listen to the words of President Coolidge on the occasion referred to:

> Our prime allegiance must be to the whole country. A sentiment of sectionalism is not harmless because it is unarmed. Resistance to the righteous authority of Federal law is not innocent because it is not accompanied by secession. We need a more definite realization that all of our country must stand or fall together, and that it is the duty of the Government to promote the welfare of each part and the duty of the citizen to remember that he must be first of all an American.

If it were possible for us to take this admonition to heart which is all that is necessary to make it practical, we would find more contentment in government and less complication in our institutions. The selfish side of man is always evident. It seems to be a trait of human character that he is unwilling to divest himself of. Civilization has partially worked to that end. The fact remains that it is ever present and until we reach that degree of perfection where we legislate with a brotherly feeling toward all our country and all our people, the sentiment expressed by President Coolidge has been lost. This is a serious situation, and it is time that its realization was upon us. In my feeble way, I sound a word of caution, I sound a word of warning. Coming from beneath a Nevada sagebrush it will not have the force that it would if echoed from the portals of a palatial Fifth Avenue residence, it will not have the force if broadcasted from the skyscrapers of Wall Street, it will not have the force it would have if they had come from the financial centers of our country; but they are timely nevertheless, and I hope you heed the idea that the sooner we adopt the golden-rule principle in legislation the sooner we will reach the Utopia. That is what the words of President Coolidge mean. They fall upon deaf ears and particularly within his own party. Why not all for each and each for all? Why not silver of definite staple money with a fixed value? That was the intention in the beginning, but it has been juggled out of its rightful place.

### RECESS

The SPEAKER. Under the order of the House heretofore made, the House will stand in recess until 8 o'clock this evening.

Accordingly (at 5 o'clock and 30 minutes p. m.) the House stood in recess.

EVENING SESSION

The recess having expired, the House was called to order at 8 o'clock p. m. by the Speaker.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9429) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DAVIS of Minnesota. Mr. Speaker, I call up the items in disagreement on the District of Columbia appropriation bill.

The SPEAKER. The Clerk will report the first amendment in disagreement.

Amendment No. 2: Page 2, line 7, after the figures "$40,500," insert "plus so much as may be necessary to make salary of Engineer Commissioner $7,500."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 18: Page 6, after line 19, insert "All apportionments of appropriations made for the use of the municipal architect in payment for the services of draftsmen, assistant engineers, clerks, copyists, and inspectors, employed on construction work provided for by said appropriations, shall be based on an amount not exceeding 2½ per cent of the amount of the appropriation made for each project."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur.

Mr. HOWARD of Nebraska. Will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. HOWARD of Nebraska. Is the gentleman yielding because he believes it is right to yield or because he believes it is expedient?

Mr. DAVIS of Minnesota. We proposed this to the House and it was stricken out on a point of order. It is limiting the compensation to these architects and making it 2½ per cent instead of giving them, as heretofore, 4 or 5 per cent. This is a limitation upon the amount that can be expended for this kind of work.

Mr. HOWARD of Nebraska. The Chair believes it is more or less righteous?

Mr. MADDEN. It is altogether right.

Mr. DAVIS of Minnesota. Absolutely; there is no question about that.

The SPEAKER. The question is on the motion to recede and concur.

The motion was agreed to.

The SPEAKER. The Clerk will report the next item in disagreement.

The Clerk read as follows:

Amendment No. 28: Page 12, after line 4, insert: "All estimates of appropriations for the fiscal year 1926 on account of the purchase, exchange, maintenance, repair, and operation of horse-drawn and motor propelled vehicles, and for allowances to employees for supplying their own vehicles, shall be submitted in three paragraphs under the head of 'Contingent and miscellaneous expenses.' One paragraph shall apply to motor-propelled vehicles, one to horse-drawn vehicles, and one to privately owned vehicles, and each shall be accompanied by detailed information showing numbers and distribution by types, and comparative actual and estimated cost figures for the fiscal years 1924, 1925, and 1926 and file reports of same with the Clerk of the House of Representatives and the Secretary of the Senate. This requirement shall not apply to the police and fire departments, or to the activities provided for herein which are not administered by the Commissioners of the District of Columbia."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER. The gentleman from Minnesota moves to recede and concur with an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. DAVIS of Minnesota moves that the House recede from its disagreement to the Senate amendment No. 28 and agree to the same with an amendment as follows:

"Strike out of the matter inserted by said amendment the following: 'And file reports of same with the Clerk of the House of Representatives and the Secretary of the Senate.'"

The SPEAKER. The question is on the motion of the gentleman from Minnesota to recede and concur with an amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 34: Page 17, after line 19, insert: "To aid in support of the national conference of commissioners on uniform State laws, $250."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 64: On page 28, after line 22, insert: "*Provided further*, That assessments in accordance with existing law shall be made for paving and repaving roadways where such roadways are paved or repaved with funds derived from the collection of the tax on motor-vehicle fuels; and hereafter all moneys derived from assessments for paving and repaving roadways under provisions of existing law arising from the expenditure of the fund created by the tax on motor-vehicle fuels, shall be paid into the Treasury of the United States and be credited to and constitute a part of said fund and shall thereafter be available for appropriation in the same manner as the proceeds of the tax on motor-vehicle fuels."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 83: On page 35, after line 18, insert: "For the purchase of three playground sites, $14,300."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 84: Page 35, after the word "playgrounds" in line 25, insert: "$158,570, of which $144,270 shall be paid wholly out of the revenues of the District of Columbia, and $14,300, or so much thereof as may be expended, for the purchase of land for playground purposes, shall be paid 40 per cent out of the Treasury of the United States, and 60 per cent out of the revenues of the District of Columbia."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER. The gentleman from Minnesota moves to recede and concur with an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. DAVIS of Minnesota moves that the House recede from its disagreement to the Senate amendment No. 84 and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert "$165,570."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 89: Page 38, in line 19, after the word "each," insert: "Business manager, to be in charge of the business administration of the public-school system, and to be appointed by and responsible to the Board of Education of the District of Columbia, $3,750."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 90: On page 39, line 1, strike out "$51,900" and insert in lieu thereof "$55,050."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 116: Page 51, after line 3, insert: "For the purchase of a site in the northeast somewhere within a distance of approximately a half mile of the Taylor School, located in square 891, and for construction of a junior high school on said site in accordance with the plans and specifications used in the construction of the Langley and Macfarland Junior High Schools, $600,000."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER. The gentleman from Minnesota moves to recede and concur with an amendment which the Clerk will report.

The Clerk read as follows:

Mr. DAVIS of Minnesota moves that the House recede from its disagreement to the Senate amendment No. 116 and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "For the purchase of a site in the northeast somewhere within a distance of approximately a half mile of the Taylor School, located in square 891, $150,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Senate amendment No. 117: Page 51, line 10, "for the purchase of a site for a new school in the vicinity of First and Rittenhouse Streets, northwest, $20,000."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The Clerk read as follows:

Amendment No. 118: Page 61, after line 11, insert, "purchase of site Burrville, $7,500."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

Mr. O'CONNELL of New York. Mr. Speaker, I would like to ask the gentleman from Minnesota a question. Has the House receded on every single amendment?

Mr. DAVIS of Minnesota. No. Out of 167 we only receded on about half of them.

Mr. O'CONNELL of New York. I have heard nothing but recede and concur, and I thought we must have receded on all of them.

Mr. DAVIS of Minnesota. If the gentleman had been here earlier he would have heard a list as long as his arm that they receded on. They receded on millions of dollars in amendments and we only receded on a small amount.

The SPEAKER. The Clerk will read the next amendment.

The Clerk read as follows:

Amendment No. 119: Page 51, line 13, "Purchase of site in the vicinity of Fifth and Buchanan Streets NW., $50,000."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The Clerk read as follows:

Amendment No. 120: Page 51, after line 14, insert "For athletic field for the Western High School, $125,000."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The Clerk read as follows:

Amendment No. 123: Page 51, after line 22, insert "The Commissioners of the District of Columbia are hereby authorized and directed to erect the school building for the care of tubercular children on such part of the site now occupied by the Tuberculosis Hospital as in their judgment may be best suited for such purpose, the said site being described on the tax records of the District of Columbia as parcels 84-134, 84-146, and 84-147, and the said building having been appropriated for in the act entitled 'An act making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1921, and prior fiscal years, and for other purposes,' approved June 16, 1921."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The Clerk read as follows:

Amendment No. 124: Strike out the figures "$880,000" and insert "$1,707,500."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur in the amendment with an amendment.

The Clerk read as follows:

Mr. DAVIS of Minnesota moves to concur in Senate amendment No. 124 with an amendment as follows: "In lieu of the sum '$1,707,500' insert the sum '$1,242,500'."

The motion was agreed to.

The Clerk read as follows:

Senate amendment No. 140: Page 69, line 6, strike out "Assistant probation officer $1,400" and insert "two assistant probation officers at $1,400 each."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The Clerk read as follows:

Senate amendment No. 141: Page 69, line 10, strike out "$20 per month, $240 in all, $5,137" and insert "$26 per month, $312, in all $6,537."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The Clerk read as follows:

Senate amendment No. 166, page 100, line 3, strike out the figures "$100,000" and insert "$175,000."

Mr. DAVIS of Minnesota. Mr. Speaker, I move to recede and concur with an amendment.

The Clerk read the amendment as follows:

Mr. DAVIS of Minnesota moves to recede and concur with the following amendment: In lieu of the sum appropriated insert "$125,000."

The motion was agreed to.

## LEGISLATIVE APPROPRIATION BILL

Mr. DICKINSON of Iowa. Mr. Speaker, I call up the conference report on (H. R. 9429) the legislative appropriation bill.

The Clerk read the conference report.

### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9429) making appropriation for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 19, 20, 21, 22, 23, and 26, and agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$150,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 18, 24, and 25.

L. J. DICKINSON,
WM. S. VARE,
C. D. CARTER,
*Managers on the part of the House.*

F. E. WARREN,
REED SMOOT,
*Managers on the part of the Senate.*

### STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9429) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On Nos. 1 and 2, relating to the Office of the Vice President: Rearranges appropriation for compensation of assistant clerk, as provided by the Senate.

On Nos. 3 and 4: Appropriates $2,100 for pay on annual basis of second assistant in document room of Senate, as proposed by Senate.

On Nos. 5 and 6: Appropriates $2,040 for pay of assistant clerk, Committee on Public Buildings and Grounds of the Senate, as proposed by the Senate, instead of $1,840, as proposed by the House.

On Nos. 7 and 8: Appropriates $3,600 for the pay of a Deputy Sergeant at Arms and storekeeper of the Senate, as proposed by the Senate, instead of $2,740 for the pay of a storekeeper, as proposed by the House.

On Nos. 9 and 10: Appropriates $2,400 for pay of superintendent of folding room of the Senate, as proposed by the Senate, instead of $1,940, as proposed by the House.

On No. 11: Appropriates $3,500 on account of the Vice President's automobile, as proposed by the Senate, instead of $3,000, as proposed by the House.

On No. 12: Appropriates $125,000 for miscellaneous items of the Senate, as proposed by the Senate, instead of $100,000, as proposed by the House.

On No. 13: Appropriates $150,000 for expenses of inquiries and investigations ordered by the Senate, instead of $100,000, as proposed by the House, and $200,000, as proposed by the Senate.

On No. 14: Appropriates $35,000 on account of the Senate kitchens and restaurants, as proposed by the Senate, instead of $30,000, as proposed by the House.

On No. 15, relating to the office of the Doorkeeper of the House: Corrects the text.

On Nos. 16 and 17, relating to furniture, etc., for House Office Building: Restates the appropriation as proposed by the Senate.

On Nos. 19, 20, and 21, relating to the office of legislative counsel: Substitutes, as proposed by the Senate, the designation of "Office of Legislative Counsel" for "Legislative Drafting Service," to conform with the revenue act of 1924.

On No. 22: Appropriates $81,368 for maintenance expenses, Senate Office Building, as proposed by the Senate, instead of $72,368, as proposed by the House.

On No. 23: Appropriates $250,000 for printing and binding, Library of Congress, as proposed by the Senate, instead of $225,000, as proposed by the House.

On No. 26: Excludes from the restriction on the use of money carried by the bill on account of private vehicles the storage of such vehicles, as proposed by the Senate.

The committee of conference have not agreed upon the following amendments of the Senate:

No. 18: Providing for an assistant clerk and stenographer for the Joint Committee on Printing.

No. 24: Relating to expenses incident to inspection of printing and binding equipment, etc., under the Public Printer.

No. 25: Relating to the closing of Jackson Alley on account of the Government Printing Office.

L. J. DICKINSON,
WM. S. VARE,
C. D. CARTER,
*Managers on the part of the House.*

Mr. DICKINSON of Iowa. Mr. Speaker, the conference report on this bill has merely to do with various Senate items that were inserted by the Senate. It has to do with adjustment of certain Senate salaries and the rewording of the amendment of $7,500 that was put in for bookcases and other office furniture in the House Office Building.

Mr. MOORE of Virginia. You have retained that amendment, so far as the substance is concerned?

Mr. DICKINSON of Iowa. Absolutely. It is simply a correction as to the meaning of the amendment. There are no items in dispute. The bill includes about $100,000 more than when it passed the House. Twenty-five thousand dollars is for incidental expenses in the Senate; $50,000 is to pay for inquiries and investigations. We put through the same amount usually carried, of $100,000, and the Senate increased it to $200,000, but we split the difference by making it $150,000. They have enough accrued bills on hand to consume a great deal of the excess at the present time. We also increased the item of $25,000 for printing and binding in the Library. That amount is on account of the expectation that new stacks will be built in another year, and that they ought to bind up various volumes that are now on hand that they can not bind under the present appropriation.

I yield two minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, we have given the United States Senate already $225,000 for their contingent fund, which they have spent in investigations, and the country ought to know that, because we are putting our John Hancocks to this bill when it passes, and in it we are now giving them an additional $100,000 likewise to be spent in investigations.

Mr. DICKINSON of Iowa. The $100,000 is the usual amount carried for these items and $50,000 is for extras.

Mr. BLANTON. Yes; but it is $150,000, after all, carried for them in this bill.

Mr. DICKINSON of Iowa. Yes.

Mr. BLANTON. And we have already given them $225,000 for their contingent fund, which they have spent, and the $225,000 and the $150,000 make $375,000 of the taxpayers' money that they have spent and are to spend elsewhere in this Capitol on investigations, and the people of the country ought to know something about it.

Mr. DICKINSON of Iowa. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. DICKINSON of Iowa. I want to suggest that the $225,000 is for this year, but that this is for the next year.

Mr. BLANTON. Yes; but it becomes available July 1, 1924, and how many new bills will they ask us to pay in addition to this $150,000?

Mr. DICKINSON of Iowa. Nobody knows.

Mr. BLANTON. Nobody knows and there is no way of stopping it. If there were, I would vote to stop it.

Mr. O'CONNELL of New York. Is part of that for the Teapot Dome investigation?

Mr. BLANTON. Yes.

Mr. O'CONNELL of New York. If it is, it is a good investment.

Mr. SEARS of Florida. Is the gentleman going to leave his remarks in the RECORD just as he made them?

Mr. BLANTON. I am going to correct that "John Hancock" reference, which the gentleman has in his mind.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment numbered 18: Page 20, line 25, strike out the words and figures "stenographer, $1,740," and insert in lieu thereof the words "assistant clerk and stenographer, $2,100."

Mr. DICKINSON of Iowa. Mr. Speaker, I offer the following motion.

The Clerk read as follows:

Mr. DICKINSON of Iowa moves to recede and concur with an amendment as follows: On page 20 of the bill, line 25, strike out "$9,830" and insert in lieu thereof "$10,190."

Mr. DICKINSON of Iowa. Mr. Speaker, that is for the purpose of correcting the footing.

The SPEAKER. The question is on the motion of the gentleman from Iowa to recede and concur with an amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 24: Page 32 of the bill, line 7, after the word "printer" insert: "For expenses authorized in writing by the Joint Committee on Printing for the inspection of printing and binding equipment, material, and supplies, and Government printing plants in the District of Columbia or elsewhere (not exceeding $1,000)."

Mr. DICKINSON of Iowa. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 25: Page 30, after line 21, insert: "The Public Printer is hereby authorized to close Jackson Alley in square 624 between G and H Streets NW., in the District of Columbia to the extent that said alley is abutted on both sides by the property of the Government Printing Office, and upon the closing thereof the land so embraced shall be transferred to the Public Printer for the use of the Government Printing Office."

Mr. DICKINSON of Iowa. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

FISCAL RELATIONS BETWEEN THE UNITED STATES AND THE DISTRICT OF COLUMBIA

Mr. CRAMTON. Mr. Speaker, I move to suspend the rules and pass the bill (S. 703) making an adjustment of the fiscal relations between the United States and the District of Columbia, as amended, which I send to the desk.

The SPEAKER. The gentleman from Michigan moves to suspend the rules and pass the bill, which the Clerk will report.

The Clerk proceeded to report the bill.

Mr. BLANTON (interrupting the reading). Mr. Speaker, it was tentatively understood that there were not going to be any quorum calls here to-night prior to 11 o'clock, so that noncontroversial bills could be passed. If the gentleman wants that understanding carried out, he ought not to call up a bill like this, because there is going to be a quorum call just as sure as it is called up, and there will be some more before it is passed. He ought not to call up a controversial measure like this, which involves several million dollars, and there is not a dollar of it that is just. I hope the gentleman will withdraw it.

Mr. CRAMTON. Mr. Speaker, I make the point of order that the debate stage is not yet reached.

Mr. BLANTON. Mr. Speaker, the gentleman ought not to call up a bill like that under the circumstances.

The SPEAKER. The gentleman from Texas is out of order.

Mr. BLANTON. Then let us have a quorum to start this. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count.

Mr. CRAMTON. Mr. Speaker——

Mr. BLANTON. I withdraw my point of order, Mr. Speaker.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to proceed for three minutes.

The SPEAKER. The gentleman from Michigan asks unanimous consent to proceed for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. CRAMTON. Mr. Speaker, I have offered this bill in cooperation with the chairman of my committee [Mr. MADDEN]. We have in the District bill to-day adopted an absolutely new plan with reference to contributions to District expenses, a fixed sum of $9,000,000. Now, in order for that to be of its full benefit and efficiency, it is necessary that it be not merely on one annual appropriation bill but also permanent law, so that the Budget next fall in making up the District estimates may have authority to make them up on the new basis. Unless we put this new arrangement in permanent legislation it will be no authority to the Budget to proceed any differently than before, and we are in a mess——

Mr. FUNK. And the tax levy.

Mr. CRAMTON. And the tax levy and everything else is at sea. Now, the bill I am offering is a consolidation. It takes the surplus bill, because that has already passed the Senate. It has been favorably reported in the District Committee of the House with only the objection of the gentleman from Texas.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. GARRETT of Tennessee. If this is to be a part of the lump-sum plan, why did not the gentleman from Michigan advise us of that at the time that he offered the amendment?

Mr. CRAMTON. It is part of the plan so far as the District appropriation bill goes——

Mr. GARRETT of Tennessee. But the gentleman says now it is necessary to pass it as part of the plan.

Mr. CRAMTON. In order to secure a plan, not in this annual contentious way on an appropriation bill but as permanent law, we are seeking to put it on as a rider on the surplus bill. Personally I am not in favor of the surplus bill as a piece of legislation. I am frank to say it appears to me the surplus bill is legislation that sooner or later is going to pass and I am only trying to use it as a useful vehicle to put the $9,000,000 business in permanent law. Now, my action in offering it to-night is at the request of the chairman of the Committee on Appropriations, and in order that the House may express itself. If, when it comes up, two-thirds do not support it, of course it can not pass. Now, because of the requests which have been made, more or less urgent, I have consented, after consultation with Mr. MADDEN, to withdraw the bill to-night with the understanding it is to be brought up to-morrow very soon after the opening of the session. Mr. Speaker, I withdraw the motion.

Mr. O'CONNELL of New York. Under suspension of the rules?

Mr. CRAMTON. That is the only way to bring it up. Under leave to extend my remarks I insert the following text of the bill in its proposed amended form:

An act (S. 703) making an adjustment of the fiscal relations between the United States and the District of Columbia.

*Be it enacted, etc.*, That pursuant to the report of the Joint Select Committee appointed under the provisions of the act entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1923, and for other purposes," approved June 29, 1922—

(a) There shall be credited to the general account of the District of Columbia required under the provisions of the first paragraph of such act to be kept in the Treasury Department the following sums:

(1) $7,574,416.90, representing the balance in the general fund in the Treasury for such District on June 30, 1922, and

(2) $665.46, representing an adjustment of certain errors, and

(b) There shall be charged to such account the following sums:

(1) $2,903,219.93, representing the District's proportion of unexpended balances of appropriations on June 30, 1922, together with certain obligations and encumbrances accruing after such date,

(2) $191,890.35, representing the District's proportion of the annual bonus paid to certain employees of the District,

(3) $41,500, representing the District's proportion of the cost of additional land for the National Zoological Park, and

(4) $317.16, representing the District's proportion of an amount appropriated by special act of Congress for the relief of Eldred C. Davis.

Such credits and charges to the general accounts of the District of Columbia shall be made without the payment of interest thereon by either the United States or the District of Columbia; and the making of such credits and charges shall be held to be in full satisfaction of all claims and demands either for or against the United States or the District of Columbia; and the making of such credits and charges shall be held to be in full satisfaction of all claims and demands either for or against the United States or the District of Columbia in respect to the items involved therein.

The sum of $4,438,154.92, representing the difference between such credits and charges, is hereby made permanently available in such account of the District of Columbia for appropriation by the Congress for purchase of land and construction of buildings for public school, playground, and park purposes: *Provided*, That nothing contained in this act shall be construed to deprive the District of Columbia, as of and on June 30, 1922, in addition to the sum named herein, of credit for the surplus of revenues of said District collected and deposited in the Treasury of the United States during the fiscal year 1922, over and above all appropriations and other charges for that year or of credit for the unexpended balances of District of Columbia appropriations covered into the surplus fund by warrant of the Secretary of the Treasury issued on June 30, 1922; or of credit for the proportion the District of Columbia may be entitled to of miscellaneous receipts paid directly into the Treasury during the fiscal year 1922; or of credit for the amount erroneously charged against the revenues of the District for the fiscal year 1922 on account of appropriations made by the third deficiency act, fiscal year 1922, approved July 1, 1922, as the amount of said appropriations were charged against the revenues of the District of Columbia for the fiscal year 1923, totaling the sum of $819,373.83, which is included in the total sum of $2,903,219.93 heretofore mentioned and taken into account in arriving at the net balance of $4,438,154.92, above stated.

SEC. 2. That on and after July 1, 1924, the Government of the United States shall not bear any fixed proportion of the expenses of the District of Columbia, but shall pay the sum of $9,000,000 annually toward defraying such expenses of the District as may be appropriated for by law.

SEC. 3. That on and after such date there shall be credited wholly to the District of Columbia any revenue (not including the proportionate share of the United States in any revenue arising as the result of the expenditure of appropriations made for the fiscal year 1924 and prior fiscal years) now required by law to be credited to the District of Columbia and the United States in the same proportion that each contributed to the activity or source from whence such revenue was derived.

SEC. 4. That nothing contained in this act shall be construed to prevent, until July 1, 1927, the advancements permitted to be made for expenses of the District by the Treasury Department in accordance with the first paragraph of section 1 of the District of Columbia appropriation act, approved June 29, 1922.

Permit me further to insert here the following comparison of the charge upon the Federal Treasury for 1925 under the 60-40 plan and under the $9,000,000 lump sum now adopted:

| | | |
|---|---|---|
| Total of bill as passed Senate | | $29,227,519.00 |
| Total of bill as passed House | | 24,652,697.00 |
| Added by Senate | | 4,574,822.00 |
| Senate recedes from | | 2,772,414.00 |
| House recessions: | | |
| At conference | $1,380,136.00 | |
| Will recommend | 422,272.00 | |
| | | 1,802,408.00 |
| Amount of bill as agreed upon if the House managers' recommendations are agreed to on amendments returned | | 26,455,105.00 |
| Amount of this bill | | 26,455,105.00 |
| District of Columbia items in second deficiency bill: | | |
| Police, fire, school pay, etc | | 2,625,162.21 |
| Items in field service classification bill chargeable against District of Columbia | | 196,886.00 |
| Total appropriations, 1925 | | 29,277,153.21 |
| Total appropriations for 1925 in all bills | | 29,277,153.21 |
| Payable by the United States | | 9,000,000.00 |
| Payable from District revenues, including water revenues and gas tax revenues | | 20,277,153.21 |

COMPARISON OF 60–40 BASIS AND NEW BASIS

| | | |
|---|---|---|
| Total appropriations for 1925 | | 29,277,153.21 |
| Payable from water fund | $1,196,860.00 | |
| Payable wholly from District of Columbia revenues | 186,890.00 | |
| Payable from gas tax fund | 925,000.00 | |
| | | 2,308,750.00 |
| Payable on the basis of 60–40 | | 26,968,403.21 |
| 40 per cent, United States | | 10,787,361.28 |
| 60 per cent, District of Columbia | | 16,181,041.93 |
| Amount payable by United States on 60–40 basis | | 10,787,361.28 |
| Amount payable by United States on lump-sum plan | | 9,000,000.00 |
| Difference | | 1,787,361.28 |
| Amount of estimated revenues surrendered by United States under lump-sum plan | | 700,000.00 |
| Difference in favor of United States under lump-sum method | | 1,087,361.28 |

Further deficiencies to be appropriated for in the next session are inevitable and will amount to from $500,000 to $1,000,000 or more. Under the lump-sum plan that further sum will be borne exclusively by the District while under the 60–40 plan from $200,000 to $400,000 more would have been borne by the Federal Treasury.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for a quarter of a minute.

The SPEAKER. The gentleman from Texas asks unanimous consent to proceed for 15 seconds. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Speaker and gentlemen of the House, I want every one of you colleagues in the morning, if you will do me the kindness to do so, to read my discussion on this so-called surplus bill which to-night I am printing in the RECORD, and I guarantee not 40 men will vote for it in the morning when the gentleman from Michigan calls it up for passage.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House of Representatives to the bill (S. 1898) reclassifying the salaries of postmasters and employees of the Postal Service and readjusting their salaries and compensation on an equitable basis, and for other purposes.

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the amendment of the Senate numbered 6 to the bill (H. R. 7906) to regulate and fix wages for employees of the Government Printing Office.

The message also announced that the Senate had passed the bill (S. 3397) to remit the duty on a carillon of bells to be imported for the Church of Our Lady of the Rosary, Providence R. I., in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had insisted upon its amendment to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WARREN, Mr. OVERMAN, and Mr. HARRIS as the conferees on the part of the Senate.

## BANKRUPTCY LAW OF THE UNITED STATES

Mr. SNELL. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from New York submits a privileged report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

House Resolution 353

*Resolved*, That the following subcommittee of the House Committee on the Judiciary duly appointed by that committee, viz: EARL C. MICHENER (chairman), CHARLES A. CHRISTOPHERSON, NATHAN D. PERLMAN, ANDREW J. MONTAGUE, and SAMUEL C. MAJOR, be, and they are hereby, authorized to examine the present bankruptcy law of the United States for the purpose of suggesting amendments thereto, securing improvement in its administration, and perfecting the same as far as possible, and for these ends to have power to subpœna witnesses and make such investigation as they may deem necessary and also to have power to sit during the sessions of the House and after any adjournment or recess of the House and report their recommendations during the next session to the Committee on the Judiciary of the House.

Mr. SNELL. Mr. Speaker, there has been a general demand throughout the whole country for various amendments to our bankruptcy laws. The Committee on the Judiciary, as you all know, is a very busy committee and it has not had the proper time to give study to individual matters necessary to make proper recommendations to the Congress. They have decided to let a subcommittee of their own committee, who are willing, work in their own time and at their own expense this summer to try to bring these laws down to date and make recommendations to Congress the coming fall. All they ask is to have authority to sit during the recess. It costs the country nothing and if anybody wants to work for the public good during the recess of Congress I think they should have that right.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The question was taken, and the resolution was agreed to.

The SPEAKER. A similar resolution on the calendar will be laid on the table.

There was no objection.

## JOINT COMMISSION OF NATIONAL DEFENSE

Mr. SNELL. Mr. Speaker, I have another resolution.

The SPEAKER. The gentleman from New York offers a resolution which the Clerk will report.

The Clerk read as follows:

Concurrent resolution (H. Con. Res. 1) providing for the creation of a Joint Commission on National Defense

*Resolved by the House of Representatives of the United States of America in Congress assembled (the Senate concurring)*, That a joint commission is hereby created, to be known as the Joint Commission on National Defense, which shall consist of five Senators to be appointed by the President of the Senate and five Representatives to be appointed by the Speaker.

It shall be the duty of said commission to investigate and study the most practicable and effective plan to prevent profiteering in time of war upon either the Government or the civilian population; to insure the national defense by the mobilization in time of war of all the resources of the Nation, both human and material; to discourage any tendency to aggressive warfare; and to equalize the burdens and sacrifices of defensive warfare by requiring a just and fair contribution to the national defense by all the forces and factors of national life without war profit to any private individual, corporation, or combination.

The said commission shall report its acts, proceedings, findings, and conclusions to Congress on or before the first Monday in January, 1925. The commission shall include in its report recommendations for legislation which in its opinion will tend to carry out the purposes of this resolution and shall specifically report upon the limitations of the powers of Congress to enact such legislation.

The commission shall elect its chairman and vice chairman, and vacancies occurring in the membership of the commission shall be filled in the same manner as the original appointments.

The commission or any subcommittee of its members is authorized to sit during the sessions or recesses of Congress, to send for persons and papers, to administer oaths, to summon and compel the attendance of witnesses.

Mr. SNELL. Mr. Speaker, this resolution provides for a joint commission of both Houses, whose duty it shall be to study

and investigate the most practical and effective plan to prevent profiteering in time of war upon either the Government or the civilian population; to insure the national defense by the mobilization in time of war of all the resources of the Nation, both human and material; to discourage any tendency to aggressive warfare, and to equalize the burdens and sacrifices of defensive warfare by requiring a just contribution to the national defense by all the factors of our national life. It also provides that this commission shall report back to the House its various recommendations before January 1, 1925.

The first recommendation along this line was made by President Harding, and this recommendation received a most unanimous response throughout the length and breadth of this country; and on account of the study and investigation of some of our own Members, and the introduction of bills along this line, there has been quite a general demand that Congress take notice of this proposition and give cognizance of our interest in the developments along this line. For that reason the Committee on Rules has thought it proper and just to present this resolution at this time.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. MOORE of Virginia. Is this expected to be a part of the Cleveland platform?

Mr. SNELL. It having come from a Democratic Member, I should not think it would be.

Mr. HUDDLESTON. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. HUDDLESTON. Why was this delayed so late in the session? Why is it necessary to do it now? Is war imminent?

Mr. SNELL. I do not know that it is. A great many people desire to have it presented at this time.

Mr. HUDDLESTON. Why is the national defense more relevant at this time than at other times? The gentleman has delayed until now to lay it before the House for its consideration.

Mr. SNELL. It does not require an appropriation. It just permits these people to investigate the question this summer and make a report next fall.

Mr. HUDDLESTON. Well, this resolution is not as innocent as it might be thought to be. There is a purpose behind it.

Mr. SNELL. If there is, I do not know it.

Mr. HUDDLESTON. I would like to know what the purpose is. I would like to know who really advised that.

Mr. McSWAIN. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. McSWAIN. The gentleman from Alabama [Mr. HUDDLESTON] asked if there is any purpose behind it. I want to say that so far as I know, the purpose is to equalize the burdens of war, so that my children and grandchildren, and yours, if they have to meet the issues that we have had to meet, may meet them with some degree of equity, so that just as America stands on the proposition of equality in time of peace, that there shall be equal rights and special privileges to none, so in time of war there shall be equal sacrifices and equal burdens imposed on all. [Applause.]

Mr. HUDDLESTON. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I will yield to the gentleman from Alabama.

Mr. HUDDLESTON. It is quite evident to me that the Committee on Military Affairs has all the jurisdiction needed to investigate the subject and that there exists no real reason along the line indicated by the gentleman from South Carolina [Mr. McSWAIN] for appointing this commission. The real fact is, as I deduce, that the purpose of appointing this commission is to afford an instrumentality of propaganda and to exercise and advocate it between now and the beginning of the next Congress. The gentleman is providing, as I understand, for the conscription of human labor and all kinds of human material. He may think he is fighting for the conscription of property, but if he expects to get anywhere, I want to say to him that he wants to abandon that portion of the program. And let me say to the gentleman that there is a considerable body of people in the country who are opposed to the conscription of labor and the conscription of human material. Anyhow, there are some of us who are opposed to the conscription of men in time of war, and I for one am altogether opposed to the bringing in here, in the last moment of Congress, of a bill without proper investigation to provide an agency of propaganda such as the gentleman entertains. [Applause.] I think the gentleman ought to give us some time for debate on this question.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. TREADWAY. I understood the gentleman to say, in the course of his brief explanation, that there was a great general demand for this sort of an inquiry. I try to keep up with the times, but I confess that that general demand has overshadowed my information, and I would be glad to know where it is.

Mr. SNELL. There is a general demand all over the country.

Mr. HUDDLESTON. Mr. Speaker, I am unwilling that this should be done without a quorum. I make the point of order that a quorum is not present in the House.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from Ohio moves——

Mr. LONGWORTH. I understand that there is no possibility of a conference report being reported to-night.

Mr. MOORE of Virginia. I ask the gentleman not to press that. A large number of Members will be here after a while. I do not think there will be any difficulty.

Mr. LONGWORTH. Mr. Speaker, I was not aware that such a controversial subject would be brought up.

Mr. SNELL. I will say I did not know there was any controversy about it. Mr. Speaker, I did not understand this bill was going to cause so much trouble.

The SPEAKER. Does the gentleman from Alabama withdraw his point of no quorum?

Mr. HUDDLESTON. Temporarily I withdraw it.

Mr. SNELL. I think we had better withdraw this resolution. It is nothing in which I am especially interested myself.

The SPEAKER. The gentleman withdraws the resolution, and the gentleman from Maine [Mr. HERSEY] is recognized.

### PROBATION SYSTEM IN THE UNITED STATES COURTS

Mr. HERSEY. Mr. Speaker, I move to suspend the rules and pass S. 1042, to provide for the establishment of a probation system in the United States courts, except in the District of Columbia.

The SPEAKER. The gentleman from Maine moves to suspend the rules and pass a Senate bill, which the Clerk will report.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the courts of the United States having original jurisdiction of criminal actions, except in the District of Columbia, when it shall appear to the satisfaction of the court that the ends of justice and the best interests of the public, as well as the defendant, will be subserved thereby, shall have power, after conviction or after a plea of guilty or nolo contendere, for any crime or offense not punishable by death or life imprisonment, to suspend the imposition or execution of sentence and to place the defendant upon probation for such period and upon such terms and conditions as they may deem best; or the court may impose a fine and may also place the defendant upon probation in the manner aforesaid. The court may revoke or modify any condition of probation, or may change the period of probation: *Provided*, That the period of probation, together with any extension thereof, shall not exceed five years.

While on probation the defendant may be required to pay in one or several sums a fine imposed at the time of being placed on probation and may also be required to make restitution or reparation to the aggrieved party or parties for actual damages or loss caused by the offense for which conviction was had, and may also be required to provide for the support of any person or persons for whose support he is legally responsible.

SEC. 2. That when directed by the court, the probation officer shall report to the court, with a statement of the conduct of the probationer while on probation. The court may thereupon discharge the probationer from further supervision and may terminate the proceedings against him, or may extend the probation, as shall seem advisable.

At any time within the probation period the probation officer may arrest the probationer without a warrant, or the court may issue a warrant for his arrest. Thereupon such probationer shall forthwith be taken before the court. At any time after the probation period, but within the maximum period for which the defendant might originally have been sentenced, the court may issue a warrant and cause the defendant to be arrested and brought before the court. Thereupon the court may revoke the probation or the suspension of sentence and may impose any sentence which might originally have been imposed.

SEC. 3. That the judge of any United States court having original jurisdiction of criminal actions, except in the District of Columbia, may appoint one or more suitable persons to serve as probation officers within the jurisdiction and under the discretion of the judge making such appointment or of his successor. All such probation officers shall serve without compensation, except that in case it shall appear to any such judge that the needs of the service require that there should be

a salaried probation officer, such judge may appoint one such officer and shall fix the salary of such officer, subject to the approval of the Attorney General in each case: *Provided*, That probation officers who are to receive salaries shall be appointed after competitive examination held in accordance with the laws and regulations of the civil service of the United States. Such judge may, in his discretion, remove any probation officer serving in his court. The appointment of probation officers shall be in writing, and shall be entered on the records of the court of the judge making such appointment, and a copy of the order of appointment shall be delivered to the officer so appointed. Such court may allow any probation officer his actual expenses necessarily incurred in the performance of his duties. Such salary and expenses when duly approved shall be paid from the appropriations for the courts in which such officer serves.

SEC. 4. That it shall be the duty of a probation officer to investigate any case referred to him for investigation by the court in which he is serving and to report thereon to the court. The probation officer shall furnish to each person released on probation under his supervision a written statement of the conditions of probation and shall instruct him regarding the same. Such officer shall keep informed concerning the conduct and condition of each person on probation under his supervision and shall report thereon to the court placing such person on probation. Such officer shall use all suitable methods, not inconsistent with the conditions imposed by the court, to aid persons on probation and to bring about improvement in their conduct and condition. Each officer shall keep records of his work; shall keep accurate and complete accounts of all moneys collected from persons under his supervision; shall give receipts therefor, and shall make at least monthly returns thereof; shall make such reports to the Attorney General as he may at any time require; and shall perform such other duties as the court may direct. A probation officer shall have the power of arrest that is now exercised by a deputy marshal.

SEC. 5. That this act shall take effect immediately.

Mr. WOLFF. Mr. Speaker, I demand a second.

Mr. HERSEY. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Without objection, a second is considered as ordered.

There was no objection.

Mr. HERSEY. Gentlemen, this is a bill from the Judiciary Committee, unanimously reported. It passed the Senate unanimously without debate and is a very plain bill. You who have the report and have read it will understand that it is to allow the Federal courts the same power to put persons on probation that the State courts have. There is scarcely a State in the Union which does not have a probation law.

Mr. WOLFF. Will the gentleman yield?

Mr. HERSEY. I do not yield.

Mr. WOLFF. Mr. Speaker, this is a very important bill, and I question whether there is a quorum present. I make the point of order that there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. WOLFF. I will.

Mr. LONGWORTH. It appears from what I can learn that there are no matters of very grave importance to come up to-night except that a number of gentlemen are interested in the consideration of the Private Calendar, particularly with regard to Senate bills. If the gentleman persists in his point of order, I would not feel justified in asking for a call of the House. If the gentleman will not insist on his point of order, I shall be glad to ask that we consider Senate bills on the Private Calendar, and this will be our last opportunity.

Mr. MOORE of Virginia. May I ask the gentleman from Ohio, in the event the point of no quorum is not pressed, why should we not proceed with the consideration of the Consent Calendar or bills that may be taken up under suspension of the rules? A good many of us are very much interested, and we have had assurances we would be given an opportunity to take up the calendar.

Mr. LONGWORTH. The trouble with the Consent Calendar is that a number of the bills are not in order because they have not been on the calendar a sufficient length of time.

Mr. MOORE of Virginia. They can be considered, of course, by unanimous consent.

Mr. WOLFF. Mr. Speaker, I withdraw the point of order temporarily.

Mr. HERSEY. I was saying, gentlemen, that there is no Federal law which gives the presiding judge a right to put a party on probation on the first offense, whether it be a boy, a girl, or an adult. A judge can not refuse to sentence, the sentence must be carried out, and the person go to jail, when many a boy, girl, and young man have been saved from a life of crime by being put on probation. Our probation laws, as you will see from the hearings we have held, have paid all the expenses of putting the person convicted in charge of a probation officer.

Mr. BLANTON. Will the gentleman yield?

Mr. HERSEY. I will.

Mr. BLANTON. If the gentleman has in mind only the young boys of the country, why does not he limit his bill to the young boys? You can take a thug who has never been caught before, or any kind of a hardened bootlegger, and under this bill, no matter how old he is, the judge can put him on probation; and you are going to have more bootleggers over the country escaping punishment than was ever dreamed of by even as good a prohibitionist as the distinguished gentleman from Maine.

Mr. O'CONNELL of New York. Surely not after the legislation we passed yesterday.

Mr. BLANTON. I am surprised that the gentleman would be sponsor of such a bill.

Mr. HERSEY. The judges of the Federal court are all in favor of the bill, and I do not think they are of that caliber that they would want to abuse it in any way; that is, by putting a man on probation who is a hardened criminal. This only applies to the first offense and gives discretion to the court. I do not understand that any harm has been done in our State courts by using the same methods.

Mr. BLANTON. But in our State courts they are limited to boys under 21 years of age.

Mr. HERSEY. Oh, they are not.

Mr. BLANTON. In many of them they are. In my State they are limited to certain ages. This is the first time I ever heard of a bill that had no limit in it.

Mr. HERSEY. If the gentleman will read the memoranda in support of this bill by Senator COPELAND, who fully explains it, and if the gentleman will turn to page 5 of the report on the bill and see the indorsements of the bill from all over the Nation and the opinions of the district judges, I do not think he would be opposed to it.

Mr. BLANTON. I heard as distinguished a Representative as the gentleman from Chicago, in whose city there has recently been a most diabolical crime committed, urging us to do away with the death penalty. You can find lots of indorsements to keep down punishment. The human heart is such that we are sympathizing with criminals all the time instead of being severe with them and stopping crime by the severity of the punishment.

Mr. HERSEY. This does not apply to death sentences or life imprisonments; it only suspends the execution of the sentence and puts the party on probation under the court. It is all under the court. An officer of the law takes care of the party put on probation, and he is under an officer of the law who has sworn to carry out the law.

Mr. BLANTON. How many probation officers are you going to have over the country?

Mr. HERSEY. This provides that they need not have any more than the present probation officers, and it is limited to one officer in any one court.

Mr. BLANTON. Would the gentleman accept an amendment to the bill requiring the officer to live in Maine and nowhere else?

Mr. HERSEY. No; the gentleman has no authority for that.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. HERSEY. Yes.

Mr. WILLIAMSON. Does the bill that the gentleman has before him provide that the authority to parole shall extend only to first offenders?

Mr. HERSEY. Yes; this only applies to first offenders.

Mr. BLACK of New York. Will the gentleman yield?

Mr. HERSEY. I yield.

Mr. BLACK of New York. Does the bill by its provisions provide that the probation officers shall report to the judge, between the time of conviction and the time of sentence, recommendations as to the sentence?

Mr. HERSEY. It does. I reserve the balance of my time, Mr. Speaker.

Mr. WOLFF. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I am not for this bill, and I hope the House will not adopt it, for it will prove to be a death stab at law enforcement. It is not only the severity of punishment that deters criminals but it is the surety and the certainty of punishment. It is the certainty of punishment more than anything else that deters criminals from committing crime.

Judges, after all, are human beings. They have their friends, they have their neighbors, and they are under an environment

just like we are and like everyone else. A Federal judge will have a distinguished neighbor sometimes to come before him, or the son of a distinguished friend may come into his court to be tried for offenses. Have you ever sat on the bench and tried a man for crime, and after he has been convicted, have the citizenship of the country coming to you urging that you grant him a new trial? Have you ever experienced that? Well, you will force that on trial judges under this bill if you permit this probation business to be enacted into law, and some courts over the country will probably let numerous kinds of criminals escape.

Mr. HERSEY. Will the gentleman yield?

Mr. BLANTON. Yes; I yield.

Mr. HERSEY. We have a probation law in the District of Columbia and in 24 of the States of the Union, and I do not know but what you have such a law in your own State.

Mr. BLANTON. Concerning this city, my distinguished friend from Illinois [Mr. RATHBONE] and four of his colleagues to-day have filed a report to Congress showing that the law is not enforced in the District of Columbia. [Applause.] We have made in that report a dozen recommendations to the courts and to the district attorney here for him to get busy and see that the law is enforced. I will say here to-night that I know of no place in the United States besides the District of Columbia where the law is overlooked as much; and if you want the law overlooked everywhere else, and if the gentleman from Maine wants bootleggers turned loose in Philadelphia, in New York, in Baltimore, and in Chicago, just pass this bill.

Mr. O'CONNELL of New York. And in Texas.

Mr. BLANTON. You will have lots of bootleggers turned loose as fast as they can be convicted in some courts, and the district attorneys of this land will cease to function. They will become discouraged. They will feel it is no use to make an effort to convict criminals when the judge can turn them loose on probation. [Applause.]

I hope this Congress will not pass any such law as this.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SCHAFER. Have you got any criminals and bootleggers in Texas and Abilene?

Mr. BLANTON. Yes; and the able courts down there when the criminals are convicted put them in the jails or in the penitentiaries for substantial terms.

Mr. SCHAFER. Will the gentleman yield for an observation?

Mr. BLANTON. Yes.

Mr. SCHAFER. I just want to call the gentleman's attention to the fact that perhaps he inadvertently forgot to mention Abilene and Texas in his speech; and inasmuch as the gentleman's speech might be sent out for home consumption, I thought that ought to be put in.

Mr. BLANTON. The splendid, cultured, educational city of Abilene, Tex., is known to every person in the United States, and I do not have to mention it. [Applause.]

Mr. HOLADAY. Mr. Speaker, I ask unanimous consent to ask the gentleman from Maine [Mr. HERSEY] a question. Can the gentleman point out in this bill where it is limited to first offenders? In what section of the bill is that limitation?

Mr. HERSEY. It appears in the hearings that in all probation enforcement they never put a man on probation unless he is a first offender, and that is true all over the United States.

Mr. HOLADAY. I do not find any such limitation here.

Mr. MICHENER. Will my colleague yield?

Mr. HERSEY. Yes.

Mr. MICHENER. This is not the bill reported by the Judiciary Committee, is it?

Mr. HERSEY. This is the Senate bill.

Mr. MICHENER. And it is not the bill we reported?

Mr. HERSEY. No.

Mr. GRAHAM of Illinois. And this bill applies to any offender?

Mr. MICHENER. And you have asked the House to pass this bill instead of the bill which the Judiciary Committee reported.

Mr. WOLFF. Mr. Speaker, I yield five minutes to the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM. Mr. Speaker and gentlemen of the House, this bill seems to me to grant almost carte blanche pardoning power to the Federal judges of the United States. Some references has been made here to-night to State laws on suspended sentences. In the State of Virginia we have laws that permit courts to suspend sentences in certain cases, minor offenses, misdemeanors, or something of that sort, but this bill does not confine the class of offenses to trivial offenses; but you might take a thug who had robbed a national bank and convict him under the Federal laws, and under this bill the Federal judge would have the right to practically pardon him by putting him out on probation, if he saw fit to do so.

In my humble judgment if you pass this bill you might as well do away with criminal trials in the Federal courts. [Applause.] Everybody knows what pressure is brought to bear on a judge. I have served as a judge in my native State. Everybody knows the pressure brought to bear on a judge when you give the right to exercise the pardoning power. It ought never to be given to a judge. A man ought never to be placed in the position where he will have the sentimental appeal brought to bear upon him to exercise such authority. You give a Federal judge—and I do not mean to cast any aspersions upon the Federal judges—but you give them the power to practically pardon a criminal and you strike a mighty blow at law enforcement in this land. I hope the bill will be overwhelmingly defeated.

The gentleman from Maine said it applied to first offenders. I have read the bill through, and I am unable to find where it makes any reference to the class of offenders.

Mr. BARKLEY. It provides that the probation shall not exceed 5 years, whereas the penalty might be 20 years, so where the penalty is suspended the probation can only last for 5 years.

Mr. WOODRUM. Exactly, and when a bootlegger is convicted, no matter how aggravating the circumstances, you may have the outraged spectacle of a Federal judge putting that bootlegger in the care and custody of some other bootlegger who had been appointed a probation officer.

Mr. BOYLAN. Will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. BOYLAN. What is the idea of picking on the poor bootlegger? [Laughter.] There are other crimes besides bootlegging.

Mr. BLANTON. Is the gentleman from New York in sympathy with them?

Mr. BOYLAN. I have sympathy for any man convicted of crime, because in many cases I think he needs medical treatment rather than imprisonment. Probation, if I may be permitted to say, has worked out very well in many of the States. Why should not it work very well here?

Mr. WOODRUM. I think myself that probation is a great thing for enforcing the law, and I am in sympathy with it. I think that perhaps a bill might be drafted—although I doubt it—a bill might be drafted with proper limitations for probation in the Federal court in certain cases. I myself have seen cases in the Federal court where I would have been glad to have exercised a little power, but do not give the Federal judges any such power as this.

Mr. HERSEY. Mr. Speaker, I understand that to-night we are not to bring up any controversial questions. I did not know that this bill would excite any such controversy, and I ask unanimous consent that the bill be withdrawn and stand on the calendar. [Applause.]

The SPEAKER. The gentleman from Maine asks unanimous consent to withdraw the bill. Is there objection?

There was no objection.

Mr. LONGWORTH. Mr. Speaker, I suggest that the Chair call the Unanimous Consent Calendar as it stands.

The SPEAKER. The Chair will first recognize the gentleman from Pennsylvania [Mr. WYANT].

Mr. WYANT. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1614) to repeal an act authorizing the construction of bridges across the Great Kanawha River.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That the act of Congress entitled "An act to authorize the construction of bridges across the Great Kanawha River below the falls, and to prescribe the dimensions of the same," approved March 3, 1887, be, and the same is, hereby repealed.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the Consent Calendar.

TO AMEND THE CHINA TRADE ACT

The first bill on the Consent Calendar was the bill (H. R. 7190) to amend the China trade act of 1922.

Mr. DYER. Mr. Speaker, I had an agreement with the gentleman from Texas not to take that up in his absence, and I ask unanimous consent that it be passed without prejudice.

The SPEAKER. Is there objection?

There was no objection.

AIR MAIL SERVICE

The next business on the Consent Calendar was the bill (H. R. 3261) to authorize and provide for the payment of the amount expended in the construction of hangars and the maintenance of flying fields for the use of the Air Mail Service of the Post Office Department.

The Clerk read the title to the bill.

The SPEAKER. Is there objection?

Mr. BEGG. I object.

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent that that bill may retain its place on the calendar.

The SPEAKER. Is there objection?

There was no objection.

TO AMEND THE JUDICIAL CODE

The next business on the Consent Calendar was the bill (H. R. 64) to amend section 101 of the Judicial Code, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. The gentleman from Texas asks unanimous consent that the bill may be passed over without prejudice. Is there objection?

There was no objection.

TRANSPORTATION OF LABOR FROM ONE STATE TO ANOTHER

The next business on the Consent Calendar was the bill (H. R. 7698) to regulate the transportation and importation of labor from one State to any point in another State where a labor disturbance or strike is then in progress.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice. There were three or four objections to this the other night.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ELDORADO NATIONAL FOREST, CALIF.

The next business on the Consent Calendar was the bill (H. R. 5555) to include certain lands in the county of Eldorado, Calif., in the Eldorado National Forest, Calif., and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, I object.

FORT DUCHESNE RESERVATION, UTAH

The next business on the Consent Calendar was the bill (S. 667) granting to the State of Utah the Fort Duchesne Reservation for its use as a branch agricultural college.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLTON. Mr. Speaker, I ask unanimous consent that that bill be passed over without prejudice, to retain its place on the calendar.

The SPEAKER. Is there objection?

There was no objection.

CLAIMS UNDER WAR MINERALS ACT

The next business on the Consent Calendar was the bill (S. 2797) to authorize the payment of claims under the provisions of the so-called war minerals relief act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I object.

Mr. VAILE. Mr. Speaker, that bill is in the wrong place on the calendar. It appears later on the calendar.

Mr. BLANTON. Mr. Speaker, this is one of the most controversial matters on the calendar.

Mr. VAILE. I understand, but if the gentleman will withdraw his objection for a moment, I will say that to-night it will take three objectors, because it is in the latter part of the calendar, and was objected to last night. It is in the wrong place here.

The SPEAKER. The Chair does not understand. Does the Chair understand that the same bill appears twice on the calendar?

Mr. VAILE. Mr. Speaker, last night this bill was objected to, and after it was objected to I filed the usual notice and put it back on the calendar, where it appears at a later place.

The SPEAKER. Then it should be stricken from the calendar in this place.

Mr. BLANTON. Mr. Speaker, but there was a request, if I remember correctly, that it be placed back on the calendar without prejudice.

Mr. VAILE. Oh, no; I objected to that request.

The SPEAKER. The bill will be stricken from the calendar at this place.

TO EQUALIZE THE PAY OF RETIRED OFFICERS OF ARMY, NAVY, ETC.

The next business on the Consent Calendar was the bill (H. R. 5097) to equalize the pay of retired officers of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, I object.

Mr. BLANTON. Mr. Speaker, I object.

Mr. HULL of Iowa. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

ELDORADO NATIONAL FOREST, CALIF.

The next business on the Consent Calendar was the bill (H. R. 104) for the inclusion of certain lands in the Eldorado National Forest, Calif., and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. BEGG. Mr. Speaker, I object.

SHASTA NATIONAL FOREST, CALIF.

The next business on the Consent Calendar was the bill (H. R. 106) for the inclusion of certain lands in the Shasta National Forest, Calif., and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SCHAFER. Mr. Speaker, I object.

TAHOE NATIONAL FOREST, CALIF. AND NEV.

The next business on the Consent Calendar was the bill (H. R. 107) for the inclusion of certain lands in the Tahoe National Forest, in the States of California and Nevada, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PERLMAN. Mr. Speaker, I object.

RELIEF OF CERTAIN CUSTOMS EMPLOYEES AT PHILADELPHIA

The next business on the Consent Calendar was the bill (H. R. 2858) for the relief of certain customs employees at the port of Philadelphia who served as acting customs guards during the war emergency.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. I object.

OMAHA INDIANS OF NEBRASKA

The next business on the Consent Calendar was the bill (H. R. 8965) for the relief of the Omaha Indians of Nebraska.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FREE. Mr. Speaker, I object.

RUSSIAN RAILWAY SERVICE CORPS

The next business on the Consent Calendar was the bill (S. 1557) to give military status and discharges to members of the Russian Railway Service Corps, organized by the War Department under authority of the President of the United States for service during the war with Germany.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. JAMES. Mr. Speaker, I object.

MAINTENANCE OF FLYING FIELD, AIR MAIL SERVICE, POST OFFICE DEPARTMENT

The next business on the Consent Calendar was the bill (S. 1051) to authorize and provide for the payment of the amounts expended in the construction of hangars and the maintenance

of flying fields for the use of the Air Mail Service of the Post Office Department.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CLARKE of New York. Mr. Speaker, I object.

TO INCORPORATE THE AMERICAN WAR MOTHERS

The next business on the Consent Calendar was the bill (H. R. 9095) to incorporate the American War Mothers.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. UNDERHILL. Mr. Speaker, I object.

APPEALS IN ADMIRALTY CASES

The next business on the Consent Calendar was the bill (H. R. 9162) to amend section 128 of the Judicial Code relating to appeals in admiralty cases.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. HOWARD of Nebraska. Mr. Speaker, I object.

AMENDING SECTION 5147, REVISED STATUTES

The next business on the Consent Calendar was the bill (S. 2209) to amend section 5147 of the Revised Statutes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. CONNALLY of Texas. Reserving the right to object——

Mr. WOLFF. Mr. Speaker, I object.

WRITS OF ERROR

The next business on the Consent Calendar was the bill (S. 2693) in reference to writs of error.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. WOLFF. Mr. Speaker, I object. Mr. Speaker, I think when we are considering this bill there ought to be a quorum here, and I question the presence of a quorum to-night. I make the point of order of no quorum, and I insist on my point of order.

The SPEAKER. The Chair had almost counted a quorum. Two hundred and seventeen Members are present, a quorum. The Clerk will report the next bill.

CLAIMS OF THE DELAWARE INDIANS

The next business on the Consent Calendar was the bill (H. R. 3913) to refer the claims of the Delaware Indians to the Court of Claims, with the right of appeal to the Supreme Court of the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. FREE. Mr. Speaker, I object.

RESTORATION OF THE LEE MANSION IN THE ARLINGTON NATIONAL CEMETERY

The next business on the Consent Calendar was the joint resolution (H. J. Res. 264) authorizing the restoration of the Lee Mansion in Arlington National Cemetery, Va.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection?

Mr. WOLFF. Mr. Speaker, I object. Mr. Speaker, I withdraw the objection.

Mr. STEPHENS. I object.

Mr. CRAMTON. Mr. Speaker, I ask that the bill be allowed to retain its place on the calendar.

The SPEAKER. The gentleman from Michigan asks that the bill be passed without prejudice. Is there objection? [After a pause.] The Chair hears none.

QUARTERS, FUEL, AND LIGHT FOR THE EMPLOYEES OF THE INDIAN FIELD SERVICE

The next business on the Consent Calendar was the bill (S. 2799) to provide quarters, fuel, and light for employees of the Indian field service.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BEGG. Mr. Speaker, I object.

Mr. HASTINGS. Will the gentleman withhold his objection for a moment? May I have the attention of the gentleman from Ohio? This is a bill that provides for fuel, light, and quarters for employees in the Indian Service out in the field. It is a Senate bill, and it is a bill in which the department is very much interested, and it is a bill in which the chairman of the committee, Mr. SNYDER, is very much interested.

Mr. BEGG. I will withdraw the objection to this bill.

Mr. HASTINGS. I thank the gentleman.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Interior, in his discretion, may allow quarters, fuel, and light to employees of the Indian Service whose compensation is not prescribed by law, the salaries of such employees to be fixed on this basis and the cost of providing quarters, fuel, and light to be paid from any funds which are applicable and available therefor: *Provided*, That this authorization shall be retroactive to the extent of approving any expenditures for such purposes heretofore authorized by the Secretary of the Interior.

The bill was ordered to be read a third time, was read the third time, and passed.

WASHINGTON GAS LIGHT CO.

The next business on the Consent Calendar was the bill (S. 2848) to validate an agreement between the Secretary of War, acting on behalf of the United States, and the Washington Gas Light Co.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. HOWARD of Nebraska. Mr. Speaker, reserving the right to object, I wish somebody would tell me what it is.

Mr. SHALLENBERGER. Mr. Speaker, I object.

AMENDING TRADE-MARK ACT OF 1905

The next business on the Consent Calendar was the bill (S. 3324) to amend section 5 of the trade-mark act of 1905, as amended, relative to the unauthorized use of portraits.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. McCLINTIC. Mr. Speaker, reserving the right to object, I would like to ask somebody acquainted with the merits of this bill to make an explanation.

Mr. PERKINS. Mr. Speaker, I would be very glad to inform the gentleman. The only purpose is to prevent the registration for trade-mark purposes of portraits of a deceased President during the lifetime of his widow.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That the fourth proviso of subdivision (b) of section 5 of the act entitled "An act to authorize the registration of trade-marks used in commerce with foreign nations or among the several States or with Indian tribes, and to protect the same," approved February 20, 1905, as amended, is amended to read as follows: "*Provided further*, That no portrait of a living individual may be registered as a trade-mark except by the consent of such individual, evidenced by an instrument in writing, nor may the portrait of any deceased President of the United States be registered during the life of his widow, if any, except by the consent of the widow evidenced in such manner."

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next one.

VALIDATION OF CERTAIN AGREEMENTS FOR ARBITRATION

The next business on the Consent Calendar was the bill (H. R. 646) to make valid and enforceable written provisions or agreements for arbitration of disputes arising out of contracts, maritime transactions, or commerce among the States or Territories or with foreign nations.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. WOLFF. I object, Mr. Speaker.

Mr. MILLS. Will the gentleman withhold his objection for a moment?

Mr. BLANTON. I hope the gentleman from New York will explain the bill.

Mr. WOLFF. I will withhold my objection.

Mr. MILLS. I will be glad to explain it.

Mr. HOWARD of Nebraska. The bill looks to me as though it were all right.

Mr. MILLS. This bill provides that where there are commercial contracts and there is disagreement under the contract, the court can force an arbitration agreement in the same way as other portions of the contract.

Mr. DYER. The result of such a bill will be to do away with a lot of expensive litigation.

Mr. TILSON. I call attention to the fact that it takes three objections.

Mr. SHALLENBERGER. Mr. Speaker, the chairman of the committee has made satisfactory explanation to me, and I withdraw my objection to Calendar No. 396.

Mr. BLANTON. I did not make any objection on the explanation of the bill.

The SPEAKER. Is there objection to the consideration of this bill, H. R. 646?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That "maritime transactions," as herein defined, means charter parties, bills of lading of water carriers, agreements relating to wharfage, supplies furnished vessels or repairs to vessels, collisions, or any other matters in foreign or interstate commerce which, if the subject of controversy, would be embraced within admiralty jurisdiction; "commerce," as herein defined, means commerce among the several States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or between any such Territory and another, or between any such Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation, but nothing herein contained shall apply to contracts of employment of seamen, railroad employees, or any other class of workers engaged in foreign or interstate commerce.

SEC. 2. That a written provision in any contract or maritime transaction or transaction involving commerce to settle by arbitration a controversy thereafter arising between the parties out of such contract or transaction, or the refusal to perform the whole or any part thereof, or an agreement in writing to submit to arbitration an existing controversy arising out of such a contract, transaction, or refusal, shall be valid, irrevocable, and enforceable, save upon such grounds as exist at law or in equity for the revocation of any contract.

SEC. 3. That if any suit or proceeding be brought in any of the courts of the United States upon any issue referable to arbitration under an agreement in writing for such arbitration, the court in which such suit is pending, upon being satisfied that the issue involved in such suit or proceeding is referable to arbitration under such an agreement, shall on application of one of the parties stay the trial of the action until such arbitration has been had in accordance with the terms of the agreement, providing the applicant for the stay is not in default in proceeding with such arbitration.

SEC. 4. That a party aggrieved by the alleged failure, neglect, or refusal of another to arbitrate under a written agreement for arbitration may petition any court of the United States which, save for such agreement, would have jurisdiction under the judicial code at law, in equity, or in admiralty of the subject matter of a suit arising out of the controversy between the parties, for an order directing that such arbitration proceed in the manner provided for in such agreement. Five days' notice in writing of such application shall be served upon the party in default. Service thereof shall be made in the manner provided by law for the service of summons in the jurisdiction in which the proceeding is brought. The court shall hear the parties, and upon being satisfied that the making of the agreement for arbitration or the failure to comply therewith is not in issue, the court shall make an order directing the parties to proceed to arbitration in accordance with the terms of the agreement. If the making of the arbitration agreement or the failure, neglect, or refusal to perform the same be in issue, the court shall proceed summarily to the trial thereof. If no jury trial be demanded by the party alleged to be in default, or if the matter in dispute is within admiralty jurisdiction, the court shall hear and determine such issue. Where such an issue is raised, the party alleged to be in default may, except in cases of admiralty, on or before the return day of the notice of application, demand a jury trial of such issue, and upon such demand the court shall make an order referring the issue or issues to a jury in the manner provided by law for referring to a jury issues in an equity action or may specially call a jury for that purpose. If the jury find that no agreement in writing for arbitration was made or that there is no default in proceeding thereunder, the proceeding shall be dismissed. If the jury find that an agreement for arbitration was made in writing and that there is a default in proceeding thereunder, the court shall make an order summarily directing the parties to proceed with the arbitration in accordance with the terms thereof.

SEC. 5. That if in the agreement provision be made for a method of naming or appointing an arbitrator or arbitrators or an umpire, such method shall be followed; but if no method be provided therein, or if a method be provided and any party thereto shall fail to avail himself of such method, or if for any other reason there shall be a lapse in the naming of an arbitrator or arbitrators or umpire, or in filling a vacancy, then, upon the application of either party to the controversy, the court shall designate and appoint an arbitrator or arbitrators or umpire, as the case may require, who shall act under the said agreement with the same force and effect as if he or they had been specifically named therein; and unless otherwise provided in the agreement the arbitration shall be by a single arbitrator.

SEC. 6. That any application to the court hereunder shall be made and heard in the manner provided by law for the making and hearing of motions, except as otherwise herein expressly provided.

SEC. 7. That the arbitrators selected either as prescribed in this act or otherwise, or a majority of them, may summon in writing any person to attend before them or any of them as a witness and in a proper case to bring with him or them any book, record, document, or paper which may be deemed material as evidence in the case. The fees for such attendance shall be the same as the fees of witnesses before masters of the United States courts. Said summons shall issue in the name of the arbitrator or arbitrators, or a majority of them, and shall be signed by the arbitrators, or a majority of them, and shall be directed to the said person and shall be served in the same manner as subpœnas to appear and testify before the court; if any person or persons so summoned to testify shall refuse or neglect to obey said summons, upon petition the United States court in and for the district in which such arbitrators, or a majority of them, are sitting may compel the attendance of such person or persons before said arbitrator or arbitrators, or punish said person or persons for contempt in the same manner now provided for securing the attendance of witnesses or their punishment for neglect or refusal to attend in the courts of the United States.

SEC. 8. That if the basis of jurisdiction be diversity of citizenship between citizens of several States or one of the parties be a foreign State, citizen, or subject, the district court or courts which would have jurisdiction if the matter in controversy exceeded, exclusive of interest and costs, the sum or value of $3,000, shall have jurisdiction to proceed hereunder notwithstanding the amount in controversy is unascertained or is to be determined by arbitration.

SEC. 9. That if the basis of jurisdiction be a cause of action otherwise justiciable in admiralty, then, notwithstanding anything herein to the contrary, the party claiming to be aggrieved may begin his proceeding hereunder by libel and seizure of the vessel or other property of the other party according to the usual course of admiralty proceedings, and the court shall then have jurisdiction to direct the parties to proceed with the arbitration and shall retain jurisdiction to enter its decree upon the award.

SEC. 10. That the award in any case must be in writing and acknowledged or proved in like manner as a deed for the conveyance of real estate in the State or district where the award is made and delivered to the parties or their attorneys. If the parties in their agreement have agreed that a judgment of the court shall be entered upon the award made pursuant to the arbitration, and shall specify the court, then at any time within one year after the award is made any party to the arbitration may apply to the court so specified for an order confirming the award, and thereupon the court must grant such an order, unless the award is vacated, modified, or corrected as prescribed in the next two sections. If no court is specified in the agreement of the parties, then such application may be made to the United States court in and for the district within which such award was made. Notice of the application shall be served upon the adverse party, and thereupon the court shall have jurisdiction of such party as though he had appeared generally in the proceeding. If the adverse party is a resident of the district within which the award was made, such service shall be made upon the adverse party or his attorney as prescribed by law for service of notice of motion in an action in the same court. If the adverse party shall be a nonresident, then the notice of the application shall be served by the marshal of any district within which the adverse party may be found in like manner as other process of the court.

SEC. 11. That in either of the following cases the United States court in and for the district wherein the award was made may make an order vacating the award upon the application of any party to the arbitration—

(a) Where the award was procured by corruption, fraud, or undue means.

(b) Where there was evident partiality or corruption in the arbitrators, or either of them.

(c) Where the arbitrators were guilty of misconduct in refusing to postpone the hearing, upon sufficient cause shown, or in refusing to hear evidence pertinent and material to the controversy; or of any other misbehavior by which the rights of any party have been prejudiced.

(d) Where the arbitrators exceeded their powers, or so imperfectly executed them that a mutual, final, and definite award upon the subject matter submitted was not made.

(e) Where an award is vacated and the time within which the agreement required the award to be made has not expired the court may, in its discretion, direct a rehearing by the arbitrators.

SEC. 12. That in either of the following cases the United States court in and for the district wherein the award was made may make an order modifying or correcting the award upon the application of any party to the arbitration—

(a) Where there was an evident material miscalculation of figures or an evident material mistake in the description of any person, thing, or property referred to in the award.

(b) Where the arbitrators have awarded upon a matter not submitted to them, unless it is a matter not affecting the merits of the decision upon the matters submitted.

(c) Where the award is imperfect in matter of form not affecting the merits of the controversy.

The order may modify and correct the award, so as to effect the intent thereof and promote justice between the parties.

SEC. 13. That notice of a motion to vacate, modify, or correct an award must be served upon the adverse party or his attorney within three months after the award is filed or delivered. If the adverse party is a resident of the district within which the award was made, such service shall be made upon the adverse party or his attorney as prescribed by law for service of notice of motion in an action in the same court. If the adverse party shall be a nonresident, then the notice of the application shall be served by the marshal of any district within which the adverse party may be found in like manner as other process of the court. For the purposes of the motion any judge who might make an order to stay the proceedings in an action brought in the same court may make an order, to be served with the notice of motion, staying the proceedings of the adverse party to enforce the award.

SEC. 14. That upon the granting of an order confirming, modifying, or correcting an award, judgment may be entered in conformity therewith, no exceptions shall be taken, but an appeal may be taken from such order or judgment, as hereinafter set forth.

SEC. 15. That the party moving for an order confirming, modifying, or correcting an award shall, at the time such order is filed with the clerk for the entry of judgment thereon, also file the following papers with the clerk:

(a) The agreement; the selection or appointment, if any, of an additional arbitrator or umpire; and each written extension of the time, if any, within which to make the award.

(b) The award.

(c) Each notice, affidavit, or other paper used upon an application to confirm, modify, or correct the award, and a copy of each order of the court upon such an application.

The judgment shall be docketed as if it was rendered in an action.

The judgment so entered shall have the same force and effect, in all respects, as, and be subject to all the provisions of law relating to, a judgment in an action; and it may be enforced as if it had been rendered in an action in the court in which it is entered.

SEC. 16. That an appeal may be taken from an order vacating an award or from a judgment entered upon an award as from an order or judgment in an action.

SEC. 17. That this act may be referred to as "the United States arbitration act."

SEC. 18. That all acts and parts of acts inconsistent with this act are hereby repealed, and this act shall take effect on and after the 1st day of January next after its enactment, but shall not apply to contracts made prior to the taking effect of this act.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

### AGREEMENT BETWEEN THE SECRETARY OF WAR AND THE WASHINGTON GAS LIGHT CO.

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to return to Calendar No. 396, to which objection was made and, as I understand, afterwards withdrawn.

The SPEAKER. The gentleman from Indiana states that the objection has been withdrawn by the gentleman from Nebraska [Mr. SHALLENBERGER] on Calendar No. 396. The Clerk will report it by title.

The Clerk read as follows:

A bill (S. 2848) to validate an agreement between the Secretary of War, acting on behalf of the United States, and the Washington Gas Light Co.

Mr. BLANTON. Reserving the right to object, Mr. Speaker, will the gentleman from Indiana tell us what this bill embraces?

Mr. ELLIOTT. The Washington Gas Light Co. has a plant down on the Eastern Branch, on the river front. For many years there has been contention between the War Department and the Gas Light Co. over the ownership of certain tracts and parcels of land there. Some two or three years ago they finally, after some litigation, entered into an agreement settling all of those disputes. This bill is to ratify the agreement which has been entered into between the War Department and the Washington Gas Light Co. over these disputes on that water front.

Mr. BLANTON. Did the gentleman from Indiana just casually accept the agreement of the War Department, or did he go into it in detail?

Mr. ELLIOTT. This matter between the War Department and the Washington Gas Light Co. has been gone into carefully. I did not go into all of the details of the litigation between these parties.

Mr. BLANTON. I want to call the gentleman's attention to this—that the War Department, through its various officers, is getting to absolutely run this Government; absolutely. I think the Congress ought not to delegate its power to the War Department to settle controversial matters about Government property.

Mr. ELLIOTT. We have not the time to go into them and settle all lawsuits and disputes.

Mr. BLANTON. I will object.

The SPEAKER. Objection is heard.

Mr. ELLIOTT. Mr. Speaker, I move to suspend the rules and pass this bill.

The SPEAKER. The Chair can not recognize the gentleman for that purpose. The Clerk will report the next bill.

### AWARD OF NATIONAL WAR LABOR BOARD IN FAVOR OF CERTAIN EMPLOYEES OF THE BETHLEHEM STEEL CO.

The next business on the Consent Calendar was the bill (H. R. 5481) to provide for the carrying out of the award of the National War Labor Board of July 31, 1918, in favor of certain employees of the Bethlehem Steel Co., Bethlehem, Pa.

The title of the bill was read.

The SPEAKER. Is there objection to the consideration of this bill?

Mr. WOLFF. I object.

Mr. EDMONDS. Will the gentleman from Missouri reserve his objection?

Mr. WOLFF. I will withhold it.

Mr. EDMONDS. I want to call this to the gentleman's attention: This concerns 30,000 employees of the Bethlehem Steel Co. I do not know whether the gentleman knew that or not.

Mr. WOLFF. I am surprised that gentlemen on that side of the House would be interested in the employees of any company. There must be something wrong with this in some place else. I object, Mr. Speaker; and in doing that I am acting in the interest of 300,000 employees.

The SPEAKER. Objection is made.

### ASSESSMENT WORK ON CERTAIN MINING CLAIMS

The next business on the Consent Calendar was the resolution (H. J. Res. 142) to suspend the requirements of annual assessment work on certain mining claims for a period of three years.

The title of the resolution was read.

The SPEAKER. Is there objection?

Mr. McCLINTIC. Reserving the right to object, I would like to ask a question of some one who is posted about this particular bill. Has this bill anything to do with placer mining?

Mr. BRUMM. No.

Mr. UNDERWOOD. Mr. Speaker, I object.

The SPEAKER. Objection is made. The Clerk will report the next bill.

### CONTINGENT EXPENSES OF THE BUREAU OF INDIAN AFFAIRS

The next business of the Consent Calendar was the bill (H. R. 8086) to amend an act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1915," approved August 1, 1914.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That section 8 of the act of August 1, 1914 (38 Stat. L. pp. 582, 590), be, and the same is hereby, amended by adding after the word "reimbursable," occurring in the thirteenth line of said section 8, the words "From tribal funds of the Chippewa Indians," so that said act shall read in part: "For the payment of high-school teachers at the White Earth Indian School, Minnesota, for instruction of children of the Chippewa Indians in the State of Minnesota, $4,000, or so much thereof as may be necessary, to be used under rules prescribed by the Secretary of the Interior."

With the following committee amendment:

Page 2, line 4, after the word "necessary," insert the words "said sum to be reimbursable from tribal funds of the Chippewa Indians."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

COMPENSATION TO CHIPPEWA INDIANS OF MINNESOTA

The next business on the Consent Calendar was the bill (H. R. 26) to compensate the Chippewa Indians of Minnesota for lands disposed of under the provisions of the free homestead act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARRETT of Tennessee. This bill was objected to and stricken from the calendar on June 4.

The SPEAKER. Then the Chair thinks it is not in order.

Mr. BEGG. If that is the ruling of the Speaker, then we are through.

Mr. SINNOTT. Mr. Speaker, I would like to be heard on that.

The SPEAKER. The Chair will hear the gentleman. It is a new question, and the Chair merely gave his offhand opinion.

Mr. BANKHEAD. Mr. Speaker, I make the point of order that it is not in order to consider this bill.

Mr. SINNOTT. The rule provides, Mr. Speaker, that a bill being on the Unanimous Consent Calendar—I am not reading the exact wording until I get to the latter part—may be stricken from the calendar upon one objection, and then it provides:

Should objection be made to the consideration of any bill so called it shall immediately be stricken from such calendar, but such bill may be restored to the calendar at the instance of the Member, and if again objected to by three or four Members it shall be immediately stricken from such calendar and shall not thereafter be placed thereon.

It seems to me, Mr. Speaker, this states as plainly as language can state it that the bill having been restored, after having been once stricken from the calendar, it takes three objections to stop it.

The SPEAKER. There is no doubt about that; but the point made is as to whether, having been upon the calendar for only two days, it can now be considered.

Mr. SINNOTT. I thought the objection was to the other point.

The SPEAKER. No.

Mr. VAILE. Mr. Speaker, may I be heard on that point?

The SPEAKER. The Chair understands that is the point.

Mr. GARRETT of Tennessee. Yes.

Mr. VAILE. The rule provides, in the first place, that bills which have been on the calendar for three days shall be called. That is the first disposition of the bills, and if objection is made they shall be stricken from the calendar, but they may be restored to the calendar at the instance of Members. "Restored" obviously means that a bill would be restored where it was before and where it had been for more than three days. It seems to me very clear that the original purpose of this rule was to provide an opportunity for Members to familiarize themselves with the bills so that they might make objections intelligently and that purpose is abundantly performed when a bill has been on the calendar for three days. It does not appear to me, though, that a bill must be on the calendar the last time for three days. Can we read into a rule requiring that a bill shall be there for three days the further requirement that it must be there twice for three days, which, in effect, is what would be the result of a ruling that it must be there now for three days? That would require a bill being there for six days.

The SPEAKER. But has the gentleman observed the last line of the rule:

That the same shall not be called twice upon the same legislative day?

Mr. VAILE. Yes; and that would seem to support my contention. It would have to be called the next day after it had been restored to the calendar, if at all. To say it shall not be called twice on the same legislative day would seem to indicate it could be called on the following day after it had been restored.

The SPEAKER. These legislative days only occur once in two weeks, as a rule, so that if it could not be called the next day it could not be called for two weeks. Therefore it seems to the Chair the intention was, as the gentleman has stated, that due notice should be given, and when a bill is stricken from the calendar the Members would have reason to suppose that they need not pay any further attention to that particular bill.

Mr. VAILE. But the suggestion of the Chair would not seem to apply to the end of the term, when practically the entire time is devoted to the Consent Calendar or to suspensions.

Mr. BEGG. In connection with the point the gentleman makes, I should like to call the Speaker's attention to the fact that the Consent Calendar is not drafted for the close of the session but for the general run of the session, and at no time, other than at the close of the session and by unanimous consent, does it come on consecutive days. In the framing of the rule I do not believe anybody had any thought of a second-day call or a change in any way of the three-day provision.

And when the bill is stricken from the calendar with one objection, what becomes of the bill? It stays off of the calendar unless the gentleman interested in the bill again secures unanimous consent to do what? To place it back on the calendar. Now, there is not any doubt, it seems to me, but what it is off the calendar, and then there can not be any doubt but what it must be on the calendar three days before being permitted to be taken up for consideration.

Mr. MOORE of Virginia. May I ask the gentleman a question?

Mr. BEGG. Certainly.

Mr. MOORE of Virginia. Is not this the fallacy in the statement the gentleman has just made? He says the bill can only be restored to the calendar by unanimous consent, but the rule does not say so.

Mr. BEGG. But that is the way they have been put back on.

Mr. MOORE of Virginia. But the rule says it shall be restored at the instance of the Member.

Mr. BEGG. Of course, it can be restored to the calendar the next day by the same procedure that it was put on originally, which makes my argument even more forceful than if it is put on by the unanimous-consent process.

Mr. MOORE of Virginia. But is not your argument destroyed by the proviso——

Mr. BEGG. No; I do not think so at all.

Mr. MOORE of Virginia. The proviso says, "the same bill shall not be called twice on the same legislative day." This excludes the idea that three days have to elapse after the restoration of the bill.

Mr. BEGG. I do not think so at all.

Mr. VAILE. Will the gentleman yield further?

Mr. BEGG. Gladly.

Mr. VAILE. I want to submit to the gentleman from Ohio that the rules are made, of course, for the average run of business throughout the session, but we must assume they are also made to take care of all the business of a session, including the last two days as well as the rest of the time.

Mr. WINGO. Mr. Speaker, it occurs to me the last line instead of being a bar, settles the question in favor of the consideration of the bill.

I direct the Speaker's attention to the fact that the language is: "*Provided*, That the same bill shall not be called twice on the same legislative day," not the same calendar day. We must assume that those who prepared this rule did so in the light of the experience of the House and with a certain fixed purpose in mind. Now, what is that? The experience of the House has been by unanimous consent to consider this calendar at other times than consent day, and, in addition to that, the evil that was sought to be protected against was that sometimes a Member made a captious objection to a bill, and in order to overcome this we provided that on the second call it should take three Members to strike it from the calendar, and in order to be sure that those who are really making a serious objection should not be compelled to keep this up, the rule provides that you shall not call it twice upon the same legislative day, but that does not mean the same calendar day. But even if it did mean the same calendar day, what is the situation we find ourselves in now? We are at the close of a session.

The House is operating under the suspension or consent rule now, and to say that it could not be called twice upon the same legislative day would mean that you would pass over for two weeks' time a bill to which a captious objection had been made, even though the House one or two days or a week thereafter should by unanimous consent agree that there should be another call of the Consent Calendar. There is a distinction between calendar day and legislative day.

Mr. LUCE. Mr. Speaker, my understanding of the purpose of a system of parliamentary procedure is that it shall enable the majority of a parliamentary body to express its will, with protection to the minority and sufficient safeguard against surprise. It has been further my understanding that whatever two interpretations of a rule are possible—as the Speaker, of course, is familiar with the fact—the interpretation which will facilitate the business of the House and yet will secure the rights of the minority and bring safeguard against surprise, is the one that is most likely to accomplish our purposes here.

It is manifest that the provision for a three-day warning was meant to give Members notice that this form of procedure would be requested. Now, the notice has certainly been sufficient in all these cases. These measures have been on the calendar for many weeks, most of them. There can be no question that every Member of the House has had full notice that this method of procedure might be requested, and I respectfully submit therefore that the interpretation of the rule which will carry out its spirit is the one which may most safely and wisely furnish a precedent for the future course of the House.

Mr. BEGG. Will the gentleman yield?

Mr. LUCE. Certainly.

Mr. BEGG. The gentleman's reasoning is certainly fallacious regarding the rules being drawn so that the majority can work its will. This rule is specifically drawn so that the minority, without a majority, can work under a gentleman's agreement or understanding there will be no call for a quorum. The gentleman's reasoning would be correct if there was any reason why a man when he opposed a bill could not make the point of no quorum, but with that in operation I submit to the gentleman the rule is drafted to expedite business unobjected to, even if there are only five Members present, and is not majority rule at all, but minority rule.

Mr. LUCE. I think the gentleman fails to notice that I carefully inserted, after saying the majority should carry out its will, that the rights of the minority should be safeguarded. The whole burden of my argument was that the rights of the minority have been safeguarded in this case.

Mr. MAPES. Mr. Speaker, I would like to call the Speaker's attention to the fact that, if the contention of those who say that a bill after it has once been objected to can be restored to the calendar and then called up before the expiration of three days should be sustained, that ruling would give to such a bill a greater preference than a bill has which has been on the calendar for two days that has not been objected to. I submit, Mr. Speaker, when the rule says that a bill must be on the calendar for three days before it can be considered, and then goes on to say that in case of objection it may be restored to the calendar and afterwards it shall take three to object to it or strike it from the calendar, that the word "restored," as used in that connection, means that the bill is placed back on the calendar, and it then has no more right than it had under the other language which provides for its being placed on the calendar in the first instance.

It seems to me quite clear that it would be giving an undue preference to bills on this calendar that have been on only one day since they were objected to over those that have been on two days that have not been objected to. We have reached the point on this calendar now where if the bills that have been restored to the calendar after having been once objected to are now in order under the rule, they will be given greater preference than bills that have never been objected to. There are several bills on the calendar which the membership of this House has the right to assume can not be brought up to-night except by unanimous consent.

Mr. LUCE. Will the gentleman explain how any advantage can accrue from requiring a 3-day interval between the first and the second objection? I mean when once the practice has been established.

Mr. MAPES. I think there might be such a case as this—two or three men in the House might have serious objection to the consideration of a bill on the Unanimous Consent Calendar who could not be present or might not be present as soon as one day after it was stricken from the calendar.

Mr. LUCE. Will the gentleman state what possible good can be accomplished by requiring a 3-day interval between the first and second consideration of the bill?

Mr. MAPES. Suppose we take the old rule before it required an objection of three to a bill, does not the gentleman concede that a bill had to be on the calendar three days after the original objection before it could be called up under the rule except by unanimous consent?

Mr. CRAMTON. Will the gentleman yield for a suggestion?

Mr. MAPES. Yes.

Mr. CRAMTON. If the three-day period means anything it means three days. If we are to hold that on a second appearance a less period is sufficient, you shorten it up to two days and then to one day and then nothing. The rule says there must have been three days, and if you are to say that that three days can be shortened up you can eliminate all time, which proves the absurdity of the contention.

Mr. LUCE. The gentleman has overlooked the provision that it shall not come up again on the same legislative day.

Mr. CRAMTON. I am speaking of the notice that is to precede its coming up.

Mr. MAPES. I desire to emphasize this fact, that the ruling contended for would give a greater preference to bills objected to than they had before the rule was adopted, because it was necessary then that a bill be on the calendar three additional days after the objection was made, taking it off of the calendar before it could be called up again.

Mr. GARRETT of Tennessee. Mr. Speaker, in its practical application the decision upon this point of order is of no great consequence except that it applies to the last six days of the session. It will be remembered by the Chair that the rule, until the adoption of the rule at the beginning of this Congress, did not provide that the second objection should be made by three persons. It could be objected to by one person the first time and by one person the second time, and the second objection by one person sent it permanently from the calendar. At the beginning of this Congress that rule was amended so as to provide that there should be three objections the second time. In ordinary times, of course, an objection being made upon a Monday, there is ample time for the Member interested to restore the matter to the calendar three days before the calendar can be again reached. Therefore, practically it amounts to nothing during those times, but during the last six days of the session it is all important. The purpose of inserting the provision for three objections was to obviate the difficulty which sometimes arises by reason of a bill being taken from the calendar through captiousness, through anger, or through hasty judgment on the part of some one individual. Inasmuch as this is a new question—and I confess that I am somewhat doubtful about it—if the old rule whereby it could be stricken from the calendar by just one objection were still the rule, I would have no hesitation in saying that it ought to be on the calendar three days in advance, even during the last six days in the session, but in view of the fact that we amended the rule at the beginning of this Congress so as to provide that there should be three objections, and that that was done for the purpose of obviating the difficulty growing out of captious, or angry, or hastily formed opinions, causing objection, it seems to me it would be only fair to hold that on the last six days of the session it might be called up even on the day following the day on which it is originally stricken off.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. BEGG. Does not the gentleman think that if such a ruling be made it would be absolutely unfair to the membership of the House? There is no warning at all five minutes ahead, there was not to-night, and there may be men who are violently opposed to some of these bills who are not here because of the assumption that these bills have not been on the calendar long enough, and it seems to me that if a calendar can be called up at any hour and any minute without warning, then the rule ought to hold.

Mr. GARRETT of Tennessee. They do appear on the calendar, and so far as I know this question has never been raised before. They are bound to appear on the calendar several hours in advance because the calendar appears early in the morning.

Mr. BEGG. I do not mean appear on the calendar, but I mean notice that the calendar is going to be called.

Mr. GARRETT of Tennessee. The calendar is in order the last six days of the session.

Mr. BEGG. Only for individual bills, to the Speaker.

Mr. GARRETT of Tennessee. Oh, indeed, no.

Mr. BEGG. I mean by consent, without notice.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. CARTER. Can the gentleman tell us whether, when this rule was adopted, there was any discussion in the committee as to whether, after a bill was restored, there should be eliminated the three-day requirement?

Mr. GARRETT of Tennessee. No; I do not recall that that was mentioned in the committee at all. As I said in the beginning, ordinarily it is of no consequence whatever, because the individual has plenty of time to put this bill on

between the two days when it could come up. It is only of importance during the last six days of the session.

Mr. BURTNESS. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. BURTNESS. After a bill is once objected to, theoretically can not a Member interested in the bill get the bill onto the calendar again the very next moment after it is objected to by immediately filing his request and placing it on the Consent Calendar?

Mr. GARRETT of Tennessee. He can file his motion, but of course it can not go on the calendar until the calendar is printed the following day.

Mr. BURTNESS. Does the calendar necessarily have to be printed before the bill is actually on the calendar? Is it not on the calendar when the Member officially makes his request?

Mr. GARRETT of Tennessee. It is printed, however, before anybody knows that it is on the calendar.

Mr. BURTNESS. Certainly; but the thought that occurred to me was this: The gentleman made the point that he felt it ought to require three objectors the next day, and I wondered if, theoretically, that would not really mean that it would require three objections immediately afterwards if, for some reason, they might see fit to go back through the calendar.

Mr. GARRETT of Tennessee. I do not think that question enters into the matter now at all.

Mr. ROGERS of Massachusetts. Mr. Speaker, of course the Chair in determining this question is bound to scan pretty closely the language of the rule itself. Questions as to the wisdom of the rule, questions as to the reasonableness of the rule, are of consequence, I suppose, only in case the Chair is in doubt what the rule means. Now, the rule says that the Speaker under certain circumstances shall direct the Clerk to call the bills which have been for three days upon the Consent Calendar. That seems to be a fairly unequivocal statement as far as it goes. Now, I ask the Speaker to look at a typical case which is now under discussion. Take the case of Mr. Raker's bill, which is No. 413 on the Consent Calendar. Placed on the Consent Calendar May 13, 1924. Objected to and stricken from the Consent Calendar June 4, 1924. A period of three weeks or thereabouts seems to have elapsed during which that bill was on the Consent Calendar. Now, I confess that it seems to me that the three-day rule is a rule which was intended to guard against surprise in view of the notice that a man must have under the required three-day notice.

The first time I can see myself how there is danger that a somewhat neglectful Member may be taken by surprise in this matter. Now, it is suggested that this Consent Calendar rule is a rule which was drafted primarily with a view to the conduct of business during the major part of the session, and that it should be construed with that idea in mind, but if the Chair will look at the early part of the rule he will find that it states that on days when it shall be in order to move to suspend the rules the Speaker may, and so forth. I should have thought it would have been more plausible, if the Consent Calendar applied only to suspension days during the major part of the session, that it would have been phrased so as to say on the first and third Mondays of each month. The only other time when business on Suspension Calendar is in order is during the last six days of the session. It seems to me, so far as there is any implication to be drawn from the rule in its present form, it is that this calendar rule specifically contemplated that the rule was to be peculiarly operative during the last six days of the session. Now, certainly justice is done by allowing the bill a second chance. Certainly it was contemplated that under certain circumstances the bill should come up a second time in this way, and I can not see why the orderly procedure of business is not going to be permitted by allowing the contention which I suggest. It is a question of what the Speaker now decides, perhaps. There may be here and there men who did not realize an objected to bill could come up to-day, but the point of order was raised last night and the point of order was argued, and those gentlemen objecting, if they desired, had an opportunity to be here on the theory that the measures might come up. Now, the last six days of the session, Mr. Speaker, everyone knows is a period of surprises in legislation. No one knows what the Speaker may decide to do in the matter of recognition for suspension. Members are expected to be on the floor the last six days more than any other time. Even the man who is not prepared to be on the floor has notice under the contention which I suggest, because he will find that the bill the morning after his objection has been placed on the calendar, and that it may be brought up under a proper construction of the rule.

Mr. MAPES. Will the gentleman yield?

Mr. ROGERS of Massachusetts. I will.

Mr. MAPES. I would like to ask the gentleman from Massachusetts what he would think of this situation: Suppose a Member had put a bill on the calendar earlier in the session and one man had objected to it upon the call of the Consent Calendar, say in January, knowing this rule, and if the Speaker should hold during the last six days of the session it could be called up on one day's notice, suppose he waited until late yesterday afternoon and had the bill restored to the calendar, and the Speaker in his wisdom should have seen fit immediately upon the call of the House this morning to have the Consent Calendar called. Would not the gentleman have an undue advantage over those who had put bills on in the regular order?

Mr. ROGERS of Massachusetts. I do not think it would be giving an undue advantage. I contend that that is what the rule provides for.

Mr. LEHLBACH. Mr. Speaker, I simply wish to call attention to this point: As the gentleman from Massachusetts [Mr. ROGERS] has said, a bill must be on the calendar for three days before it can be called up. That is to guard against surprise, not so much in order that the Members may acquaint themselves with the provisions of the bill, but that they may have notice that that bill may come up for consideration and passage.

That applies to its place on the Consent Calendar when it is first called up for consideration. Otherwise there might be surprises in the course of a session, eliminating the last three days. For instance, a bill may be on the Consent Calendar and called up and objected to and stricken from the calendar. A Member may wait until the Saturday afternoon before the next Consent Calendar day, and the next day thereafter would be the very day on which he would be enabled to have it called up if this three-day provision did not apply. In other words, this three-day rule means that people can take up the calendar and find out what the situation is. If the bill is not restored on Friday or Saturday it may be restored on Monday, and thereby people may be taken by surprise. I submit that to the Speaker.

Mr. CONNALLY of Texas. Mr. Speaker, there is nothing in the argument about Members not being informed. They are supposed to know this rule, as I have no doubt the Speaker is going to rule. Constructively they know what the situation will be. But I want to call attention to the language of this rule. It is first provided that when a bill is placed on the calendar it must be there three days before it can be called. That is the old portion of the rule. Then what does it provide? "Should objection be made to consideration of a bill so called, it shall be immediately stricken from such calendar, but such bill may be restored to the calendar at the instance of the Member." They do not have to go through this three-day process again. It may be restored to the calendar on the application of a Member; "and if again objected to by three or more Members, it shall be immediately stricken from such calendar, and shall not thereafter be placed thereon." Note that: "It shall not thereafter be placed thereon." But listen to the proviso: "*Provided*, That the same bill shall not be called twice on the same legislative day."

What does that mean? That proviso was added there because in the minds of the House there was a necessity for it. Without that proviso the House feared that that rule would mean that the same bill could be called up again on the same legislative day. So they provided by the rule an exclusion. When you provide that it shall not be called twice on the same legislative day, it means that it may be called up on a separate legislative day.

I contend that the bill is not stricken from the calendar in the original sense. It is simply restored to the calendar, and the amendment does not repeat the three-day provision at all. The Chair will bear in mind that the latter part of the rule is the new rule. The old rule remains the same. The bill may be restored.

Mr. BEGG. The gentleman from Texas seems to be making a great argument on the word "restored," differentiating it from "placing." I want to call the gentleman's attention to the fact that there is not much in that matter of restoration. I can take my watch from my pocket and find it is going and return it.

Mr. CONNALLY of Texas. But if it were provided that your watch were thrown out on the street, it would not be restored.

The SPEAKER. The Chair is ready to rule. The Chair thinks this is a close question, and there is support to decide

in either direction, but, on the whole, the Chair thinks that the reason three days' notice was required was not so much to allow Members that time in which to know that a bill was coming up, but in order that they should have time in which to examine the different bills, make up their minds about them, and determine whether they wanted to object.

If any bill has been on the calendar, the Members have had three days in which to study it. Then the second time, the Chair is disposed to think, there is not the practical need of the same three days that there was before, because the Members have already had three days; they have studied the bills theoretically, know the bills, and know their minds about them. Therefore the only notice that would be required the second time would simply be the notice to them to be present if they wished to object. That notice they get from the calendar in the morning. Theoretically we are all here every day, and a calendar is provided for us to see what the business is.

So the Chair concludes and will rule that it does not require the second time three days' notice but requires only one day's notice, and that the specific bill on which the question was raised is in order.

Mr. LONGWORTH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LONGWORTH. Under that ruling the next bills which follow, a number of them, which were restored to-day, having been objected to, stricken from the calendar, and restored to-day, would require three objections?

The SPEAKER. Of course they would require three objections.

Mr. LONGWORTH. The bills which were stricken from the calendar and restored would require three objections?

The SPEAKER. Certainly.

Mr. HOWARD of Nebraska. Mr. Speaker, pending the arrival of a quorum, I would like to call up No. 87 on the House Calendar, page 28.

The SPEAKER. Of course the gentleman knows that is not in order. The question in order is the bill against which a point of order was made.

Mr. HOWARD of Nebraska. The Speaker will forgive me. A Member of the House, in whom I have the greatest confidence, told me that I might ask anything of the Speaker, and he could grant it if he wanted to. [Laughter.]

The SPEAKER. The gentleman exaggerated the power of the Speaker. The Speaker is bound by the rules of the House.

Mr. HOWARD of Nebraska. All right.

The SPEAKER. The bill before the House is the one against which a point of order was made and which point of order was overruled. The Clerk will report that bill.

COMPENSATION TO CHIPPEWA INDIANS OF MINNESOTA

The next business on the Consent Calendar was the bill (H. R. 26) to compensate the Chippewa Indians of Minnesota for lands disposed of under the provisions of the free homestead act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That there is hereby authorized to be appropriated, out of any funds in the Treasury of the United States not otherwise appropriated, the sum of $1,787,751.36, with interest thereon at the rate of 5 per cent per annum from December 31, 1922, to the date of settlement, said total amount to be credited to the general fund of the Chippewa Indians of Minnesota arising under the provisions of section 7 of the act of January 14, 1889.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. SPROUL of Illinois. Mr. Speaker, I make the point of no quorum.

Mr. CRAMTON. Will the gentleman withhold his point of order for just a minute?

Mr. SPROUL of Illinois. Yes.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made on the fiscal bill.

The SPEAKER. The gentleman from Michigan asks unanimous consent to revise and extend the remarks he made on the fiscal bill. Is there objection?

Mr. HILL of Maryland. Reserving the right to object, they are the gentleman's own remarks?

Mr. CRAMTON. Well, I especially desire to put in the text of the amendments which I shall offer and which I hope will come up to-morrow.

Mr. HILL of Maryland. But no speech by Mr. Volstead or any others?

Mr. CRAMTON. Neither by Mr. Volstead nor by Nicholas Murray Butler.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SPROUL of Illinois. Mr. Speaker, I renew my point of no quorum.

Mr. LONGWORTH. Will the gentleman withhold his point of no quorum in order that I may make a unanimous-consent request?

Mr. SPROUL of Illinois. Yes.

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock to-morrow morning.

Mr. SEARS of Florida. Reserving the right to object, and I doubt whether I shall object, because I have never objected to any request made by the majority leader, as I understand it to-night we took up the Unanimous Consent Calendar under a unanimous-consent agreement?

The SPEAKER. The Chair is not aware of any consent agreement.

Mr. SEARS of Florida. It has to be.

The SPEAKER. No.

Mr. SEARS of Florida. The point I was making was this: We have been promised for about two weeks that we would have a night to consider private bills which had been passed by the Senate, and I was wondering whether to-morrow we could take up those bills which had been passed by the Senate if there was time?

Mr. LONGWORTH. I will say to the gentleman that I have been hopeful that such an arrangement could be made, and if we have a hiatus to-morrow I shall be glad to ask unanimous consent to that effect.

Mr. SEARS of Florida. I have been here for three nights and I will be here at 11 o'clock to-morrow morning, and I have no objection.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

AN ACT ACCEPTING CERTAIN TRACTS OF LAND IN THE CITY OF MEDFORD, OREG.

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. The gentleman from Oregon asks unanimous consent to address the House for one-half minute. Is there objection? [After a pause.] The Chair hears none.

Mr. SINNOTT. Mr. Speaker and gentlemen of the House, the national park service connected with Crater Lake National Park needs three lots at Medford, the western approach to Crater Lake National Park. The city council of Medford is donating free of charge, free of assessment, and free of taxes these three lots to the Federal Government, and I ask unanimous consent to consider a 10-line Senate bill accepting these three lots free of charge.

The SPEAKER. Is there objection?

Mr. SPROUL of Illinois. I will withhold the point of order for a few minutes.

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, if the gentleman is going to make a point of no quorum, he ought to make it. Is this bill on the calendar?

Mr. SINNOTT. Yes; it is only a 10-line Senate bill (S. 1987) donating to the Government three lots which the Government absolutely needs in connection with the Crater Lake National Park. They are donated free of charge, free of taxes, free of assessments, and with a speech extended in the RECORD, if necessary.

Mr. GARRETT of Tennessee. If gentlemen who have bills on this calendar are willing to stand for that—I have none on the calendar——

Mr. WOLFF. I am going to object unless the gentlemen agree to stay here until 11 o'clock, as they have been doing.

Mr. SINNOTT. I hope the gentleman will not object. These lots are absolutely needed by the Government, and it is only a 10-line Senate bill.

Mr. WOLFF. I object unless the gentleman consents to withdraw his point of no quorum.

Mr. SINNOTT. I will help the gentleman to stay here until 11 o'clock.

Mr. WOLFF. The point of order is only withdrawn temporarily until the gentleman passes this bill.

Mr. SINNOTT. Will the gentleman temporarily withdraw his point of order?

The SPEAKER. But the gentleman from Missouri objects.

Mr. WOLFF. Unless you stay here until 11 o'clock, as you have been doing.

Mr. SPROUL of Illinois. I will not agree to withdraw the point of order and wait until 11 o'clock.

Mr. BLANTON. I hope the gentleman will withdraw his point of order. There was a tentative agreement here to-night that the Members would work until 11 o'clock on noncontroversial bills. I hope the gentleman from Illinois will not insist on his point of order, so we can work until 11 o'clock.

Mr. SPROUL of Illinois. We have wasted time on points of order.

Mr. BLANTON. I know that; but we have reached the point where we can work and we can pass 10 of these bills between now and 11 o'clock.

Mr. LaGUARDIA. I did not hear anything about any agreement.

Mr. BLANTON. It was a kind of tentative understanding among the Members.

Mr. SPROUL of Illinois. Mr. Speaker, I withdraw the point of order for the present.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read the title of the bill.

Mr. GARRETT of Tennessee. This is not a bill that is in order. It is not on the calendar.

Mr. SINNOTT. Yes; it is on the end of the calendar.

Mr. GARRETT of Tennessee. It is on the end.

Mr. SINNOTT. But there is no objection.

Mr. GARRETT of Tennessee. I thought the calendar was to be taken up in its regular order.

Mr. SINNOTT. This bill is on the Consent Calendar.

Mr. GARRETT of Tennessee. You can not jump to the end of the calendar.

Mr. SINNOTT. My request was to take up the bill.

Mr. GARRETT of Tennessee. Are you gentlemen who have bills on the calendar willing to stand for that?

Mr. MOORE of Virginia. Mr. Speaker, I do not think it is a fair thing to take up bills out of the regular order when there is at least a tacit agreement that the calendar shall be considered in regular order; still, I do not make any objection.

Mr. SINNOTT. I thank the gentleman.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.*, That the Secretary of the Interior be, and he is hereby, authorized to accept certain tracts of land in the city of Medford, Jackson County, Oreg., described as lots Nos. 15 and 16, block 9, amended plat to Queen Ann Addition to the city of Medford; and lot 3, block 2, central subdivision to the city of Medford, which have been tendered to the United States of America in fee simple by the city of Medford, Oreg., as sites for buildings to be used in connection with the administration of Crater Lake National Park, Oreg.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the reports of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House of Representatives to bill of the following title:

S. 2257. An act to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4635) to pay tuition of Indian children in public schools.

The message also announced that the Senate had passed the following resolution:

*Resolved*, That the bill from the House of Representatives (H. R. 9561) making additional appropriations for the fiscal year ending June 30, 1925, to enable the heads of the several departments and independent establishments to adjust the rates of compensation of civilian employees in certain of the field services do pass, with the following amendments:

(1) Page 16, line 14, strike out "$300" and insert "$680."

(2) Page 16, line 15, strike out "$680" and insert "300."

(3) Page 23, after line 2, insert:

DEPARTMENT OF COMMERCE

"Bureau of Fisheries: For protection of the fisheries of Alaska, including travel, subsistence (or per diem in lieu of subsistence) of employees while on duty in Alaska, hire and maintenance of boats, employment of temporary labor, and all other necessary expenses to carry out the provisions of the act entitled 'An act to protect the fisheries of Alaska,' approved June 6, 1924, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $55,000 for the fiscal year 1924, and to remain available until June 30, 1925."

(4) Page 23, line 3, strike out "$26,302,767.84" and insert "$26,357,767.84."

The message also announced that the Senate had passed the following resolution:

*Resolved by the House of Representatives (the Senate concurring)*, That the action of the Speaker of the House of Representatives and of the President pro tempore of the Senate in signing the enrolled bill (H. R. 5325) entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes," be rescinded and that in the reenrollment of said bill the following amendment be made, viz: In section 2, after the word "Interior" in the proviso, insert the following: ", with such additional reasonable and necessary expenses for said tribal attorneys to be approved and paid from the funds of the respective tribes under the direction of the Secretary of the Interior, as may be required for the proper conduct of such litigation."

Attest: WILLIAM TYLER PAGE, *Clerk*.

*Resolved*, That the Senate concur in the passage of concurrent resolution of the House of Representatives No. 29.

Attest: GEORGE A. SANDERSON, *Secretary*.
By H. W. CRAVEN, *Chief Clerk*.

STANISLAUS NATIONAL FOREST, CALIF.

The next business on the Consent Calendar was the bill (H. R. 105) for the inclusion of certain lands in the Stanislaus National Forest, Calif., and for other purposes.

The Clerk read the title to the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted etc.*, That within the following-described areas any lands not in Government ownership which are found by the Secretary of Agriculture to be chiefly valuable for national-forest purposes may be offered in exchange, under the provisions of the act of March 20, 1922 (Public, No. 173, 42 U. S. Stat. L., p. 465), upon notice as therein provided, and upon acceptance of title shall become parts of the Stanislaus National Forest; and any of such described areas in Government ownership chiefly valuable for national-forest purposes and not now parts of any national forest may be added to said national forest, as herein provided by proclamation of the President, subject to all valid existing entries: Township 1 south, range 16 east, sections 1 to 5, inclusive, 8 to 15, inclusive, 22 to 27, inclusive, and 34 to 36, inclusive; township 2 north, range 15 east, sections 1 to 12, inclusive; township 2 north, range 16 east, sections 2 to 10, inclusive, 15, 16, and 21; township 4 north, range 14 east, sections 1, 2, 11 to 14, inclusive, and 23 to 26, inclusive; township 5 north, range 14 east, sections 1, 2, 11 to 14, inclusive, 23 to 26, inclusive, 35 and 36; township 6 north, range 14 east, sections 1 to 4, inclusive, 9 to 16, inclusive, 21 to 28, inclusive, 33 to 36, inclusive; township 7 north, range 14 east, sections 9 to 17, inclusive, and 19 to 36, inclusive; all Mount Diablo base and meridian.

The following committee amendment was read:

Page 2, line 4, strike out the word "entries" and insert the words "claimed and provision of existing withdrawal."

The SPEAKER. The question is on the committee amendment.

Mr. TABER. Mr. Speaker, I make the point that there is no quorum present.

Mr. JEFFERS. Will the gentleman withhold that for a unanimous-consent request?

Mr. SEARS of Florida. Will not the gentleman withhold it until the gentleman from California can pass this bill?

Mr. SINNOTT. I hope the gentleman will withdraw the point until the bill can be passed. The bill has been read.

Mr. TABER. I understand that this bill provides for the exchange of a lot of timberland for some old stumpage. I will withhold the point long enough to let the gentleman explain the bill.

Mr. RAKER. We passed two bills like this last night with reference to New Mexico. This is not a bill to exchange worthless lands.

Mr. CLARKE of New York. I would like to have something from the Department of Agriculture approving this bill.

Mr. RAKER. The Department of Agriculture has approved of the bill.

Mr. CLARKE of New York. I have seen nothing in writing, and I object.

The SPEAKER. The gentleman from New York [Mr. TABER] has made the point that there is no quorum.

Mr. JEFFERS. Will the gentleman withhold it for a unanimous-consent request?

Mr. TABER. I will.

CONSCRIPTION OF WEALTH AND INDUSTRY

Mr. JEFFERS. Mr. Speaker, I ask unanimous consent to extend in the RECORD my remarks on the subject of the idea of universal draft in the event of future wars, by inserting a telegram which I have received from the Christian Science Society, of Anniston, Ala. Also a few lines on the subject clipped from an article by National Commander John R. Quin, of the American Legion.

The SPEAKER. The gentleman from Alabama asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. JEFFERS. Mr. Speaker, in connection with this important matter, I ask unanimous consent to extend in the RECORD my remarks on the subject of the idea of universal draft in the event of future wars by inserting in my remarks a telegram which I have received from the Christian Science Society of Anniston, Ala. Also a few lines on the subject clipped from an article by National Commander John R. Quinn, of the American Legion. This article by Commander Quinn appeared recently in the Legion Barrage, published at Birmingham, Ala.

As is now well known throughout the entire Nation, the American Legion is sponsoring and strongly advocating suitable legislation in line with the sentiment in the country for the universal draft, thereby aiming to take the profit out of war, and this telegram from the Christian Science Society is in line with this great movement, and I am glad to insert in the RECORD this expression of their approval of the plan:

ANNISTON, ALA., *May 29, 1924.*

LAMAR JEFFERS, M. C.,
*House Office Building, Washington, D. C.:*

Christian Science Society of Anniston, Ala., yesterday passed following resolution:

"It appearing that bills have been introduced into both Houses of Congress based substantially on the peace plan of the Christian Science Monitor, providing for constitutional amendment authorizing Government to conscript all the forces of the Nation, including wealth and industry, thereby taking the profit out of war:

"*Resolved*, That Christian Science Society of Anniston, Ala., petition its Representatives in Congress to lend their earnest efforts toward the adoption of such amendment to become automatically effective in event of war, and that this resolution be read into the CONGRESSIONAL RECORD."

CHRISTIAN SCIENCE SOCIETY OF ANNISTON, ALA.

Mr. Speaker, the following is the clipping from the Legion Barrage, of Birmingham. It is from the pen of National Commander Quinn, of the American Legion:

The one issue the Legion will insist upon, the one bill the Legion intends shall be enacted into law, is the universal draft law. To draft men to serve for $30 a month while other equally good potential soldiers draw big salaries in safe jobs is unjust.

Equally unjust is it for manufacturers to make huge profits. We intend to put upon the statute books a law drafting men, money, and material to serve without profit during the duration of the emergency. The Nation it is which makes war, and all the Nation and its wealth should serve in that war without profit. Take profit out of war and maybe there will be fewer wars.

PROPAGANDA

Mr. TILSON. Mr. Speaker, the rapid depletion of the timber supply of the country is a fact which thoughtful people, regardless of party affiliations, view with increasing alarm. Unless a halt is called or steps taken to replace our disappearing forests, it requires no prophetic vision to see the day when America will resemble China and India in this regard. It is not practicable now to do more than slow down somewhat the woodman's axe and to urge forward by every reasonable means the gradual process of reforestation. We can, however, and ought to, eliminate one most willful, wicked, and wanton waste of perfectly good timber. No, I do not refer to forest fires—something even worse—I refer to the plague of printed propaganda.

The idea seems to have gone forth—and it is correct—that the two capacious wastebaskets now in general use by Members of Congress will no longer contain the daily deluge of propaganda now being dumped upon us, and it seems to be inferred that if the wastebaskets will not hold it all, there may be a chance of some of the overflow being read, so the avalanche seems to be increasing. Vain hope! I am informed that other and larger wastebaskets are to be procured and that additional facilities are to be provided for handling without the necessity for opening or reading. Hence my notice in the interest of true conservation.

If there is anywhere a more useless, senseless waste of ink and paper, to say nothing of time and vital energy, than the present method now in full swing of propagandizing Congress, then I am not cognizant of it. Most Members of Congress, like most other people, need to be informed, and, as a rule, they are desirous of being informed; but if there were 48 hours in the day instead of 24, no mortal man could possibly read a tithe of the so-called information now being deposited daily in the bulging wastebaskets of Senators and Representatives. Lest something of value be overlooked, it is necessary to have a secretary at least remove the envelope or wrapper and make a superficial examination. Even this takes time that might be employed in useful service.

Nor is the more bulky printed matter the only form of foolish propaganda. Many well-meaning people are misled into signing silly form letters, and some are led so far as to perform the senseless task of laboriously copying what some interested party has placed in their hands with the request that they copy, sign, and send to Washington. They do not realize that when a Member of Congress has received several hundred communications in exactly the same language he will suspect that the identical same inspiration has probably not come to so many persons simultaneously. In fact, the experienced Member of Congress can usually guess quite promptly the exact source of the inspiration, and as a rule knows that the real source is not altogether free from the taint of self-interest. Nothing is more acceptable or, in fact, more helpful to a Member of Congress who desires to serve the best interests of the people effectively than to receive communications from his constituents. I mean their own communications. There is no one so humble that his ideas on matters to which he has given thought ought not to be taken into consideration. People ought to give more thought to matters of government, and when they do their ideas are not only entitled to respect but they should prove helpful. It is worse than wasted energy, however, to transmit the stale ideas of some one else who is perhaps selfishly interested, and it makes no difference whether those ideas are in a form letter, printed, or copied, or more or less cleverly rehashed in order to conceal the origin.

Genuine, unprejudiced public opinion is the life and strongest bulwark of free government, but the manufactured article is a dangerous substitute, especially when emanating from sordid self-interest, and many there be who are deceived thereby.

CONSTRUCTIVE RECORD OF REPUBLICAN ADMINISTRATION, 1921–1924—FARM RELIEF

FAILURE OF DEMOCRATIC POLICY

Mr. WILLIAMSON. Mr. Speaker, the advent of the Wilson administration and the Democratic tariff law resulted in a pronounced industrial depression whose increasing momentum was only stopped by the breaking out of the World War. The war brought on an unprecedented demand for the products of both factory and farm which continued until the time the armistice was signed. With the close of the war, however, came increasing production abroad, and the products of foreign factories and mills soon began to find their way into this country over the low tariff barrier. The depressing effect of these importations soon began to have a very marked influence upon our own industry and by the time the Wilson régime came to an end we had over 5,000,000 idle workmen in our great industrial centers. Agriculture, which had no protection whatever under the Underwood law, also became a victim of huge importations of wool and mutton from Australia; corn and beef from the Argentine, and wheat, milk, and cheese from Canada, with the result that the price of these items fell to a point below the cost of production. To add to the discomfitures of agriculture, the railway systems, then operated by the Government, all but ceased to function during the fall of 1919. As a result, many farmers were unable to market their stock. The following winter proved an unusually severe one and great numbers of cattle perished on our midwestern farms and ranges. On top of all this came the deflation policy instituted

by the Federal Reserve Board. As a result many farm products fell to one-third of their former value, bringing complete ruin to thousands of farmers and cattlemen all over the country.

REPUBLICAN POLICY BRINGS PROSPERITY TO INDUSTRY AND LABOR

It was under these distressing circumstances that the Harding administration came into power. So desperate had the situation become that a special session of Congress was convened on April 4 following the inauguration of the new President. The new Congress lost no time in passing the emergency agricultural tariff and antidumping law. Under the beneficent influence of this statute wool and corn speedily rose in value, and the rapid trend downward of other farm products was arrested. Industry gradually recovered, and at the end of 18 months every man who wanted work could find it at good wages. From that time to this good day industry has been humming, construction work has gone on apace, and new houses have been built by the tens of thousands. Outside of the agricultural industry everybody seems happy and contented.

ACHIEVEMENTS OF SIXTY-SEVENTH CONGRESS

The Sixty-seventh Congress made a record for useful, progressive, and constructive legislation that has probably never been equaled by any other Congress. Among the many measures of this character which received my active personal support and which were enacted into law are the following:

The agricultural emergency tariff bill, which put wool men back on their feet and materially improved the market for corn and small grains.

The Budget and reorganization bills, which have saved hundreds of millions of the taxpayers' money.

The bills reducing the Army from 232,000 enlisted men to 125,000 and the Navy personnel from 133,000 to 86,000 men.

The trading in grain futures act, designed to curb speculation and gambling in grain futures.

The packers and stockyards act, which effectively puts an end to discrimination in favor of certain shippers.

The bill providing monthly pay to Civil War veterans.

The law reviving the War Finance Corporation.

The intermediate credit bank act providing for rural credit loans on chattel security.

The law putting a "dirt" farmer on the Federal Reserve Board.

Relief bills for settlers upon irrigation projects and extending the time for payment of moneys due upon homestead entries and Government land purchases upon Indian reservations.

Amendment to farm loan act providing additional funds.

Bill authorizing Federal farm-loan banks to make loans on lands in irrigation projects.

Disarmament conference bill.

Refunding of foreign debts bill.

Maternity and infancy bill.

Cooperative agricultural association bill, making it possible for farmers to organize with a view to stabilizing their own markets.

Bill appropriating $350,000 for the eradication of the barberry bush which harbors the spores of the grain rust.

The "filled milk" bill prohibiting the transportation of this product in interstate commerce.

Bill providing $1,500,000 for the purchase of seed grain for needy farmers in the drought-stricken area of the United States.

The $17,000,000 veterans' hospitalization bill and the Veterans' Bureau reorganization act.

Law giving independent citizenship to women.

GREAT ECONOMIES ACHIEVED

This Congress also made a notable record for economy and reduced appropriations from $6,454,596,649 for the year ending June 30, 1920, to $3,706,777,163 for the year ending June 30, 1924. This vast reduction of expenditures permitted a large reduction of the tax burden. In carrying out this reduction Congress applied the sound principle that he who is best able to pay should carry a proportionately larger share of the tax load. In drafting the new revenue law, therefore, the largest decreases were given to those who had the smaller net incomes. In spite of the great reductions all useful activities of the Government have been maintained at an increased state of efficiency, and the public debt has been reduced from $24,049,527,788.58 on February 28, 1921, to $21,544,803,395.74 on May 31, 1924.

CONSTRUCTIVE WORK OF SIXTY-EIGHTH CONGRESS

The present session of the Sixty-eighth Congress has also passed a number of bills of first-rate importance, among which are:

Adjusted compensation bill, removing the economic handicap suffered by the World War veterans during the late war.

The immigration law, which for the first time puts immigration upon a scientific basis.

Act extending the life of the War Finance Corporation for nine months for the purpose of extending agricultural credits.

Law authorizing postponement of payments by settlers on irrigation projects.

The narcotic drugs act.

The act to consolidate, codify, revise, and reenact laws affecting the establishment of the Veterans' Bureau, putting an end to many abuses and liberalizing the rules relating to relief of the disabled.

The child labor constitutional amendment.

The revenue act of 1924, making a flat reduction of 25 per cent in the 1923 tax payable this year, and cutting the tax burden payable in 1925, 60 per cent on incomes below $10,000. On incomes above this amount the reduction gradually grows smaller until a minimum reduction of 25 per cent is reached on the largest income.

The bill also repeals all taxes on telephone and telegraph messages; on beverages; on theater tickets under 50 cents; on auto trucks and bodies, chassis costing $1,000 and body $200; on articles of jewelry valued $30 or less; on watches selling at $60 or less; and on automobile accessories and parts a reduction is made from 5 per cent to 2½ per cent.

REVENUE ACT OF 1924 COMPARED WITH MELLON PLAN

Notwithstanding all the criticism leveled at the revenue act of 1924 it is by far the most scientific and the fairest of any income and excise bill passed by the American Congress. While it makes the greatest reductions to those who are the least able to pay, it gives very substantial relief to business and should help materially to reduce the cost of living. The present law, as a matter of fact, makes a very much larger reduction in taxes than the much-advertised Mellon plan. According to statements made by the Actuary of the Treasury, it reduces taxes for the year 1925, $22,000,000 more than the Mellon plan and for the year 1926, $100,000,000 more than the Mellon plan. It also reduces individual income taxes of 1923, payable in 1924, $232,000,000, whereas no reduction whatever in the 1923 tax was provided for in the Mellon bill. The net reduction below the revenue act of 1921 is $250,000,000 in income taxes and $111,000,000 in excise taxes, making a total reduction of $361,000,000 for the fiscal year ending June 30, 1925.

The Mellon plan would have made the largest reduction for the big fellows. This bill gives the advantage to the small taxpayers. With good business management the law will produce sufficient revenue and leave a substantial surplus in the Treasury, even after paying the soldiers' bonus.

TAX-EXEMPT SECURITIES

Personally I had hoped that the proposed amendment to the Federal Constitution permitting incomes from tax-exempt securities to be taxed could have been submitted to the several States for their approval, but the resolution submitting the amendment failed by a narrow margin to secure the necessary two-thirds vote.

M'NARY-HAUGEN BILL

The most outstanding fight waged during this session has been fought by the friends of the farmers on behalf of the McNary-Haugen bill, which had for its object the increase of the price of farm commodities to a point where they would have the same purchasing value in nonagricultural commodities as they had in the 10-year period preceding the World War. This bill has had my active, continued, and unqualified support as the measure giving the largest promise of relief to agriculture, but it was beaten by a combination of eastern Republican and southern Democratic votes.

WHEAT RELIEF BILL

To-day I introduced H. R. 9697, declaring the existence of an emergency arising out of the low price of wheat and providing for the purchase of the surplus of wheat of the crop of 1924 available for export. This is identical with the Sterling bill introduced in the Senate yesterday. This bill ought to receive the favorable consideration of Congress. If enacted into law, it would immediately raise the price of wheat not less than 35 cents a bushel. While this will not give that general relief to agriculture that I believe the farmers are entitled to, it will give aid where it is most needed. In view of the fact that the Government made at least $68,000,000 net profit out of its dealings in wheat during the war, it is only simple justice that some restitution be made.

Congress has adjusted losses alleged to have been suffered by big business on account of cancellation of war contracts, losses sustained by the railways while under Government oper-

ation, losses suffered by mining companies and prospectors in producing or attempting to produce war minerals, and provided adjusted compensation for the ex-service men. These adjustments have already cost the American taxpayers billions of dollars, and more billions will be required to pay the obligations assumed under the adjusted compensation act.

SQUARE DEAL FOR FARMERS DEMANDED

Many of the adjustments to big business have seemed to me unduly liberal. Yet when we of the Middle West ask for a square deal for the farmers of the country we are denounced as wild theorists who are "seeking to lift the farmer by his boot straps." The manifest unfairness of those who have already gotten their adjustments in denying it to agriculture makes their criticism of small validity. No matter what form farm relief measures have taken they have been denounced, blocked, and voted down. Unless the representatives of industry and labor in this House change their tactics toward the American farmer they will find the prosperity of their own people shattered by the misfortunes of the agriculturists. Either the farmers' prosperity must be brought up to the general level of that enjoyed by industry, business, and labor or these top-heavy structures now carried on the backs of the farmers will tumble. Business depression and unemployment will fol-

FARM RELIEF BILL

Mr. MORROW. Mr. Speaker, the McNary-Haugen bill may not be a perfect bill, but it is the only relief offered and should at least have been amended and put in shape so that its provisions could be enacted into a law that would offer the farmer an equal opportunity with all other business in the Nation. Every other business has its thorough organization and protection. Why should not the farmer also be justly dealt with?

Congress as a body is called upon to legislate for the people in regulating and promoting the affairs of government. If the Nation is to be prosperous, the people must be contented and fairly prosperous. In other words, those who spin and those who toil must earn or create sufficient to feed, clothe the body, and keep up living conditions and be able to meet their obligations without being hampered and embarrassed.

This condition does not prevail in the western agricultural and stock-farming districts of the north central, west, and in the Rocky Mountain districts of this United States.

The grain farmer is bankrupt; the stock farmer is bankrupt. The question is: Why are they bankrupt? The one answer, because freight rates are too high; another reason is because the farmer is without an open market for his grain or livestock.

The question naturally arises, Why is the farmer without an open market for his grain and his livestock? Because he is to-day practically isolated from the markets of Europe on account of the protective tariff wall erected by the Fordney-McCumber tariff law, and for the very reason that the markets of America for the sale of both livestock and grain are controlled by and are in the hands of big business. The stockyards offer simply a selected market for livestock, only open to the stockyard speculator; the same may be said of the grain market.

I do say with all the power that I possess that the American farmer, the man who builded and made prosperous this great Nation, can never again be prosperous in this great country until the markets of the world are open to his products. You tell him, "Do not produce so much wheat," but he has his wheat land. You say, "Do not produce so many hogs," but he has his equipment and capital for such. You say the same thing about his cattle, but he has his stock ranch, equipment, and a mortgage to his local banks upon his livestock. If foreclosed, it bankrupts the stock farmer and the banker alike.

Why, then, this condition of the real man of the Nation, the most intelligent, moral citizen of this great America? And when I say this I am willing to back it up with our national data. The great agricultural State of Iowa has the lowest percentage of illiteracy of any State of the entire United States, and perhaps of any equal area and equal population in the entire world, the same being 1.8 for males in the cities, 1.2 for males in the rural or country districts, 1.6 for females in the cities, and 1.1 for females in the rural or country districts.

Gentlemen, is it any wonder you have the Farmer-Labor vote predominating in the Northwest, West, and in the Rocky Mountain divisions of this great Nation? Are those toiling, struggling, progressive citizens who have endured the storms and builded an intelligent part of this Government receiving their share in the profits from toil? They have helped build this Nation. Are they, like the great railroads that span the country, practically guaranteed 5¾ per cent upon their investment?

Were those same farmers given a bonus to tame the wilderness and cause the once desolate country west of the Mississippi River, the home of the buffalo, antelope, and elk, to change by the plow into a fertile country and to blossom like a rose? I ask you, gentlemen, as servants of the masses of this great country, what is to become of the American farmer? Already more than 2,000,000 of them the past year have left the great American farm, the great civilizing and enlightening sphere of nature, and have gone from rural life to the city. Shall this continue until only a remnant of this wonderful, toiling, producing, and equalizing portion of our people remain for the raising of the food products of the whole people? What will it mean? The answer is very clear; it will mean in a very brief period disaster to all the people, and more especially the wage earner.

The all-important question now is, What will help the farmer of the Middle West, Northwest, and Mountain States, in fact the farmers of the whole Nation? What solution can be found for the problem that confronts this greater part of our National Government, so widely separated in the lack of manufacturing and so wound up in livestock and farming production that it does not receive any very direct benefits from national legislation and especially that legislation that goes to very much of the protected interests of the Nation; but in turn this protection is reflected in the high price that the farmer must pay for the things he is compelled to buy.

The Republican Party that was returned to power by the greatest majority ever known in the history of this Government some three and a half years ago and has been responsible to the people of the Nation for legislation and management of the affairs of Government since that date promised the people economy, prosperity, and above all honesty in governmental affairs. Has it made good? This question will be answered by the intelligent electorate in the next election.

It enacted a protective tariff. For whom did it legislate? Principally for the great special interests, the cotton and wool manufacturer. Bankruptcy has come to more than 3,500,000 farmers by increasing the cost of all his supplies and decreasing his market for his products. Look at these figures, and then say whether the party in power has helped the farmer, the producer. A nation that has 34,000,000 people engaged in a gainful operation of feeding the other 70,000,000, and still that 34,000,000 are unable to make both ends meet. It would appear that we are drifting without proper leadership in the Nation. A nation where the farmer sold his farm product in 1923 for $7,500,000,000 on the market provided, and then the same farm product was sold on the retail markets of this Nation for $22,500,000,000.

Should not the farmer realize at least 50 per cent on each dollar of his farm products? A country that has reduced her farm population several millions in the past three years and has reduced farm ownership from 6,500,000 to 3,000,000 farm owners.

Taxes have increased upon the farmers until it has brought ruin to thousands of them. In my own State, New Mexico, the crime of deflation put our livestock men out of business by the thousands. Wall Street, by manipulation of the Federal reserve banks of this country, brought a part of this catastrophe to the American farmer.

The latest data concerning values are: 1917 average value of plow land in the United States, $70 per acre; in 1920 average value, $90 per acre; in 1923 average value of farm land per acre, $22. In 1912, 2,000 farmers went bankrupt. In 1922, 6,000 farmers went bankrupt. In 1923, 1 farmer in every 12 lost his farm. The railroads have $407,464,808 borrowed from the Government; 10 per cent of our public land, or 312 square miles, have been given the railroads of the Nation by the Government of the United States. And yet, through the Interstate Commerce Commission rulings, the railroads of the Nation are to receive in earnings upon invested capital at a fixed valuation a net return of at least 5¾ per cent upon each dollar.

Would not the American farmer be a happy man to-day if after his taxes and fixed charges were paid that he should have left a return of 5¾ per cent upon each dollar of his investment?

To give you some idea of how unequal the distribution of the return of earnings are as compared with the farmer, who receives at this time practically nothing upon his investment, I want to cite here some very important data for the farmers' information and for those who sympathize with his unequal struggle at this period of our history.

This data has been recently published in the leading journals and no doubt is authentic and correct:

The Steel Trust reports a surplus net income of $54,259,993 after all charges and dividends have been met.

The Westinghouse Air Brake Co. reports net profits of $9,788,597 after healthy amounts were set aside to pay for taxes, depreciation, and depletion. This does not include profits of $10,000,000 that were put back into the business in the form of stock dividends. The previous year's profits were $6,954,915.

The Columbia Gas & Electric Co. reports a clear profit of $1,071,004 for February of this year. In January of this year the American Waterworks & Electric Co. made a clear profit of $1,333,907.

The reason for numerous scandals associated with petroleum is indicated by the Phillips Petroleum Co.'s report. Last year this concern made a profit of $12,452,030 after interest and taxes were cared for. These startling figures are against a profit of $9,385,035 the previous year.

The North American Co., a holding company for public utility corporations throughout the country, has a net profit of $9,385,458 after all taxes, interest, depreciation, and other charges have been met. This is equal to $3.11 on every $10 share of common stock.

The California Petroleum Corporation shows a net profit of $6,104,498 after interest, depreciation, depletion, Federal taxes, fancy salaries, and other charges were met. This compares with a profit of $3,655,594 the previous year.

Dividend payments by the 39 companies comprising the Standard Oil group during the first three months of the present year aggregate $34,975,867. This is the largest total for any three months since the United States Supreme Court "smashed" the Oil Trust in 1911.

### THE M'NARY-HAUGEN BILL

Mr. WEFALD. Mr. Speaker, we are about to vote on the McNary-Haugen bill, the only farm-relief measure that we will have a chance to vote on in this session. I have given this measure my support up until this time, and I shall vote for it on final passage. I have taken my orders from the ones that have been in command of the farm-bloc forces in the House. I have only once spoken on the bill during the debate; that was to repel misinformation coming out of my own State as to farm conditions and financial conditions in general. Otherwise I have kept still in order to save time, that it should not be said that I took part in a filibuster. Under the five-minute rule the friends of the bill let the opposition have a hearing and limited replies to the very briefest space of time.

I have also voted against all amendments except one in order to comply with the wishes of those who had the bill in charge. They did not wish to accept any amendments, because that might endanger the passage of the bill. I voted for one amendment by the gentleman from Kentucky [Mr. KINCHELOE], the intent of which was to increase the price to the farmer 10 per cent over the ratio price at which the corporation should purchase the basic agricultural commodities. Of course, this amendment was not adopted, and coming from the sworn enemy of the bill it had no chance of being adopted; but I voted for it because the ratio price of the agricultural commodities that are concerned in this bill is the average price of the same products between the years of 1905 and 1914, and the prices that the farmers received for their products during those years were not in proportion to the price the farmers had to pay for manufactured articles due to tariff laws then in existence. This phase of the bill—this asking for half a loaf or less, where the farmer is supposed to sit in at the table with the rest—is the weakest part of the bill; yet we have said in this discussion that we are asking the same treatment for the farmer as for the other big industries.

It has been very interesting to listen to the discussions on this bill; there have been many true things said, but also a lot of bunk on both sides; it has been very trying to keep still, but no votes have been changed by discussion. We could have voted on this bill the day it was brought in here and the result would have been the same as it will be when we vote to-day. There is no way of convincing the Members from the South that because cotton is a good price to-day it may yet some time take its place on the beggar's seat along with wheat and pork and cattle as far as price goes; nor is it possible to appeal to the heart and the tender feelings of New England, New York, and other sections of our country that revel in pleasure and luxury because of the cheap food that the West furnishes, for they have no heart and nothing but feelings of selfishness.

The men in this House who always prate about taking the wider view of things, who always caution against sectionalism, will in their vote upon this bill show clearer than it has ever been shown in the past that they can not see beyond their own narrow State boundaries.

Mr. Speaker, I am so sorry that the whole country could not have heard the speech of that apostle of the creed of New England, Mr. LUCE. I think it is a long time since a speech was delivered on the floor of this House or on any other rostrum that breathed such a spirit of penury, such narrow sectionalism, such bigoted cocksureness of his own position as that of the gentleman of Massachusetts. Could the whole country have heard that speech it would forever have spelled the doom of the high protective tariff; it would forever have taken away from New England the crutches of tariff protection that we have so often voted it, because we were always met with such a heart-rending appeal when this sanctimonious exponent of puritanism saw the wheels of industry slow up a bit.

This same pharisaical, disguised beggar waxes very wrothy when the great agricultural West now asks at the hands of Congress a staff to lean on while carrying such tremendous burdens as it now carries. Its spokesman here in Congress spoke in no unmistakable terms.

The lucid Mr. LUCE left no one in the dark as to the position of New England on this question.

So long has he and his able colleagues been coming before Congress pleading for help for bleak and barren New England in the shape of high protective tariff, subsidy, bonus, and God knows what not, that he does not want to call the McNary-Haugen bill either a tariff, a subsidy, or a bonus. These remedies were in the first place designed only to help industrial New England; he wants them to be used only for that purpose. Tariff, subsidy, and bonus are all right in their place and for their rightful purpose, namely, to help New England and also to help those that stand by New England; but—perish the thought—they were never intended to help any other part of the country, especially the West. The distinguished gentleman says that the protective tariff was designed to help the whole country. That means it should help the tariff barons of New England—this dying race of parsimonious, race-conscious, self-constituted bearers of American culture—whose interest in the foreign or alien population that toil in its shops and factories extends this far, that it is advisable to have cheap food for them that they can continue to work for cheap wages.

Nothing that has been said during these debates will so elucidate the unbridgeable gulf between the agricultural West and the industrial East as the Luciferian language of the lucid Mr. LUCE.

I am going to do my share with the people of my district and State, that whenever the tariff becomes an issue again my people will understand the position of New England and the rest of the East; that they will not be fooled by the cry that a high protective tariff will help the whole country.

To bring to my people that knowledge I am going to quote from the speech made in this House by the gentleman from Massachusetts on May 22.

The gentlemen in this House that he had heard pleading the cause of the farmers of the West were not radicals. They are regular Republicans, men who have been elected on the Republican platform with its promise to the farmer; men who have been preaching in their various districts the gospel of the blessings of the high protective tariff. The plan of the radicals was not quite so radical. These men believed that "what is sauce for the goose is sauce for the gander," which again applied to the agricultural crisis would mean that if the power of the Government, by special legislation, can be invoked to help New England and the industrial East it can be invoked also to help the West in this its most extraordinary crisis. For that reason they took the leadership in this matter out of the hands of the radicals to employ safe, sound, and workable methods, to apply the same principle that time and again had been used with such success to revive industry.

But New England balks at this proposal. The gentleman from Massachusetts gets very much agitated over the prospect that his city might have to pay $80,000 more per year for the bread it eats, the bread on which the farmer never got paid his cost of production. It is all right that the high protective tariff made his city prosperous, but it is wrong for the western Republicans that helped him pass the Fordney-McCumber tariff act now to come and propose the same kind of a remedy for agriculture, whether it is to be called tariff, subsidy, or bonus. It might cut down the New England profits slightly in order to help the farmers a trifle.

So he turns on these, his erstwhile friends and high-tariff champions, saying, "You are distressed because the farmers operating the worst lands or those in the worst situation can no longer make a living. And you are asking us, 80,000,000 of the consumers of the country, to pay for the cost of cultivating the worst lands."

Yet the people on these "worthless" lands were represented in Congress by men who voted the high protective tariff for

New England, and they came back to their constituents and said:

We voted a high protective tariff that the manufacturers in the bleak New England States may do well and get prosperous so that they can pay you well for the wheat you raise.

But I wish to let Mr. LUCE speak. He says further:

* * * everywhere bread is the staff of life for the poor. The rich man eats little, if any, more bread than the poor man. Indeed, the diversity of his diet makes it probable that he eats less wheat than the poor man. So you are going to impose a tax that will be practically the same whether it is paid by those who are in the greatest distress or those who hardly feel the depression at all.

This is true and very well put, but the gentleman forgets that nearly everything that the industrial East turns out, and upon the output of which there is superimposed a great profit by reason of the protective tariff, is sold to the poor, or the comparatively poor—among which are the farmers on the "worst" lands—such as common clothing, tools, utensils, and the ordinary common necessities of life in the output of industry. The rich buy their fine clothes and luxuries mostly of foreign make and manufacture; their personal wants do not keep many wheels turning or spindles humming in this country.

With the honorable gentleman from Massachusetts the old adage "Even exchange is no robbery" does evidently not hold good. He does not favor even exchange between agriculture and industry; there must be a profit one way, and that to the East.

I wish to pause right here and point out an object lesson that I myself at least have drawn from the gentleman's speech, namely, that if the poor man who toils in the city eats the wheat the farmer raises and if the farmers consume the greatest part of the products turned out by this man's toil the laborers and the farmers have a problem in common, that, namely, of exchanging the products of their toil with each other so that both can live and let live. These people, thinking of each other, should carve on the lintel over their door the adage that Mr. LUCE does not believe in, "Even exchange is no robbery." Whether they then sell each other as dear as they can or as cheap as they can will not make much difference. When the farmer and the laboring man wake up to the importance of one to the other, when they understand that one produces what the other one consumes and that to-day the one that produces neither food nor the products of industry is the one that is benefited by the high protective tariff to enhance the price of his products and also profits by the low price on farm products, they will clean house and set up a nation-wide Farmer-Labor Party, and all will come into their own.

The gentleman from Massachusetts has inquired of experts on the kind of legislation that is proposed here, namely, of the gentleman from Minnesota [Mr. ANDERSON], as to whether or not the wild scheme will work. He tells us that Mr. ANDERSON admitted that it will work for a while. So Mr. LUCE admits:

I grant you this will work. I grant you that for a time you may persuade the farmers to continue the dangerous and costly practice of wasting their energies in the wrong direction.

Of course it is wasting their energies in the wrong direction to try to get cost of production for what they sell.

With blistering scorn he tells his former high tariff friends that they are trying to get the farmers to defy the laws of "supply and demand," and that a catastrophe will follow. Then thunders this gentleman who never thinks a sectional thought, "You set up group against group and class against class and section against section. You come here and demand public alms because you are in distress, and so you invite every other group and every other section in the land to come here for the same purpose."

How it must have gladdened the heart of Mr. TINCHER and all the other Republican farmer leaders who voted for high tariff for the benefit of the East to hear that.

There has been nothing said in the whole debate that throws such an illuminating light on the hopelessness of the Congress doing anything for the farmer at this or any other time and the utter insincerity of the men who frown on every sectional demand on Congress as the colloquy between Mr. LUCE and Mr. SUMMERS of Washington.

I quote from the CONGRESSIONAL RECORD for May 22, as follows:

Mr. SUMMERS of Washington. The gentleman had a good deal to say about supply and demand and economic forces and that sort of thing. Does that apply to this knife, which cost me 75 cents but which I believe could be made to sell at 30 cents; but it would have been manufactured in Japan or Germany instead of Pennsylvania or Connecticut?

Mr. LUCE. I am a Yankee, and it is said to be the prerogative of a Yankee to answer one question by asking another. Did the gentleman vote for the tariff which produced that price? [Laughter and applause.] And if he voted for the tariff, why?

Mr. SUMMERS of Washington. It is the first time I have had the opportunity of saying I will never vote for a tariff that does not give its benefits to all classes and all parts of the country. [Applause.]

So at least one prominent Republican is beginning to see some light, which is good.

But the clincher in this confession of faith and the admission that I would like to bring to the consciousness of every person not a tariff baron was drawn from Mr. LUCE by Mr. CONNALLY of Texas.

Again quoting the RECORD:

Mr. CONNALLY of Texas. The gentleman from Massachusetts asked the gentleman from Washington if he voted for the tariff act that did that. The gentleman from Massachusetts voted for it, did he not?

Mr. LUCE. I voted against the tariff on food——

Mr. CONNALLY of Texas. I am talking about the general tariff law, the Fordney-McCumber bill. Did not the gentleman vote for that?

Mr. LUCE. I have the impression I did.

Mr. Speaker, it has been a waste of time for any sane, sober-minded man to discuss the merits of this bill with anybody so prejudiced, with a vision so warped, as the gentleman from Massachusetts. I have nothing against him personally. I have singled him out because he was the most outspoken one of the Republican opposition to the bill as well as the one who set out his reasons in the clearest language and did not beat around the bush with what he had to say.

You can not make blind men see except by a miracle, and the age of miracles is past. About as much was accomplished by discussing this bill on its merits as to make a goose wet by sprinkling water on her.

And at that I wish to say that the most wonderful propaganda was carried on in favor of this measure that has ever been carried on for any farmer-relief measure in the history of the country. All honor to the men that tried to make blind men see by persuasion.

This measure, I am quite confident, will fail of passage, Mr. Speaker; the Republican majority will be held mainly responsible by the people for its defeat, yet the Democrats are equally guilty with them. In this matter, as so often in other matters, Democrats come to the assistance of the stand-pat element in the Republican Party when the interest of special and favored interests are at stake.

In the matter of sectionalism the South yields very little to New England; having to struggle with the race question shuts it forever off from any understanding of the aims and aspirations of the West. Its leaders are mostly brilliant lawyers—they are all great orators—but they are continually riding their hobbyhorse, the Constitution. In it they can find excuse for any and all of their acts.

Anything that savors of progress and justice for the toiling masses, anything that touches the border line of charity is forbidden by the Constitution.

Their interpretation of the McNary-Haugen bill is that it will put the Government in business, which will be all wrong if that business is not all exclusively for the benefit of the South.

I shall not lay this charge against the whole Democratic membership; we have had some of our best supporters among the Democrats, a scattering few of the rank and file of the men of the South standing with us. But I wish to single out one Democratic leader from the South that delivered telling blows against this bill and show how he has changed his mind since the early part of 1920. I have in mind the gentleman from Kentucky, Mr. KINCHELOE.

Down in Kentucky the farmers raise tobacco, and tobacco is now selling at a good price. Then, why should a Representative from Kentucky be for a bill that would help the farmers in the Northwest? He has sympathy with the farmers; he almost weeps for them, but as long as under the underlying principles of this bill the price of tobacco will not be increased because it is now bringing a relatively high price, he does not want the bill to pass. He pleads for cooperative marketing; he pleads for the farmers working out their own salvation; he quotes President Coolidge's message on the farm situation or farm relief—like all the Democrats who have spoken—and does it only to taunt the Republicans who support this measure.

He said in his speech, among other things, the following:

This corporation will sell its exportable surplus on the markets of the world in Europe, which will permit the laboring people of Europe to get the benefit of it at a low price.

Yet this very same gentleman was willing to extend the aid of the Government to the tobacco growers of the South when tobacco was selling much lower than now in very much the same manner as proposed in this bill. As a proof of this I present a bill introduced in Congress by the gentleman in 1920.

[Sixty-sixth Congress, second session, in the House of Representatives, April 12, 1920]

Mr. KINCHELOE introduced the following bill; which was referred to the Committee on Ways and Means and ordered to be printed:

A bill (H. R. 13578) to amend the War Finance Corporation act

*Be it enacted, etc.*, That the War Finance Corporation act, approved April 5, 1918, is hereby amended by adding to Title I thereof a new section, to read as follows:

"SEC. 22. That the corporation shall be empowered and authorized to pay to any person, firm, corporation, or association engaged in business in the United States the contract price of supplies of tobacco hereafter purchased, or agreed to be purchased, by the Italian or French Governments, or any other European Government buying any of said tobacco which has and maintains a government monopoly thereon, from any such person, firm, corporation, or association, and to accept in full payment of the moneys so advanced the bonds, obligations, or other evidence of indebtedness to be issued by either of said Governments for the payment of moneys so advanced, to bear interest at the rate of 6 per cent per annum from the date of such advance: *Provided*, That the total shall not exceed $50,000,000: *Provided further*, That the War Finance Corporation is hereby authorized and directed to retain a first-mortgage lien in the bonds, obligations, or other evidence of indebtedness to be issued to it by either of said Governments upon all the tobacco so purchased by either of them and upon all the warehouse receipts issued by either of them, upon all of the said tobacco so purchased, to better secure the payment of the indebtedness so incurred.

"There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $50,000,000, or so much thereof as may be necessary, for the purpose of making payments by the said corporation as and when required under the provisions of this section."

How does this bill square with the gentleman's criticism of the McNary-Haugen bill?

The gentleman got no action on his bill in the session in which it was introduced, but, according to the CONGRESSIONAL RECORD for the third session of the Sixty-sixth Congress, page 526, I find that the gentleman from Kentucky, speaking on S. J. Res. 212, "a resolution directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes," said, among other things:

I introduced an amendment to the War Finance corporation act at the last session of Congress in order to enlarge its powers so that it could loan money directly to foreign governments that had a government monopoly on tobacco for the purpose of buying tobacco.

How is that? What about the Government assisting the tobacco growers with $50,000,000? Is there more justice in that than to assist the whole wheat and cattle raising sections with $200,000,000? It makes some difference whose ox is gored.

Much has been said in the discussions of the McNary-Haugen bill about overproduction that would follow if anything should be done to give the farmers cost of production. It was said by the men from New England and it was said by the men from the South. The viewpoint of the gentlemen from the South has changed since 1920. I found in the CONGRESSIONAL RECORD for the third session of the Sixty-sixth Congress the sanest statement on the fallacy of the cry of overproduction of farm products I have yet met with. Discussing the Senate resolution to extend the scope of the War Finance Corporation, Mr. STEAGALL, of Alabama, speaking on this particular charge of overproduction, said some very pertinent things. The RECORD reads:

There is no overproduction of necessaries in this country to-day. [Applause.] God Almighty does not do things in a foolhardy way. There is not one more drop of water in the ocean than there ought to be, and there has never been a pound more cotton or corn or wheat yielded from the soil of this land than was best for mankind. [Applause.] It is mockery to treat the bounties and blessings of nature as a misfortune, and it is ridiculous to say that large crops are a curse. If such arguments were true, we might ask if it would not be well to import a few more anarchists to burn and destroy some of them. There is nothing to it. [Applause.]

That was when cotton was sick and needed relief; it is different now, when cotton is cocky.

It is plain that there is no use for the people of the West to look to the Democratic Party for relief, either. It should be held jointly responsible with the Republican Party for its failure to grant justice to the farmer. There are enough, both Republicans and Democrats, of the rank and file to pass this, if the Democratic leaders will say the word; but the Democratic Party is a sectional party, a party without vision, as much like the Republican Party as one pea is like another.

Every farmer in the land should have this in mind when he casts his vote at the next election: No party-bound man can rightly serve the interest of the people.

It is true that some men who do not live either in New England or in the South fought this bill hard. They did not do it for sectional reasons. Some men, otherwise progressive, fought the bill for various reasons.

One argument has been used against the bill with telling effect, namely, that it was drawn by Mr. Brand, Assistant Secretary of Agriculture, who is commonly known as a Government official who is unduly intimate with the big packers. This argument has prejudiced many good men against the bill. I vote for it in spite of this. I am willing to give the experiment a trial. I am well aware of the fact that even if the bill is correctly drawn and embodies the soundest of business principles, this whole venture, if the bill becomes a law, may be killed by administration. But I am also willing to risk that. I know that few human inventions are perfect when first thought out; experience and change perfects. Our Government was intended to become the greatest experimental laboratory in political and social science that the world had even seen. We have made plenty of mistakes along those lines before, but we do not stop experimenting on that account.

I am in thorough accord with the basic thought of the McNary-Haugen bill. It is a plain, simple idea, namely, that the farmer shall be entitled to cost of production of the things that he produces plus a profit. It asks the same relative price for farm products that the farmer pays for the goods he must buy. If the bill falls short in any way, it is because it is too modest and does not ask enough. The pre-war price level was also against the farmer. Whether we now win or lose, we have made great strides forward, we people of the West. Four years ago no one would have dared to dream that the farmers would come before Congress and ask something like the same kind of treatment that others have received at its hands. No wonder the industrial East looks horrified; but if we lose now we shall be back again to present our claim for consideration. We shall keep on until either we are placed on the same level with the rest—lifted up to their level—or we shall bring those who now profiteer at our expense down to our level. The longer you stave off the day of reckoning the more we are going to ask of you.

In the McNary-Haugen bill we only ask for a little bagatelle of what has been taken from us by acts of Congress in the laws that it has passed from time to time and thereby allowed others to prosper at our expense. We will be back here some time and ask the same treatment that Congress extended to the Government of Great Britain when it extended the time of payment on its obligations due us to 62 years and cut the interest rate to 3 per cent. We will ask revision of the Federal reserve act in the interest of the people. We will ask reduction of cost of transportation. If the farmer must continue to sell his products in the world market, he will demand that he does not have to buy what he needs in a highly protected one.

The center aisle in this House that now divides the Republican and the Democratic Parties will be less of a dividing line after the next election than it is now. The "old guard" in both parties will be smaller in number and the progressive element will better know how to find each other. Let us hope that men will come back here not with hearts filled with charity but with a sense of justice and a determination to do the right thing regardless of section or party.

## PHILIPPINE INDEPENDENCE

Mr. DYER. Mr. Speaker, there recently arrived in the United States Hon. Manuel L. Quezon, president of the Philippine Senate; Senator Osmeña; and Representative Recto to appear before the Committee on Insular Affairs of the House of Representatives in support of congressional action to give to the Philippine Islands their independence. The statement of Mr. Quezon is the latest to come to our attention from the Filipino people, of which Mr. Quezon is their undisputed leader. On May 5 his statement, in part, before the House Committee on Insular Affairs was as follows:

Mr. Chairman and gentlemen of the committee, I feel that I am appearing before you under the very best auspices. The few kind words of welcome with which the chairman received us are indeed very encouraging and the wonderful presentation of the Philippine cause made by the lady who has just preceded me has, I think, made some impression upon the committee. The influence of women in this country is great and I hope will be decisive to bring about the independence of the Philippine Islands.

Mr. Chairman, I shall be very brief this morning. This committee, as well as the Senate Committee on Territories and Insular Possessions, has had, as I understand, occasion to hear from our able and patriotic representatives here—Speaker Manuel Roxas and Commissioners GABALDON and GUEVARA—the facts regarding the present situation in the Philippines. So unless questioned by members of the committee, I shall not go into details. I shall address myself merely to the purpose of our visit, and this in as brief a manner as possible in view of our desire that these hearings may now close, so that the committee may proceed to take some definite action.

Senator Osmeña, Representative Recto, and myself have been sent here by the Philippine Legislature to lay before the Congress of the United States once more the petition of our people that they be granted immediate and complete independence. Senator Osmeña and I belong to the same party, which constitutes the majority party in the legislature. Representative Recto is the minority leader in the lower house. In this mission, then, the only two political parties in the Philippine Islands are represented. But we are not only speaking for our respective political parties nor even for the legislature alone. We speak for the people of the Philippine Islands, because the question of Philippine independence is not a partisan or merely a political question in the Philippines; it is a national and vital question, one in the proper and prompt solution of which not only those actively engaged in politics are deeply interested, but everybody else—business men, farmers, laborers, men in the professions, and all others.

Our stand on this question has been repeatedly presented to the American people and Government. It has been the same from the first days of the American occupation to this day. We want to be allowed to set up an independent government that will permit the working out of our national life in such a manner as, in our opinion, will best secure our happiness, liberty, and prosperity. We feel that the granting of Philippine independence has been too long delayed, and we sincerely trust that this country may cover itself with glory by enacting legislation that will free the Philippine Islands—a noble culmination of the splendid work jointly undertaken by the American Nation and the Filipino people.

We know of no measure that can be enacted by this Congress whose beneficial results to mankind will be as enduring and far-reaching as this one. You will thereby prove yourselves once more loyal to your history, your traditions, and the principles upon which this Republic was founded, and in addition you will promote the cause of peace, of freedom, and of good will among nations.

We shall not, Mr. Chairman, indulge in any abstract discussion of the right of the Filipino people to have independence now. There is one aspect of this question which deserves special consideration and ought to be, in our opinion, all-sufficient to move Congress to act.

By the enactment of the Jones law in 1916, which, in its preamble, states that it is the purpose of the United States to grant the Philippines their independence as soon as a stable government can be established therein, and by the acceptance by the Filipino people of the terms of this act a solemn covenant was entered into between the people of the United States on the one hand and the Filipino people on the other, whereby we bound ourselves to carry out the provisions of that act and bring about a situation that would make possible the establishment of a stable government, while you bound yourselves to grant us independence as soon as this condition came into existence in the islands.

We have faithfully complied with the terms and provisions of this act. We organized a government in accordance with its terms; we elected the legislature provided therein, a legislature which has now been functioning for seven years; and not only can we establish a stable government but such government is already established and is in operation there. We have therefore fully performed our part of the covenant, and we feel that it is high time for you to do your part. It is beside the point to argue whether or not it would be advantageous economically or otherwise to grant the Philippines independence. The one single issue is whether or not we have a stable government in the Philippines or a stable government can be established therein. If so, as we most emphatically assert, and have time and again demonstrated, it is our belief that your plighted word gives you no alternative but the granting of independence. We rest our case right here, unless you desire to ask me some questions, which I will be only too glad to answer.

Preceding Mr. Quezon, Mr. Osmeña, and Mr. Recto came Hon. Manuel Roxas, speaker of the House of Representatives of the Philippines, as special commissioner for the same purpose. On January 8 of this year he issued a statement to the American Congress, signed by himself and the two Resident Commissioners from the Philippines, Hon. ISAURO GABALDON and Hon. PEDRO GUEVARA. I include that also as a part of my remarks:

PHILIPPINE INDEPENDENCE MISSION,
2034 TWENTIETH STREET,
*Washington, D. C., January 8, 1924.*

*To the Senate and House of Representatives of the United States, Washington, D. C.:*

On behalf of the Philippine Legislature and of the people of the Philippine Islands, the undersigned, members of the special Philippine mission, once more respectfully urge the Congress of the United States to consider the question of Philippine independence. We submit that the solution of this question has already been too long delayed, despite the reiterated petitions of the Filipinos. The people of the United States, with the enactment of the Jones law in 1916, formally and officially promised to recognize the independence of the Philippine Islands as soon as a stable government could be established therein. This requirement having been fully met, the Filipino people, through their legislature, in 1919 sent the first Philippine misson here with instructions to request the fulfillment of this promise. In 1922 a second mission was sent for the same purpose. Both missions laid before the constitutional representatives of the people of this country the facts that establish the existence in the Philippines of a stable government capable of insuring peace and tranquillity and the security of all, nationals and foreigners alike.

We are not unmindful of the fact that the American people and Government have been in the last few years confronted with serious problems that absorbed their attention and precluded the performance of the covenant that touches the life, liberty, and happiness of the Filipinos. But we are constrained to give voice to our people's deep regret and keen disappointment when the two independence missions returned to the Philippines without having secured their principal object. Although the future status of our country as an independent nation has been determined, still the delay in the granting of the promised independence is a matter of grave concern to the Filipino people. If we may speak with the candor of assured friendship, may we not say that the lack of a definite and satisfactory statement as to why the pledge has not been redeemed is paralyzing the progress and development of our country and is filling the hearts of our people with those doubts and misgivings which existed upon the implantation of American sovereignty and which required so many arduous efforts to dispel.

Twenty-five years have elapsed since our country came under the benevolent protection of your flag—an emblem of liberty and not of slavery, a symbol of humanity and civilization and not of selfishness and exploitation. A quarter of a century has passed, teeming with harmonious labors jointly undertaken by Americans and Filipinos for the welfare and freedom of our people. Permit us to bring to your notice that period of seven years of this relationship in which the Filipino people enjoyed a large measure of autonomy. Outside of our country it was a period of upheaval and disorder; within, under a Filipino-controlled government, it was a time of peace, of public tranquillity, of security for all citizens. America was obliged to bend all her energies toward the prosecution of the war and had to withdraw her troops from the Philippines. Without force and solely in virtue of the mutual faith between your people and our people, American sovereignty and international responsibilities in the Philippines were made secure through the agency of a Filipino-controlled government, deriving its powers from the peaceful suffrage of the people. Under such government our progress in all directions was so evident that President Harding himself declared it unequaled by any other people under similar conditions and within the same period of time.

No reason exists, if we read well into the history of our relationship, why there should be further delay in the granting of that which the Filipinos rightfully seek, that which in honor America has promised. Every passing day adds to our impatience, which only our absolute faith in your plighted word can allay. Strong is our confidence in you, but our country is so far away from yours, Filipino problems are so remote from your immediate interests, that our people are ever and naturally apprehensive lest in the course of our relationship some grave error might be committed not through the fault of your people or of our people but of persons called upon to carry out your liberal policies in the islands who mistakenly adopt an attitude at variance therewith. Such unfortunate incidents hamper the constructive work of our government, retard our progress, and destroy the harmonious relations so painstakingly built up between Americans and Filipinos. The present conflict with Governor General Wood is one of such incidents. It constitutes a bitter object lesson for us and should ever be a warning to all.

In keeping with the broad and liberal program mapped out by the Jones law, an autonomous régime was established in the Philippines. It was built up through the Anglo-Saxon process of development, not only by the passage of laws but as well through the establishment of constitutional practices and the adoption of democratic principles, all of which gave our people an ample autonomy compatible with the exer-

cise of America's international responsibilities. It was a government established with the cooperation and approval of the American representative, faithfully interpreting the liberal spirit and provisions of the organic law and the policies that brought about its enactment. It was not based on American theories alone, but adapted to our needs, our environment, and our ideals, and intended to transmute into actuality the avowed aim of the United States to give the Filipinos opportunity to prepare themselves for complete and absolute independence.

The development of the government thus founded has received the approval and encouragement of the American Republic. In 1919, when the first Philippine mission appeared before the Government of the United States, this was said:

> "Gradually and without violence the functions of the government have been taken over by the people of the islands themselves, leaving only the tenuous connection of the Governor General."

The government so organized has successfully functioned. On December 7, 1920, the President of the United States in his message to Congress urged the granting of independence without further delay on the ground that the Filipinos had set up and satisfactorily maintained a stable government, and thus had fulfilled the one condition required in the Jones law.

While awaiting the promised freedom it has ever been unthinkable to our people that some of the political powers already guaranteed to them could be withdrawn, and withdrawn without giving any just and legitimate reason. On the contrary, we have always believed that our government, established and developed with the consent of the United States, would be changed only by the installation of an independent Philippine republic. We have been most loath to think that such a structure could fall to pieces at the beck and command of one man. The American Government has assured us time and again that such a reversion could never happen. The late and well-beloved President Harding on June 20, 1922, said to the second Philippine mission:

> "No backward step is contemplated; no diminution of your domestic control is to be sought."

Yet what we feared might occur, due to the distance of our country from yours and the difference of American from Filipino interests and problems, has come to pass. Governor General Wood has set at naught all understandings the Filipino people have had with the American Government and has ignored the assurance given them by the late President. He has most decidedly taken a backward step by depriving our government of the key and the nerve center of the former autonomous administration, the counsel of the Filipinos. He has surrounded himself with a secret cabinet composed of military and other extra legal advisers, which has encroached upon the legitimate functions of the Filipino officials in the government. He has broken asunder the bonds of concord that united Americans and Filipinos after the bloody struggle of 1899, a concord that reached its highest expression in the first years of autonomous government. He has placed himself over and above the laws passed by the Philippine Legislature, laws that have never been declared null and void by the courts or by the Congress of the United States. He has claimed for himself an unlimited executive responsibility that neither the existing laws nor the practices already established have recognized. He has deviated from the policy of the American Government to give the Filipino people an ever-increasing self-government, a policy announced by every President beginning with President McKinley and ratified by the Congress of the United States in the Jones law. He has abused the veto power, exercising it on the slightest pretext on matters of purely local concern that did not affect the sovereignty of the United States or its international obligations. Thus he has attempted to control our legislature, a prerogative that has never been claimed by the elected executives of America, by the President of the United States, or the governors of the several States. He has disregarded the rights of the Senate in his exercise of the appointing power. He has destroyed our budget system, the greatest achievement in the financial administration of our government. He has endeavored to defeat the economic policies duly laid down by the Philippine Legislature for the protection of the rights and interests of the Filipino people in the development of the resources of the islands.

The theories and principles underlying Governor Wood's actions are utterly repugnant to the policies that go to make up the corner stone of Philippine autonomous government. To inject the autocracy of an irresponsible appointed executive into a representative democracy such as the Congress of the United States implanted in the Philippines sets at defiance every American tradition, violates that good faith that has been the precious and untarnished heritage of the American people, and is incompatible with any workable theory of free government.

The freedom and the happiness of the Filipino people, to which the honor of America and the patriotism of the Filipinos are equally committed, are too sacred to be the plaything of a one-man power. A reactionary and militaristic rule is a flagrant violation of the time-honored policy of the American Government toward the Philippines. It calls back to life old misunderstandings that are now fortunately buried and subverts the moral foundations of the humanitarian work so nobly accomplished by America in the Philippines.

The recent incidents simply serve to bring home the compelling need that the Philippine question be now settled once and for all. The liberal policies adopted and observed for more than two decades, the program of independence outlined after years of constant labor for the realization of which men of your country have given their best years, must not stop. It must be carried on to its logical conclusion. The time for Philippine independence has come. It can be postponed no longer. Filipino welfare calls for it; Filipino ideals long for it; and the good name and pledged faith of America require it. In deep gratitude for all that America has done for the Filipinos, in appreciation of her gracious treatment, in expectation of an even more friendly association in the future, we respectfully and earnestly submit that the next step in the development of our relationship be the fulfillment of the promise of the United States to our people, the immediate establishment of a Philippine free republic, consecrated to the ideals of liberty and justice which America has upheld throughout her history.

Respectfully submitted.

(Signed) MANUEL ROXAS,
*Speaker House of Representatives of the Philippine Islands, Special Commissioner.*

(Signed) PEDRO GUEVARA,
*Resident Commissioner.*

(Signed) ISAURO GABALDON,
*Resident Commissioner.*

Another view of the question of Philippine independence comes from Senator Sergio Osmeña, who is now in the United States as one of the representatives of the Filipino people pleading for independence. He recently made an address before the Philippine barristers of the University of the Philippines. His subject was the "Constitutional development of Philippine autonomy." He spoke as follows:

At first glance this appears to be purely an academic subject, but it is not so. In the background of our constitutional development loom our struggles for liberty against the natural opposition of the forces working for the preservation of the prerogatives of the existing power. This is a topic which is highly practical. We can measure up to the heights of our present-day responsibilities only by maintaining ever aflame in our bosoms the noble spirit animating these struggles, remembering always what our yesterday's duty has been, and what the goal is that we aspire to attain.

In the brief but inspiring annals of our political development there is a date that stands out in bold relief—August 29, 1916. It was then that, with the signature of President Wilson, the act of Congress commonly known as the Jones law went into effect. By virtue of this law the American people, through their constitutional representatives, made the solemn pledge that they would grant us our independence. If there had been some who inadvertently thought of and wished for annexation, all their dreams and hopes vanished once and for all. Congress made it clear that the Philippines was not to be an American colony or a Territory eventually to be made an integral part of the American Union. Our country shall be preserved for us Filipinos, and shall in due time be constituted into a separate nation with its own sovereignty.

Not only is the Jones law our new Magna Charta which proclaims and guarantees for all time our fundamental rights as a nation; recognizing our right to independence and our capacity to establish a government able to maintain that independence, that law has given us besides the facilities that enable us to shape our own destinies in accordance with our own desires, customs, and traditions. As its author, Congressman JONES, expressed it, the law virtually makes us Filipinos the arbiter of our own future. It is in us to determine when we are to occupy our allotted place among the sovereign nations of the world. Congress has placed in our hands the instruments of an autonomous government to the end that through the actual exercise of governmental powers we may be better prepared for the enjoyment of our promised liberty and the full responsibilities resulting therefrom.

What, then, are the duties of the Filipinos pending the concession of independence? Should we take an active part in the organization of a government which will hasten that concession? Must we wield the greatest possible amount of power in that government? My emphatic answer is yes, and I say that to strive for the highest degree of self-government is the patriotic duty of every Filipino, the only duty compatible with the principle upon which we have always insisted from the very beginning—that our country and our people have always had the capacity to maintain an independent government. To surrender our present lease of governmental power or our control over internal affairs for one reason or another is not only sheer cowardice but also is downright desertion of duty—treason against the nation.

The ideal of independence which the Filipinos have espoused, cherished, and upheld even before the advent of the Americans is not a mere abstract proposition. It is a practical problem within the realm of both philosophy and experience. Not only should the fact that capacity exists be alleged; it must also be proved. The past points to only one goal for us—that of liberty and independence. Self-government is the essence of liberty and the foundation stone of independence.

To espouse independence and at the same time renounce self-government are contradictory and incompatible positions. The wars of our past, firstly against Spain, and later against the United States, show beyond question that no foreign domination satisfactory to our people can be established here; that the Filipinos desire to govern themselves, and that, linked by this common aspiration, they stand prepared to sacrifice all of their age-long ideal until its attainment is realized. The defeat of our arms did not shake these basic purposes; the nation ratified them in peace and pledged itself to labor for them.

The task that awaits the Filipinos, pending the granting of our independence is one only, and it is clear—to strive for the reins of governmental power through all means not inconsistent with law. It has been so understood by our people since we had the opportunity to participate in the running of the affairs of our government.

Conscious of this duty, we have organized under the Jones law a domestic government in which we have assumed all the responsibility we could possibly assume by virtue of that legislation. As Congress did not give—because it could not very well have given to the Philippines—a governmental structure already made, and as it merely assured us our autonomy by means of an all-Filipino legislature elected by the people, vested with ample powers to organize an internal government, the first thing the legislature did was to entrust the powers of administration to Filipino hands. In so doing the legislature did not forget that the government sought to be established here was not a government for Americans but for Filipinos, founded on our own civilization; not a government of foreigners inspired by foreign ideals, but a government of Filipinos inspired by their own culture and with the best interests of their country in view. The legislature realized from the very beginning that the Governor General was an integral part of the government, but, not being responsible to the Filipino people, it is clear that his authority should be subordinated to the principle of Philippine autonomy. The legislature endeavored, therefore, to have the Governor General exercise his power with the aid and advice of Filipinos so that the internal government of our country might, in fact, be conducted by the Filipinos themselves.

All this the legislature did in accordance with the fundamental purpose behind the Jones law to place our country on the road leading to political emancipation, and it was done with the express sanction of the representatives of the American people in Congress and out of Congress. This transformation of the Philippine Government from a government of limited powers under American direction to one of autonomous powers under Filipino control was not brought about in an instant; it was the joint accomplishment of Americans and Filipinos working together for a period of more than seven years. Not only did the Governor General approve the measure adopted; the Government at Washington also concurred in that approval, sometimes directly and expressly, at other times tacitly by passive acquiescence. Congress, which, during all that time, had reserved to itself the power to annul the laws of the legislature, in not annulling any of them, showed that it lent its approval to the construction being given to the Jones law by the Filipinos.

There is no question, therefore, that all this governmental power we have, all this autonomy we now enjoy, is not only perfectly legitimate but is also a strictly legal acquisition. It is the voice of a subject people finding partial echo in a liberal legislation. If the detractors of Filipino autonomy think that this is a crime, and desire now to point their accusing fingers to its authors, they can readily do so. The perpetrators are, first, the Filipino people who desire to have control of their government, and second, the American people who, rightly and justly, consent to it.

It is said that the legislature has overstepped the limits of its authority and has promulgated measures that encroach upon the authority of the Governor General. And the argument is advanced that the Jones law, patterned as it is after the American Constitution, should be interpreted in the light of the well-known principle of separation of powers. Let us inquire into the merits of this proposition.

I shall begin by affirming that the organic character of the Jones law is not derived from the American Constitution and that the government in the Philippines is not of the presidential type. The immediate constitutional parent of the Jones law is the law of Congress of July 1, 1902, and the predecessor of this latter law is McKinley's instructions to the Philippine Commission. Neither the act of July 1, 1902, nor the President's instructions to the commission, in so far as anything organic in them is concerned, is based on the Constitution of the United States. Their more immediate source is the American system of Territorial government, more particularly the Territorial plan of government which was prepared for Louisiana by Jefferson, and their remote source is the system of colonial government existing in America before the Thirteen Colonies obtained their independence. I have carefully looked over the various organic charters of the American Colonies, as well as the various laws passed by the Congress of the United States for the government of her so-called Territories, and I failed to find anything substantiating the assertion that those systems of government are identical with the type of government established by the Constitution of the United States.

In order that in the Philippines we may have a presidential type of government it is necessary, among other things, that the chief executive be responsible to the people or be elected by them, and yet that position is now filled by appointment by the President of the United States in accordance with the Jones law. A vital difference between a parliamentary and a presidential system of government consists in the fact that under the parliamentary form the acknowledged spokesman of the people are executive officials and leaders of the legislative branch at the same time. It may be said that the people elect them indirectly in electing the majority in the lower house. In a presidential form of government, on the other hand, the people elect the chief executive, and the chief executive performs his functions independently of congress, and vice versa. In the first case there is practically a fusion between the legislature and the executive; in the second case there is a theoretical separation between the two.

The theory of separation of powers is characteristic of the Constitution of the United States. Locke was the first to formulate a theory about the subject. Montesquieu took it up and completed it. Hence the tripartite division of the functions of a State into legislative, executive, and judicial functions. Montesquieu's theory rapidly spread throughout Europe. It influenced the first constitutions of the American States and was adopted with enthusiasm by the French revolutionists. The profound influence exerted by the French Revolution on all constitutional movements then and after accounts for the fact that in the majority of the constitutions of European countries the principle of division of powers has been proclaimed not in the sense adopted by North American conventions but in the sense outlined by the French National Assembly. When put into practice, however, Montesquieu's theory had to undergo several substantial changes. Far from confining itself to the enjoyment of functions it is supposed to exercise, each branch of the government has assumed additional functions; the legislative power usually exercises not only legislative but also judicial and administrative functions; the judicial power, both judicial and administrative functions; and the executive power usually takes a hand in legislative and judicial acts.

When Montesquieu said that despotism was inevitable if one individual as a delegate of the nation can make laws is a legislator, apply them as a judge, and enforce them as sovereign, he uttered a great truth which Jefferson, Adams, and Hamilton ratified when they defined despotism as the "concentration of sovereignty." But the fact that governmental powers should be separate does not show that they are separate in the sense that they should be absolutely independent of each other, nor that any one of them can function isolated from the rest. If that were the case, an intolerable situation would arise—the inaction of the social unit, the paralyzation of governmental activities. The powers of the State should be independent in the sense that neither of them should override the rest. The autonomy pertaining to each of the branches of government, however, does not and should not in any sense jeopardize that intimate relation and coordination which should exist between them as parts of a unit, as members of a whole.

The best proof that this theory of separation of powers should not be taken in its absolute meaning is furnished by the constitutional history of the United States. In practice the theory has become converted, not into a theory of division and separation but rather into one of mere differentiation. The three branches, far from separating from one another, seek coordination among themselves, seek mutual aid in their frequent and indispensable intercourse.

But whatever may be the real import of the theory of separation of powers in the United States the theory has not been applied by congressional legislation to the Government of the Philippine Islands in the manner in which it was applied there. In the first place, there is the unequivocal declaration by the United States Supreme Court that "the Constitution did not follow the flag into the Philippines," contrary to what was the case with the other territories. In the second place, we have McKinley's pronouncement that the purpose of America in extending her sovereignty here was not to apply her own theories of government but instead to insure the welfare, peace, and prosperity of the Filipino people, with due respect for even their prejudices if necessary. And lastly we have the significant fact that the various provisions of the United States Constitution and the constitutions of various States of the Union which specifically provide for the division of powers had not been incorporated either in the Jones law or in the other organic laws that preceded it. For instance, the well-known provision of the constitutions of the various States prohibiting persons exercising one function to exercise any other function does not exist in any of our organic laws. Neither do we find in the Jones law that portion of the United States Constitution which prohibits a member of the legislature to hold another public office under the authority of the Federal Government. In the act of July 1, 1902, which preceded the Jones law, this prohibition of the Constitution was not only not inserted but it was specifically provided that in the civil commission or upper branch of the Philippine Legislature there should be two groups—one composed of commissioners who at the same time were to hold office as secretaries of department, and another composed of commis-

sioners or legislators simply. The first group exercised both executive and legislative functions, and when acting as secretaries of department they were really a mere committee of the legislature.

Under President McKinley's instructions the civil executive power was, in a sense, also a committee of the legislative power. And under this organization, as was the case with that of the act of Congress of July 1, 1902, the Chief Executive was member and president of that commission. In the Jones law, which provides for a more advanced form of government, although the several powers are differentiated as in the preceding organic law, there is no constitutional provision requiring that there be complete and absolute separation between the executive and the legislative departments. So that when analyzed this law permits members of the legislature to occupy departmental posts, and, as a matter of fact, the position of secretary of the interior war for five years held by a member of the senate not only with the approval of the Governor General but also with the acquiescence of the President and the Congress of the United States. The conclusion reached, therefore, is that the theory of separation of powers, as interpreted in the light of the United States Constitution, has never been a fundamental theory of government in the Philippine Islands.

Whether in accordance with or in spite of the strict letter of our fundamental laws, the government in existence here has been evolved in much the same way that the government of other free countries has developed. There has been no unconditional adherence to one definite political theory. What was done was to establish practices that respond to the necessities of the hour and the legitimate aspirations of the people. Thus it was that when the civil commission was in control, when the Governor General was the chief executive and president at the same time of the upper house, a situation arose which required that there be a close understanding between the chief executive and the lower house through the speaker of the assembly. It was in that manner that the speakership became a sort of an institution in itself, a vital factor in governmental relations, and the center of gravity of Filipino participation in the government. When the autonomous government was established with three representative branches, all Filipino—namely, the senate, the house, and the cabinet—the council of state was conceived to meet the demands of an effective policy of coordination.

But if the present government in the Philippines is not of the presidential type, it is neither of the parliamentary type. The appearance of secretaries of department before either house of the legislature; their being constituted into a council of state together with the legislative leaders; and the preparation of the appropriations according to a budget system, are, among others, the distinctive features which make it more similar to the parliamentary system of government than to the presidential type. But that is all.

What we can state with certainty is that in speaking of our existing government it is unwise to be guided by mere glittering generalities. Let there be no blind submission to exotic theories. Those who maintain that the system of government existing here is the same as that existing in the United States, as well as those who insist that it is the genuine parliamentary system of government in vogue in various countries of Europe, are merely theorizing. Our system of government is ours, truly ours, product of our policies and of the progressive evolution of the institutions of our country, the natural outgrowth of our achievements in self-government. Whatever gaps and contradictions there may be, they merely show that the progress we have attained was attained only after a tenacious and persistent struggle between the people that demand liberty and the representatives of the sovereign power that have naturally resisted popular impatience. The organization of the departments with responsibilities clearly defined, with their heads amenable to popular responsibilities council of state as the symbol of the solidarity of our participation in the government and as a medium of coordination and harmony between the powers of the government; the budgetary system that insures an efficient administration of our finances and an effective popular control over the same; the Filipinization of the government as a whole as the tangible expression of our autonomy and as proof of our political capacity—are the outstanding features of this government of ours, which show our determination fearlessly to assume responsibility for the management of our affairs while we await the concession of our promised freedom.

It is to be noted also that this ideal of the Filipinos has always received the encouragement of the highest governmental authorities, at least in state papers. As early as McKinley's time, there was talk of the most effective Filipino participation in the government. Roosevelt went further when he declared it to be his intention to make of this government here a government by Filipinos aided by Americans instead of a government by Americans aided by Filipinos. Governor Smith, the man who so well knew how to interpret the object of Congress in giving us a national assembly, said that the evolution of the government here from a government by Americans aided by Filipinos into a government by Filipinos aided by Americans, and the education and preparation of the country for self-government had been the liberal policy of McKinley and Roosevelt and of Governors Taft, Wright, and Ide, his predecessors in office. Whatever might have been the difference of opinion among American statesmen as regards the final disposition of the islands and the terms of the concession of their independence, there never has been a responsible man in the successive Republican administrations in Washington that has ever denied the justice and feasibility of granting effective Filipino participation in the affairs of our Government. Indeed, this is now a national policy of the United States from the moment the Democratic administration under the leadership of President Wilson confirmed and reenforced the stand taken by the Republican administration.

That it is possible and practicable to have a government here controlled by Filipinos has been fully demonstrated under the Harrison administration. For seven years we beheld with our own eyes an efficient government functioning. Peace and order reigned throughout the archipelago. There was neither fanaticism nor racial antagonism to disturb the friendship and harmony which Americans, foreigners, and Filipinos enjoyed under the autonomous régime. Never has America been better liked and respected in these islands. Regardless of whatever defects that government might have—and no government on earth is free from defects—it gives to the Filipinos the greatest measure of advancement that they have ever enjoyed under American sovereignty. Despite the persistent opposition of misguided critics, the progress attained by the country was so noteworthy that in the words of President Harding it finds no parallel anywhere in the world. And the President was referring not to a progress that has come from the outside, brought hither by foreign instrumentalities, but to the progress attained by the people of the Philippines themselves "borne of confidence in their own energies and in the management of their own affairs."

The detractors of Filipino autonomy have always invoked the constitutional authority of the Governor General, as if the exercise of that authority must necessarily be in conflict with the powers placed in Filipino hands. In other words, they want it to appear that in the Government of the Philippines at least there is a duality of responsibility, and that if a conflict should arise it would necessarily be decided in favor of the representatives of the sovereign power. And they state that while the legislature and the secretaries of department are responsible solely to the Filipino people the Governor General is responsible to the highest authority—the Government of the United States.

When the question is properly examined, however, the demarcation line between the two responsibilities is well defined, and there can be no conflict between the two if only the spirit and letter of the law were followed. According to the Jones law, the object of the Congress of the United States is "to confer upon the Filipino people as large a control of their domestic affairs as can be given them without in the meantime impairing the exercise of the rights of sovereignty by the people of the United States." Following a cardinal rule of statutory construction, we can not interpret a law by giving effect only to a portion thereof without taking into account the statute in its entirety. If the object of Congress has been to prepare the Filipino people "to fully assume the responsibilities and enjoy all the privileges of complete independence," and to this end ample powers were given to the Filipinos in the management of their affairs, limited solely to a certain degree by the exercise of sovereignty by the people of the United States, the most logical application of the law would be to respect the free exercise by the Filipino people of the powers granted them, so long as that exercise does not hinder the exercise of the rights of sovereignty by the Government of the United States. These powers comprise executive, legislative, and judicial affairs. The only effect of the limitation prescribed by the Jones law in the exercise of our autonomous powers is to reserve in favor of the United States sufficient authority and power to prevent the impairment by the Filipino people of the national sovereignty and international obligations of the United States.

This reservation of power is effective and complete, even if the Jones law were to be construed in a broad and liberal sense. In the first place, the Philippine Legislature can not approve any law without the concurrence of the Governor General and in some cases without that of the President of the United States. Even if a law had received the sanction or concurrence of the Governor General or of the President of the United States, as the case may be, Congress still has the power to annul the same or declare it ineffective. And if Congress does not take action on the matter and the constitutionality of a law is raised in the courts of justice, these have the power to declare it null as unconstitutional. As regards administrative affairs, the same effective check exists; the chiefs of the various offices of the Government are under the administrative control of the department heads, who in turn are under the immediate supervision of the Governor General.

The phrase "responsibility without authority," which appears in recent official reports and which is now invoked as the suprema ratio for the unlimited exercise of executive powers, is nothing new in the history of American occupation in these islands. It was used for the first time when the Schurman commission rejected the proposi-

tion that America recognize the independence of the Philippines under an American protectorate. The phrase was repeated when the plan of government for the Philippine Islands was being discussed. It was said then that as long as America was sovereign in the Philippines her control over the insular government should be absolute and undisputed; and that whatever delegation of powers is granted to the inhabitants of the islands it must be accompanied by the necessary reservation in favor of the sovereign Nation whose rights should remain ample and unquestioned. But those who so believed had in mind precisely a Territorial form of government, because under such a form of government the Congress of the United States retains the right to veto any local legislation. It was never the understanding that the reservation of such authority commensurate with responsibility should be an absolute, unlimited, and all-embracing authority in the hands of an administrative official, be he Governor General or any other.

The authority of our organic laws does not spring from the Constitution of the United States but from the Congress of the United States. Congress can prescribe any form of government for the Philippine Islands. It can suppress present powers and substitute others. It can change our form of government for one more complicated or more simple, as it deems fit. It can concentrate powers in one person or distribute them among various persons or various groups.

But when Congress, in the exercise of powers granted it by the Constitution, organized a government here, and instead of conferring all the powers upon the Governor General, it provides for an autonomous government in the hands of the inhabitants as a preparation for their independence, its intention can not be questioned and must be respected as final. The error of those who insist that there is a duality of responsibility here, in their attempt to nullify our autonomy, consist precisely in mistaking international responsibility for internal responsibility. In the eyes of the foreign powers of the world we are, according to existing treaties, a dependency of the United States; and as such the United States internationally exercises direct, ample, and complete authority over us. But within the circle of our domestic government the authority of the United States has been delegated to the Filipino people, subject only to certain limitations. Absolute authority and control by the United States was possible only during the military régime. As armed resistance weakened the military governor had at first to share with and later on to surrender all his governmental powers to a civil entity—the commission. Those days of concentrated power, either military or civil, have, however, long passed. A liberal régime has taken the place of that of the days of the empire. The times have moved steadily toward liberty. The Filipinos know that theirs is now an autonomous régime; that they and not the Governor General are being subjected to a test; that they and not the Governor General are in duty bound to establish a stable government here; and that they, and only they, are committed to the task of hastening the day for the granting of their independence. They, therefore, have the right to follow and be guided by their own leaders and to expect that their control in the government of their own country be real, ample, and effective.

There recently appeared an editorial in the National Republican, of Washington, D. C., of March 22, 1924, claiming that Congress was without right to surrender the Philippines. As an answer to this charge which has been made a number of times in the United States and elsewhere, I include an article on this subject by Mr. Jorge Bocobo, dean of the College of Law of the University of the Philippines. His article was entitled, "Can Congress declare the Philippines independent?" His statement is as follows:

*It is contended by some advocates of permanent retention of the Philippines by the United States that the Congress has no constitutional power to grant independence to the Philippines, and that an amendment to the American Constitution would be necessary for such purpose. So novel a proposition is seriously advanced for the first time in the history of American occupation of the Philippines. Both the Congress and the executive department of the United States, as well as the American people in general, have always held that the power to declare the Philippines independent resides in the Congress. But, inasmuch as in certain quarters the point is vigorously pressed, the present discussion is submitted, wherein it is shown that the Congress of the United States is authorized by the Constitution to grant the boon of political independence to the Philippines.*

I

THE POWER TO DISPOSE

Article IV, section 3, of the United States Constitution provides that "The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States."

The authority granted to Congress in this clause is twofold—(1) to make all needful rules and regulations and (2) to dispose of territory. The first power enables the Congress to provide for the government of Territories, and the second gives Congress full and ample authority to sell, cede, alienate, part with, relinquish, or otherwise give up any territory of the United States. The phrase "to dispose of" is as comprehensive as any that could have been employed in order to grant to Congress the utmost power to decide upon the fate of Territories. The words "to dispose of" are defined in Webster's New International Dictionary as "to determine the fate of; to fix the condition, employment, etc., of; to direct or assign for a use. To get rid of; to put out of the way; to finish with. To transfer to the control of some one else, as by selling; to alienate; to part with; to relinquish; to bargain away." In view of this settled and undisputable meaning of the phrase "to dispose of," there can be no question but that under Article IV, section 3, of the Constitution the Congress can, in the exercise of its functions as the repository of Federal legislative power, constitutionally pass a law granting independence to the Philippines.

That the authority of Congress over Porto Rico and the Philippines is unlimited has been laid down by the Supreme Court of the United States in the famous "Insular cases." In the case of Downes *v.* Bidwell (1900) (182 U. S. 244, 45 L. Ed. 1088, 1105–1106) Mr. Justice Brown, who announced the opinion of the majority of the court to the effect that the island of Porto Rico by the treaty of Paris had not been incorporated into and made a part of the United States, and therefore the revenue clauses of the Constitution did not apply to said island, said:

> "* * * If it be once conceded that we are at liberty to acquire foreign territory, a presumption arises that our power with respect to such territories is the same power which other nations have been accustomed to exercise with respect to territories acquired by them. If, in limiting the power which Congress was to exercise within the United States, it was also intended to limit it with regard to such territories as the people of the United States should thereafter acquire, such limitations should have been expressed. Instead of that, we find the Constitution speaking only to States, except in the territorial clause, which is absolute in terms and suggestive of no limitations upon the power of Congress in dealing with them. The States could only delegate to Congress such powers as they themselves possessed, and as they had no power to acquire new territory they had none to delegate in that connection. The logical inference from this is that if Congress had power to acquire new territory, which is conceded, that power was not hampered by the constitutional provisions. If, upon the other hand, we assume that the territorial clause of the Constitution was not intended to be restricted to such territory as the United States then possessed, there is nothing in the Constitution to indicate that the power of Congress in dealing with them was intended to be restricted by any of the other provisions."

In another case referring to Porto Rico (De Lima *v.* Bidwell (1900), 182 U. S. 1; 45 L. Ed. 1041, 1056) Mr. Justice Brown, speaking for the majority of the Supreme Court of the United States, said:

> "But whatever the source of this power, its uninterrupted exercise by Congress for a century, and the repeated declarations of this court, have settled the law that the right to acquire territory involves the right to govern and dispose of it. * * * In short, when once acquired by treaty, it belongs to the United States and is subject to the disposition of Congress."

II

THE PHILIPPINES NOT A PART OF THE UNITED STATES

Whatever may be the state of the law in regard to the power of Congress to cede or alienate any territory which has been incorporated into the United States, it is clear that Congress may freely transfer or declare the independence of any territory appurtenant to but not a part of the United States, such as the Philippine Islands.

An examination of the treaty of Paris between the United States and Spain, dated December 10, 1898, and of the acts of Congress relating to the Philippine Islands shows that the Philippine Archipelago has not been made a part of the United States.

Article IX of said treaty stipulates that—

> "The civil rights and political status of the native inhabitants of the territories hereby ceded to the United States shall be determined by the Congress."

The act of Congress of July 1, 1902, temporarily providing for civil government in the Philippine Islands expressly provides that section 1891 of the Revised Statutes of 1878 shall not apply to the Philippine Islands. Said section 1891 gives force and effect to the Constitution and laws of the United States, not locally inapplicable, within all organized Territories.

The above provision of the act of Congress of July 1, 1902, is supplemented in the act of Congress of August 29, 1916, known as the Jones law, section 5 of which states:

> "That the statutory laws of the United States hereafter enacted shall not apply to the Philippine Islands, except when they specifically so provide, or it is so provided in this act."

The Supreme Court of the United States has held that the Philippines has not been made a part of the United States by congressional

action. In the case of Dorr v. United States (1903) (195 U. S. 138, 143–144), Mr. Justice Day, who delivered the opinion of the court, said:

"The legislation upon the subject shows that not only has Congress hitherto refrained from incorporating the Philippines into the United States, but in the act of 1902, providing for temporary civil government (32 Stat. 691), there is express provision that section 1891 of the Revised Statutes of 1878 shall not apply to the Philippine Islands. This is the section giving force and effect to the Constitution and laws of the United States, not locally inapplicable, within all the organized territories, and every territory thereafter organized, as elsewhere within the United States."

In the case of Rasmussen v. United States (1903) (197 U. S. 516, 520), the Supreme Court of the United States, in discussing the status of Alaska, held that, unlike the Philippines, Alaska had been incorporated into the United States. The court said, speaking through Mr. Justice White:

"We are brought then to determine whether Alaska has been incorporated into the United States as a part thereof, or is simply held, as the Philippines are held, under the sovereignty of the United States as a possession or dependency."

Further on, the court said:

"The treaty concerning Alaska, instead of exhibiting, as did the treaty respecting the Philippine Islands, the determination to reserve the question of the status of the acquired territory for ulterior action by Congress, manifested a contrary intention, since it is therein expressly declared, in article 3, that:

"'The inhabitants of the ceded territory shall be admitted to the enjoyment of all the rights, advantages, and immunities of citizens of the United States; and shall be maintained and protected in the free enjoyment of their liberty, property, and religion.'"

Having seen that the Philippine Islands have not been made a part of the United States, and bearing in mind the unlimited power of Congress to dispose of territory of the United States, as already set forth, the conclusion is inevitable that Congress may declare the Philippine Islands independent.

In the concurring opinion of Mr. Justice White in the case of Downes v. Bidwell, supra, he holds that Congress may not sell, alienate, or cede territory which is "an integral part of the United States," but he seems to entertain the belief that territory which has not been incorporated into the United States may be ceded or transferred by Congress. Needless to say, if Congress can alienate the Philippine Islands, that body may also grant independence to the Philippines. Mr. Justice White's observations follow (182 U. S. 244, 315–318):

"The reasoning which has sometimes been indulged in by those who asserted that the Constitution was not at all operative in the Territories is that, as they were acquired by purchase, the right to buy included the right to sell. This has been met by the proposition that if the country purchased and its inhabitants became incorporated into the United States, it came under the shelter of the Constitution, and no power existed to sell American citizens. In conformity to the principles which I have admitted, it is impossible for me to say at one and the same time that territory is an integral part of the United States protected by the Constitution and yet the safeguards, privileges, rights, and immunities which arise from this situation are so ephemeral in their character that by a mere act of sale they may be destroyed. And applying this reasoning to the provisions of the treaty under consideration, to me it seems indubitable that if the treaty with Spain incorporated all the territory ceded into the United States it resulted that the millions of people to whom that treaty related were, without the consent of the American people as expressed by Congress, and without any hope of relief, indissolubly made a part of our common country.

"Undoubtedly, the thought that under the Constitution power to dispose of people and territory, and thus to annihilate the rights of American citizens, was contrary to the conception of the Constitution entertained by Washington and Jefferson. In the written suggestions of Mr. Jefferson, when Secretary of State, reported to President Washington in March, 1792, on the subject of proposed negotiations between the United States and Spain, which were intended to be communicated by way of instruction to the commissioners of the United States appointed to manage such negotiations, it was observed, in discussing the possibility as to compensation being demanded by Spain 'for the ascertainment of our right' to navigate the lower part of the Mississippi, as follows:

"'We have nothing else' (than a relinquishment of certain claims on Spain) 'to give in exchange; for as to territory, we have neither the right nor the disposition to alienate an inch of what belongs to any member of our Union. Such a proposition, therefore, is totally inadmissible and not to be treated for a moment.' (Ford's Writings of Jefferson, vol. 5, p. 476.)

"The rough draft of these observations was submitted to Mr. Hamilton, then Secretary of the Treasury, for suggestions, previously to sending it to the President, some time before March 5, and Hamilton made the following, among other, notes upon it:

"'Page 25. Is it true that the United States have no right to alienate an inch of the territory in question except in the case of necessity intimated in another place? Or will it be useful to avow the denial of such a right? It is apprehended that the doctrine which restricts the alienation of territory to cases of extreme necessity is applicable rather to peopled territory than to waste and uninhabited districts. Positions restraining the right of the United States to accommodate to exigencies which may arise ought ever to be advanced with great caution.' (Ford's Writings of Jefferson, vol. 5, p. 443.)

"Respecting this note, Mr. Jefferson commented as follows:

"'The power to alienate unpeopled territories of any State is not among the enumerated powers given by the Constitution to the General Government; and if we may go out of that instrument and accommodate to exigencies which may arise by alienating that which is peopled, and still a little more by selling the people themselves, a shade or two more in the degree of exigency is all that will be requisite, and of that degree we shall ourselves be the judges. However, may it not be hoped that these questions are forever laid to rest by the twelfth amendment, once made a part of the Constitution, declaring expressly that "the powers not delegated to the United States by the Constitution are reserved to the States respectively"? And if the General Government has no power to alienate the territory of a State, it is too irresistible an argument to deny ourselves the use of it on the present occasion.'" (Ibid.)

"The opinions of Mr. Jefferson, however, met the approval of President Washington. On March 18, 1792, in inclosing to the commissioners to Spain their commission, he said, among other things:

"'You will herewith receive your commission, as also observations on these several subjects reported to the President and approved by him, which will therefore serve as instructions for you. These expressing minutely the sense of our Government and what they wish to have done, it is unnecessary for me to do more here than desire you to pursue these objects unremittingly,' etc. (Ford's Writings of Jefferson, vol. 5, p. 456.)

"When the subject matter to which the negotiations related is considered, it becomes evident that the word 'State' as above used related merely to the territory which was either claimed by some of the States, as Mississippi territory was by Georgia, or to the Northwest Territory, embraced within the ordinance of 1787, or the territory south of the Ohio (Tennessee), which had also been endowed with all the rights and privileges conferred by that ordinance, and all which territory had originally been ceded by States to the United States under express stipulations that such ceded territory should be ultimately formed into States of the Union. And this meaning of the word 'State' is absolutely in accord with what I shall hereafter have occasion to demonstrate was the conception entertained by Mr. Jefferson of what constituted the United States.

"True, from the exigency of a calamitous war or the necessity of a settlement of boundaries, it may be that citizens of the United States may be expatriated by the action of the treaty-making power, impliedly or expressly ratified by Congress.

"But the arising of these particular conditions can not justify the general proposition that territory which is an integral part of the United States may, as a mere act of sale, be disposed of. If, however, the right to dispose of an incorporated American Territory and citizens by the mere exertion of the power to sell be conceded, arguendo, it would not relieve the dilemma. It is ever true that, where a malign principle is adopted, as long as the error is adhered to it must continue to produce its baleful results. Certainly, if there be no power to acquire subject to a condition, it must follow that there is no authority to dispose of subject to conditions, since it can not be that the mere change of form of the transaction could bestow a power which the Constitution has not conferred. It would follow, then, that any conditions annexed to a disposition which looked to the protection of the people of the United States, or to enable them to safeguard the disposal of territory, would be void; and thus it would be that either the United States must hold on absolutely or must dispose of unconditionally.

"A practical illustration will at once make the consequences clear. Suppose Congress should determine that the millions of inhabitants of the Philippine Islands should not continue appurtenant to the United States, but that they should be allowed to establish an autonomous government outside of the Constitution of the United States, coupled, however, with such conditions providing for control as far only as essential to the guaranty of life

and property and to protect against foreign encroachment. If the proposition of incorporation be well founded, at once the question would arise whether the ability to impose these conditions existed, since no power was conferred by the Constitution to annex conditions which would limit the disposition. And if it be that the question of whether territory is immediately fit for incorporation when it is acquired is a judicial and not a legislative one, it would follow that the validity of the conditions would also come within the scope of judicial authority, and thus the entire political policy of the Government be alone controlled by the judiciary."

III

CESSIONS MADE WITHOUT CONSTITUTIONAL AMENDMENT

If Congress should grant independence to the Philippines without constitutional amendment, it would not be acting without a precedent in the history of the United States. These precedents are: (1) The cessions of territory of the United States in treaties settling boundary disputes, and (2) the withdrawal of American authority over Cuba.

As to the treaties of cession whereby the United States, by the treaty-making power of the President and the Senate, the right to cede territory by treaty has been admitted, the only mooted point being whether the consent of the State where the territory is located should be obtained. Inasmuch as the Philippine Islands is not within any State of the Union, the controversy as to the need of consent of the State concerned is not applicable in the present case.

Butler in his work on "The Treaty-making Power of the United States," volume 2, page 193, mentions article 3 of the Adams-De Onis treaty of 1819 between the United States and Spain (U. S. Tr. and Con. 1889, p. 1016), which concludes thus:

> "The two high contracting parties agree to cede and renounce all their rights, claims, and pretensions to the territories described by the said line; that is to say, the United States hereby cede to His Catholic Majesty, and renounce forever, all their rights, claims, and pretensions, to the territories lying west and south of the above-described line; and, in like manner, His Catholic Majesty cedes to the said United States all his rights, claims, and pretensions to any territories east and north of the said line, and for himself, his heirs, and successors, renounces all claims to the said territories forever."

It will be noted that the treaty actually made use of the word "cede." Butler says (p. 193) regarding this treaty:

> "By this treaty the United States renounced, or ceded, a large tract which included the whole of Texas, as well as a great deal of the Mexican territory which was ceded to the United States by the treaty of Guadalupe Hidalgo in 1848, after the Mexican War."

The northeastern boundary dispute between Great Britain and the United States is another instance. Butler refers to that case in the following words (pp. 387–391):

> "In 1842 the dispute between this country and Great Britain over the northeastern boundary reached a very acute condition. Both countries made claims to a large extent of territory and some adjustment had to be arrived at in order to prevent actual hostilities. The controversy was finally settled by the Webster-Ashburton treaty, and a part of the territory claimed by the State of Maine was included in the territory relinquished by the United States to Great Britain. Daniel Webster, then Secretary of State, declared in the course of the correspondence that the United States had no power to dispose of any part of the territory of a State by treaty without the consent of the State. Chancellor Ken differed with him, declaring that 'the better opinion would seem to be that such a power of cession does reside exclusively in the treaty-making power under the Constitution, although a safe discretion would forbid the exercise of it without the consent of any State.'"

Butler is of the opinion that the central Government of the United States can cede territory to another power. He says in the same work (pp. 393–394):

> "476. Conclusions deduced from the settlement of this controversy: The relations between this country and Great Britain had become so greatly strained owing to the disputes as to the northeastern boundary that the only way to prevent war was to absolutely relinquish all title to the northeastern corner of Maine; even if any interested State had refused to grant its consent to the cession, and even if opposition had been interposed, as fortunately was not the case, the central Government of the United States could certainly have ceded to Great Britain all that it did cede by the treaty of 1842, and thereby perform an act inuring to the benefit of every State of the Union, including the States affected by the new boundary line. • • •
>
> "If it be said only a part of a State was involved in that case, and that although the power might possibly be exercised as to a part of a State, an entire State could not have been ceded away, the answer can only be that if the salvation of every other State in the Union depended upon the boundary line being so fixed that an entire State should be included in British possessions, and in default thereof the Union might have been plunged into a war resulting in its destruction, undoubtedly the treaty-making power in the central Government would have been able to accomplish that result, and it might have been just as necessary to exercise it, as at times it has been necessary to amputate a limb in order to save the life itself; in such extreme cases (and it is to be hoped they will never occur) the full extent of the power would have to be exercised—regretfully, indeed, but nevertheless effectually."

As to the case of the independence of Cuba, it is true that the occupation of the island by the United States was brief and temporary, but it can not be gainsaid that American sovereignty attached thereto from the moment the American flag was hoisted there as symbol of American authority. The withdrawal of the American forces was therefore to all intents and purposes a giving us of territory belonging to the United States.

That the United States did exercise sovereignty over Cuba is evident from the wording of joint resolution of Congress of April 20, 1898, declaring war upon Spain. Section 4 of said resolution reads:

> "That the United States hereby disclaim any disposition or intention to exercise sovereignty, jurisdiction, or control over said island, except for the pacification thereof, and asserts its determination when that is accomplished to leave the government and control of the island to its people."

The above language denotes that the United States intended to and actually did exercise sovereignty over Cuba for the purpose of pacification, and that the United States intended to have and did have the government and control of the island before pacification was accomplished.

This conclusion is strengthened by a perusal of the message of President McKinley to Congress on December 3, 1900, which reads in part as follows:

> "Under the authority of the United States, as temporary occupant of Cuba, a general election was held in the island on the third Saturday in September, 1900."

Occupation of Cuba by the United States lasted nearly four years following the treaty of Paris of December 10, 1898. During that time all the functions of government were in operation under the authority of the United States. It was not till May 20, 1902, that American sovereignty was withdrawn from the island. In announcing such withdrawal President Roosevelt, on May 10, 1902, said in a letter to the President and Congress of the Republic of Cuba:

> "On the 20th of this month the military governor of Cuba will by my direction transfer to you the control and government of the island of Cuba, to be thenceforth exercised under the provisions of the constitution adopted by your constitutional convention as on that day promulgated."

The fact that the control and government of the island of Cuba was transferred from the United States to the Republic of Cuba on May 20, 1902, necessarily implies that before that date the control and government of Cuba was vested in the United States. All this was done in virtue of a joint resolution of Congress without any constitutional amendment, and the constitutionality of the withdrawal of American sovereignty from Cuba was not at all doubted.

If it be urged that the government of the island of Cuba under American sovereignty was only temporary and that therefore there can be no analogy between that island and the Philippines, we reply that American occupation of the Philippines is also temporary according to solemn avowals of the executive and legislative departments of the United States.

Doctor Schurman, president of the first Philippine Commission, construed the American policy to mean:

> "Ever-increasing liberty and self-government • • • and it is the nature of such continuously expanding liberty to issue in independence."

President Taft, while civil governor of the Philippine Islands, on the 17th of December, 1903, said:

> "From the beginning to the end of the State papers which were circulated in these islands as authoritative expressions of the Executive, the motto that 'the Philippines are for the Filipinos and that the Government of the United States is here for the purpose of preserving the Philippines for the Filipinos,' for their benefit, for their elevation, for their civilization, again and again appear. • • •
>
> "Whether an autonomy or independence or quasi independence shall ultimately follow in these islands ought to depend solely on the question, Is it best for the Filipino people and their welfare?"

When Mr. Taft was Secretary of War in April, 1904, in the course of a speech upon the Philippines he said:

> "When they—the Filipinos—have learned the principles of successful popular self-government from a gradually enlarged experience therein we can discuss the question whether independence is what they desire and grant it, or whether they prefer the retention of a closer association with the country which, by its guidance, has unselfishly led them on to better conditions."

In 1908, after the Philippine Assembly had been opened, President Roosevelt in his message to Congress said:

"I trust that within a generation the time will arrive when the Filipinos can decide for themselves whether it is well for them to become independent or to continue under the protection of a strong and disinterested power, able to guarantee to the islands order at home and protection from foreign invasion."

President Wilson in a message to the Philippine people, delivered by Governor Harrison in Manila, October 6, 1913, said:

"We regard ourselves as trustees acting not for the advantage of the United States but for the benefit of the people of the Philippine Islands. Every step we take will be taken with a view to the ultimate independence of the islands and as a preparation for that independence."

When Congress for the first time assumed control of the government of the Philippines and passed the Philippine bill of July 1, 1902, that body used the following language in the title of the act:

"An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes."

In the preamble of the Jones law, act of August 29, 1916, the Congress of the United States has declared:

"Whereas it is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein; and

"Whereas for the speedy accomplishment of such purpose it is desirable to place in the hands of the people of the Philippines as large a control of their domestic affairs as can be given them without in the meantime impairing the exercise of the rights of sovereignty by the people of the United States in order that by the use and exercise of popular franchise and governmental powers they may be the better prepared to fully assume the responsibilities and enjoy all the privileges of complete independence."

IV

A POLITICAL ACT

The only purpose of raising the question of the constitutionality of an act of Congress granting independence to the Philippines would be, aside from its obstructionist object, that such a law would be annulled by the Supreme Court of the United States on the ground that it is unconstitutional. But the question is merely theoretical and speculative, inasmuch as the Supreme Court of the United States would never take cognizance of it, because the declaration of independence of the Philippines by the United States Congress would be a political act, beyond the jurisdiction of the courts to question or control. It is a well-settled doctrine steadfastly adhered to by the courts that they will not interfere with acts of a political character of the executive and legislative departments of the Government.

Charles H. Burr, in his essay on "The Treaty-Making Power of the United States and the Methods of its Enforcement as Affecting the Police Powers of the States," which won the Henry M. Phillips prize of $2,000 on April 20, 1912, says on page 301:

"This question of the right of the treaty-making power to cede territory is wholly a political question, and when, if ever, it arises for determination, it will necessarily be determined upon wholly political considerations. If it be found necessary or advisable for the United States Government to cede territory, the manner of the ceding will be immaterial. Whatever the National Government does as a government, will, it is apprehended, be recognized by the Supreme Court as a political act, and as a thing accomplished."

Butler in his work, already mentioned, on "The Treaty-Making Power of the United States," says (Vol. II, p. 193):

"It is apparent that courts of the United States would have no jurisdiction over questions which might arise from the cession of territory by the United States to other powers."

V

JURISTS AND OTHER AUTHORITIES

The opinion of jurists and other authorities on this question supports our proposition.

Professor Willoughby, in his standard work on the Constitution, says (Vol. I, p. 513):

"Should the alienation be by the way of granting independence to particular territory—as, for example, Porto Rico or the Philippine Islands—this could be done by joint resolution."

Justice George A. Malcolm, of the Supreme Court of the Philippine Islands, recognized as the foremost authority on constitutional law affecting the Philippine Islands, has expressed himself in the following manner in his book on "The Government of the Philippine Islands" (pp. 350–351):

"Careful analyses reaching back to other settled constitutional doctrines are here preferable. If, therefore, the United States can acquire or cede territory without express constitutional authority, why can not the same sovereign power which permits of such action likewise permit unincorporated territory to be made independent? What difference is there between cession to another foreign power and cession to another people temporarily under American control? If the United States could by treaty pass on the boon of freedom to Cuba, why can it not a few years later under the power reserved by the same treaty to Congress, pursuant to this power, hand over a similar right to the Philippines? If the freeing of the Philippines is deemed wise from the standpoint of national necessity, or advantage, or for reasons which take into consideration benefits to the Filipino people, what individual citizen can be heard to complain? If other sovereign powers can recognize former portions of their territory as independent, because forced to do so, why can not the United States as a power of equal rank recognize the Philippines as a republic, because she wishes to do so? And if Congress or its agent, the President, shall recognize the Philippines to be a sovereignty, how long on such a political question would a litigant have standing in a court? Plain answers to these interrogatories, if the premises be conceded, must, by a logic inexorable and final, lead to an affirmative conclusion. And the premises, it is believed, can not be undermined.

"It is respectfully submitted that the United States has a legal and constitutional right to admit the Philippine Islands into the Union as a State, or to cede the Philippine Islands to a foreign power, or to declare the Philippine Islands independent."

In the debate in Congress on the Louisiana Purchase Mr. Nicholson said in the course of his speech defending the step taken by Jefferson:

"The Territory was purchased by the United States in their corporate capacity and may be disposed of by them at their pleasure." (Annals of Congress, 1803–4, p. 471, quoted in Magoon's "The law of civil government in territory subject to military occupation," p. 78.)

Carman F. Randolph in his book on "The Law and Policy of Annexation" declares (pp. 147–148):

"* * * Should a project of cession affect State land, the State's consent must be secured, but outlying territory the Federal Government is as free to cede as to acquire without the express consent of the States.

"As I have found no legal objection to our treaty-making body annexing land without the consent of the House of Representatives, I find none to its ceding land of its own motion. And territory may be severed as well as annexed by joint resolution of Congress.

"There is no merit in the assertion that recognition of the Constitution in the Philippines, with its consequence of conferring citizenship upon Filipinos, will preclude, legally or morally, our withdrawal from the islands because of its consequences of alienating citizens.

"As the extension of sovereignty over territory is a political matter not reviewable by the courts, so is withdrawal; and in the latter, as in the former case, the exercise of power is not preventable by the inhabitants."

In view of all the foregoing, the writer is of the opinion that the Congress of the United States has full power, without the need of a constitutional amendment, to grant independence to the Philippine Islands.

Mr. DYER. Mr. Speaker, the people of the United States, as well as the Members of the Congress, are not well informed touching the question of Philippine independence. One reason is that the Philippines are so far away and we have so many problems at home. I bring this information to the attention of the people of the United States, as well as to the Congress, with the hope that they will read it and that the same will invite their further examination into the obligations and promises which we have assumed and made to the Filipino people. In other words, I ask that the Members of Congress and the people generally study this subject for the purpose of learning the facts and the truth.

MODIFY THE VOLSTEAD ACT TO REMOVE THE EVILS OF PROHIBITION

Mr. BERGER. Mr. Speaker and gentlemen, the old saying that we shall use but not abuse seems to hold the best solution of the drink problem also, so far as a solution is discoverable by human wisdom.

And this adage holds good not only in regard to wine, beer, and fermented beverages but as to any article of the daily diet. It is just as easy to overeat as to overdrink, and more people overeat than overdrink.

In ancient Rome, for instance, the national sin did not seem to be drunkenness but gluttony. Tacitus says a good deal more about the food and the sauces than about the wine at the patrician banquets. And gluttony, rather than drunkenness, is the usual theme of the satires of Juvenal.

WORLD NOT PURGED OF CURSE

We are told by the Anti-Saloon League, however, that the world would be a better place without "the curse of drink."

With this I agree. But let me ask, Have the prohibitionists purged the world of the curse of drink? Is there not now more and worse drunkenness to be found in most of the large cities of the United States than ever before?

On the other hand, what about the blessings of drink which consist in true temperance? Is it not a fact that a certain amount of wine or alcoholic drink is necessary to social happiness, witnessed to by the fact that even now there is hardly a festivity, either in the circles of the rich or of the poor, where some wine or other drink is not procured—if it is at all procurable? With this difference, that since an honest and healthy beverage is hard to get on account of prohibition, the American people are often apt to use all sorts of substitutes or concoctions more or less poisonous.

HELPED TO INSPIRE MANY NOBLE MEN

It is unnecessary for me to state what part wine and beer have played in the history of nations.

Wine and beer have helped to inspire the noblest races and the noblest men.

Without wine and beer three-fourths of all poetry and more than one-half of all art would have been lost to us. Without wine and beer the lot of the common man, so terrible during the early and Middle Ages—when the life of the peasant was the pawn of every petty lord—would have been simply unbearable. He would then have been deprived of what little blessedness these drinks sent to him.

And this is the case in no small extent with the workmen of to-day—the modern proletarian—who has been deprived of his beer and his wine, and who, only too often, is now using poisonous moonshine.

SAXON, CELT, AND TEUTON ALIKE IN THIS RESPECT

But let us look over the pages of history of our race.

One of the simplest lessons history teaches even the casual observer is that the drinking races—the liberal consumers of wine and beer and ale—have always been in the vanguard of human progress.

These nations have always been the greatest fighters for human freedom. They have always made the greatest sacrifices for liberty whenever necessary.

We have only to remember the stout English barons who wrested the Magna Charta—England's first charter of liberty—from the unwilling despot, King John. We have just to think of the brave and valiant but beer-drinking Teutons, who successfully resisted and finally overwhelmed the colossal world power of Rome. I might also point to the heroic, wine-loving Celts, who fought for freedom and for everything else in every land. How many genuine Irishmen are prohibitionists to-day?

REASONABLE DRINKING IN FRANCE

We also know it was the gallant citizenry of France, drinking wine every day with its food, which at the end of the eighteenth century in a mighty revolution shattered the thrones of Europe.

In short, if any reasonable amount of drinking destroys the people, it is hard to say where any of the northern races would be. There are the Scotch, for instance. The Scotch were always noted for three very powerful traits—religion, education, and whisky. And if drink were to destroy peoples, the Scots would have ceased to exist long ago. Yet, with all this the Scots are and have been for centuries one of the most noted racial groups in all the human family.

Such are the other northern peoples of Europe—the English, the Germans, the Scandinavians, the Russians—some of them even drinkers of hard liquor—and on the average more drunken than the southern and southeastern Europeans. The hopes of civilization, however, seem to rest on these hardy northern races in spite of their drinking habits.

OUR IMMIGRATION LAW FAVORS DRINKING NATIONS

Just lately Congress passed an immigration bill making the census of 1890 the percentage for admission, which basis strongly favors these drinking nations.

On the other hand, the most abstinent people of the world nowadays, as far as alcohol is concerned—are the Mohammedans (Turks, Arabs, and the rest) and the peoples of Japan, India, and China. But these prohibitionists are evidently almost excluded from settling in our country.

Mohammed forbade alcoholic beverages. Christ did not. Neither did Moses.

THE "PROHIBITION" RACES

The European nations, as a rule, have all through history been great consumers of alcoholic drinks. Nevertheless it would be hard to persuade even the most ardent of prohibitionists that the Europeans are behind the Mohammedans and Hindus in usefulness and virtue and other essentials of civilization.

We all know that the contrary is the case. As a matter of fact, we see a handful of beer and ale drinking Englishmen holding in subjection 300,000,000 Hindu teetotalers.

ALL GREAT MEN WERE DRINKING MEN

Moreover, there can be no question that all the great men known in history, from Noah and Julius Cæsar down to General Grant, have been drinking men. There is an inscription about beer even on Tutankhamen's coffin. George Washington was not a prohibitionist, neither was Thomas Jefferson, nor Alexander Hamilton.

In fact, moderate and temperate drinking seemed to be a help to the ablest men in history, because it meant relaxation. Raphael Sanzio, Michelangelo, and Rembrandt van Rijn, great painters, were moderate drinkers.

So was William Shakespeare; so were Goethe, Schiller, Heine, Shelley, Byron, and every other great poet I know of.

And how about Bismarck, Gladstone, Moltke, Napoleon? And how about our own generals, Sherman and Sheridan, not to mention Grant? They were all moderate drinkers.

Can anyone mention a single great man in history who was a prohibitionist, unless he was great as a prohibitionist?

OUR EARLY HISTORY FAVORED TEMPERANCE, NOT PROHIBITION

If we look for lessons in our own history as to how to deal with intemperance we shall find that under the law of Massachusetts Bay, passed in 1635, no permission was required for the sale of beer and ale, while a license was required for traffic in "ardent spirits."

WHISKY BARRED IN 1637, BEER FAVORED

In 1637 the courts first forbade the sale of strong water in taverns—prohibiting all intoxicants except beer. This was the first attempt in an American colony to promote temperance by favoring the use of beer.

In October, 1649, it was ordered that every grocer and tavern keeper should always be provided with good and wholesome beer for the entertainment of strangers.

In 1721 the tax on beer was discontinued.

An act was passed in June, 1789, "to encourage the manufacture and consumption of strong beer, ale, and other malt liquors," wherein it is declared that "the wholesome qualities of malt liquors are greatly recommended to general use as an important means of preserving the health of the citizens of the Commonwealth."

Intemperance had grown to a public evil in the colony of Virginia as early as 1623.

VIRGINIA AND PENNSYLVANIA PASSED LAWS FAVORING BEER

One of the most important of all colonial laws bearing on the liquor traffic was passed in 1644 in Virginia. Under this law, no intoxicating drinks, except strong beers, were permitted to be sold in the taverns of Virginia. Debts for ardent spirits were declared not recoverable, and a discrimination was made only in favor of beer.

In 1658 a law was passed to encourage the planting of hops. The Pennsylvania Assembly in 1689 imposed an import duty on ardent spirits, but not on beer. In Pennsylvania, as in every other American colony, beer was regarded as one of the necessaries of life, which accounts for the discrimination in its favor.

In his address to the assembly in 1713, Governor Gordon, of Pennsylvania, deplored the decadence of brewing, and recommended that the industry be encouraged.

The lawmakers of Pennsylvania passed acts in 1720 and 1721 to discourage the use of rum and to encourage the making of good beer.

RARENESS OF BEER LEADS TO RUM REBELLION

The cheapness of rum, and the superabundance of grain, making every farmer a distiller, together with the economic circumstances at that time, led to a condition of affairs which culminated in the whisky rebellion. Beer became rare, and in 1790 there were no less than 5,000 stills in operation, the proportion being one still for every 89 inhabitants.

JAMES MADISON FAVORED BEER

Before the House of Representatives in 1789, James Madison, moving the low duty of 8 cents a barrel on malt liquors, hoped "that this low rate will be such an encouragement as to induce the manufacture of beer in every State of the Union."

At the great festival held in Philadelphia in July, 1788, to celebrate the ratification of the new Constitution by 10 States, American beer and American cider were the only liquors permitted to be used.

Dr. Benjamin Rush, at one time professor of medicine at the University of Pennsylvania, after whom the Rush Medical College of Chicago is named, thought that the true solution of the drinking problem lay in encouraging the brewing industry.

FEW USE HARD LIQUOR—THEY DRINK BEER AND WINE

In the course of an essay praising the thrift, industry, temperance, and other virtues of the German inhabitants of Pennsylvania, Doctor Rush said:

Very few of them use hard liquor in their families. Their common drink is beer and wine.

THE VIEW OF ALEXANDER HAMILTON

In his communication to the House of Representatives March 4, 1790, Alexander Hamilton, Secretary of the Treasury, recommending an increase of specific duties on imported spirituous liquors, said:

As far as the decrease might be applicable to distilled spirits, it would encourage the substitution of cider, beer, and ale, benefit agriculture, and open a new and productive source of revenue.

THOMAS JEFFERSON AND WINE

Hamilton's views were fully shared in this regard by his great adversary, Thomas Jefferson.

On December 13, 1818, we find Thomas Jefferson writing to M. de Neuville in advocacy of the culture of grapes in America, as follows:

No nation is drunken where wine is cheap, and none sober where the dearness of wine substitutes distilled spirits as the common beverage.

AND EVEN W. H. TAFT

And to bring matters down to date, permit me to also quote that distinguished statesman and lawyer, Hon. William H. Taft, former President and now Chief Justice of the United States. In his work "Four Aspects of Civic Duty," he says:

NOTHING MORE FOOLISH

Nothing is more foolish, nothing more utterly at variance with sound policy than to enact a law which by reason of conditions surrounding the community is incapable of enforcement. Such instances are sometimes presented by sumptuary laws, by which the sale of intoxicating liquor is prohibited under penalties in localities where the public sentiment of the immediate community does not and will not sustain the enforcement of the law. * * *

By the enactment of a drastic law and the failure to enforce it there is injected into the public mind the idea that laws are to be observed or violated according to the will of those affected. I need not say how altogether pernicious such a loose theory is. * * * The constant violation or neglect of any law leads to a demoralized view of all laws.

LEADS TO SECRET DRINKING

I recommend all of these views to the intelligent lawmakers of our Congress and to the well-meaning but misguided prohibitionists. They now compel the secret drinking of alcoholic poison, because they can not prevent that; but they can prevent and do prevent the use of beer and wine.

THE NEW INDUSTRY

Result? A new "industry," the bootlegging industry, has sprung up. It prospers immensely and in some places has almost acquired the size of a trust. And many Government officials are financially interested.

Lawmakers who understand human nature should not be hypocrites. Nor should they be cowards. And they should not permit prohibitionists and the Anti-Saloon League thus to promote drunkenness.

ALCOHOL NOT A STIMULANT

There seems to be a general misunderstanding as to the part alcoholic beverages play in the human body.

Alcoholic beverages have often been described as a stimulant. I think that is a mistake. They are not a stimulant. They are the cause of relaxation. Every hard-working man needs that relaxation, and especially in our complex civilization. We need that complete rest, that complete relax.

And that is the reason why so many people who are nervous will take drugs when they can not get alcoholic beverages.

Gentlemen, you have no right to take away this means of relaxation and of rest from those who use it legitimately because there are some who do not. Because there are some weak sisters who are not able to use it normally, why should everybody else be forbidden to use it normally?

WHY NOT BAN THE PLAYING OF BASEBALL?

I ask you, because there is a man with a weak heart who can not play baseball, would you forbid the game of baseball to everybody? Because there are some people who have weak stomachs and can not eat beefsteak, would you forbid beefsteak to the Nation? Because bodily exercise is not good for some people, would you forbid bodily exercises to everybody?

Moreover, it can not be done.

MORE ALCOHOL SOLD THAN EVER

It is notorious that in spite of all the efforts of the entire Prohibition Bureau immense quantities of whisky and other intoxicating liquors are produced and sold, not only in the remote country districts where that has been done always but especially in large towns and cities.

During the last few months many thousand illicit stills have been seized and destroyed, and yet that is only a small percentage of the many hundred thousands that are still being operated.

What happens under prohibition is simply this:

PEOPLE GET POISON INSTEAD OF GOOD WHISKY

Instead of the people drinking lawfully produced beer and wine or even genuine whisky, although I personally am opposed to whisky because I believe whisky to be a toxin, people now drink strong alcoholic liquors of all kinds and descriptions, most of them dangerous and poisonous.

And while the Government in the past derived hundreds of millions of dollars in revenue annually and at the same time controlled the liquor trade in every respect, that traffic is now absolutely beyond and outside of all control.

This is clearly shown by the police and health records.

INSANITY SHOWS GAIN

The arrests for drunkenness and the percentage of insanity caused by alcohol are now much greater than in the days when such beverages were produced and sold under the supervision of the United States Government, and when the honest brewers and distillers paid taxes not only to Uncle Sam but also to the respective States and communities in which they lived.

FREE THE PEOPLE FROM ILLICIT ALCOHOLISM

In short, I believe that just at the present time Congress could do few things that would prove to be a greater boon to the great mass of the people than to repeal the foolish Volstead Act. In place of it we should adopt a law which will declare that beer containing 2.75 per cent alcohol and wine that contains no more than 12 per cent are "nonintoxicating" within the meaning of the eighteenth amendment.

Thus Congress would free our people from the curse of illicit alcoholism with which the United States is now afflicted from New York to San Francisco and from the Great Lakes to the Gulf of Mexico. The new law would gladden the hearts of many millions. It would put an end to bootlegging and make moderation a virtue when now "forbidden fruits" foster vice. The new law would cause civic morality to flourish again even in the high places that are rather barren to-day.

Gentlemen, pass a bill repealing the Volstead law and give us back beer and light wines.

A PRACTICAL WAY TO REDUCE TAXES

Mr. CANNON. Mr Speaker, it is now apparent that adjournment will leave practically untouched many of the most pressing problems confronting the Congress when it convened last December. One of the most important and imperative of these relates to the reduction of the number of Federal employees. The country is burdened with a constantly growing army of tax eaters. Notwithstanding the cessation of war-time activities and an insistent demand for a reduction of taxes, the number of Federal employees, consuming a large proportion of the income received through taxation, is increasing rather than diminishing. And this Congress, charged as no other Congress has ever been charged with the responsibility of decreasing expenditures and reducing taxes, is closing the session without a systematic effort to inquire into the number of surplus employees on the pay rolls of the Government or to apply ordinary business methods in reducing the personnel of the departments to a reasonable minimum.

The tax burden of the country is one of the discouraging and demoralizing conditions which confronts us both from an economic and from a moral standpoint.

Homes are being sold because people are unable to pay their taxes. Business men are distressed because they are unable to meet their taxes. Farms upon which people have lived for half a century, giving their time and their industry and their effort to making homes and rearing families, are now passing from them by reason of tax sales.

Our 40,000,000 workers enjoy an estimated gross income of $60,000,000,000. Of that they are contributing about 14 per cent for the maintenance of the Government. If they should contribute labor instead of dollars every worker would give as his share more than seven weeks' labor every year. Every week each one of us would work approximately one day with-

out pay as our share of Government upkeep and our contribution to the cost of operating the administrative machinery.

A large portion of this outlay is consumed in the payment of salaries. During the war vast numbers of additional employees were required in all departments and the salary account of the Government increased almost overnight to the highest totals reached by any nation engaged in that titanic struggle.

It is now more than five years since the close of the war and ample time has elapsed in which to provide for a return to a peace basis, yet the number of Government employees on the pay roll is still more than 100 per cent above that of 1916, and in recent months has grown steadily, not only in stated totals but in proportion to the population and wealth of the country.

This condition not only augments the drain upon the Treasury and thereby directly increases the rate of taxation, but withdraws from productive employment and creative industry large numbers of capable workers whose time and talents are worse than wasted in the treadmill of needless and superfluous departmental routine.

It is true the aftermath of the war created activities which require the service of additional clerks, but the number retained is out of all proportion to such requirements. Practically all such war-created activities are centralized in the departments here in Washington. The number employed in Washington in 1916 was, in round numbers, 37,000. By the time we had reached the peak of the war the number had risen to approximately 137,000. In the five years that have elapsed since the signing of the armistice the number has naturally been much reduced, but there are still in Washington more than 65,000 employees, an increase of something like 100 per cent over pre-war figures and a force grossly in excess of the most lavish estimates of the number required to transact the business of the Government on a peace-time basis.

A national survey discloses 544,671 civilian employees of the Federal Government, and the number of officials of all classes supported by the tax levies is put by the national industrial conference at 3,400,000. Of every dozen wage earners one is a Government employee. The population of the United States has increased something like 40 per cent since 1900, but in that time the number of Government employees has more than doubled.

A fair idea of the growth of the Federal service may be gathered from a consideration of the totals from 1901–1924:

| | | | |
|---|---|---|---|
| 1901 | 256,000 | 1918 | 917,760 |
| 1905 | 301,000 | 1920 | 691,116 |
| 1907 | 306,000 | 1921 | 597,483 |
| 1909 | 340,000 | 1922 | 560,863 |
| 1911 | 360,000 | 1923 | 542,513 |
| 1916 | 438,057 | 1924 | 555,312 |

The significant fact is that, measured by standards of previous years, the service is constantly growing in excess of any previous ratio.

The United States Government is to-day probably the largest employer of labor in the world. With a civil personnel of more than 540,000 persons and an annual pay roll of nearly $750,000,000, it presents problems in employment administration of greater diversity and importance than those of any private industry. One person out of every dozen over 16 years of age gainfully employed in the United States is on the public pay roll, and as a result the American people are footing a huge salary bill of nearly $4,000,000,000 a year.

The total cost of this huge army of Government retainers to every man, woman, and child in the United States is about $34 a year, or 46 per cent of the amount of wages paid by all the factories producing more than $5,000 worth of goods in 1921.

Careful study of the occupational figures of the Census Bureau places the number of public servants in the United States at not less than 2,000,000. In other words, conservative Government statistics show we have working for us to-day in civil life and in the national defense full-time employees to the number of all the military forces we sent abroad during the World War.

If the railroads of the country were to marshal their forces, they would fail to match the army of men and women on Government pay rolls. All the coal mines and all the automobile plants in the country combined fall short of the man power of Government. All the hired men on all the farms in the United States barely equal in number our public pay roll attachés.

And instead of declining the number insists on gradually going up. The population of the country is by no means increasing in the same ratio, nor are the requirements of the people. If the increase in the number of Government employees continues in the same ratio for another 40 years, one out of every five workers will be a Government clerk or official supported by the wage earners and taxpayers of the country.

One of the principal causes for this persistent increase is the tendency of all departments to take over additional functions and enlarge the scope of their jurisdiction.

Before the Civil War there was a very strong attachment to the principle of local self-government in all parts of the country, and theoretically we adhere to this doctrine at the present time, but the Federal Government is to-day with increasing frequency entering new fields of activity, and having once entered such activity continues to grow.

The result is a steady increase in the number of employees and in the expense of administration.

Glancing at a few of the departments in which this tendency is to be noted, we find that the Interior Department, exclusive of Indians and pensions, administered the expenditure of $13,342,000 in 1902, and in 1922 $35,000,000, an increase of nearly 200 per cent within two decades. The Department of Commerce, created since 1902, spent in 1922 $20,000,000. The Interstate Commerce Commission spent in 1902 $275,000, but in 1922, $5,130,000. And other departments and bureaus are growing in proportion.

Some of these departmental usurpations have more, some less, to show for the money they have spent. But few, once started, fail to strike deeper and deeper into the public coffers. As the country grows, of course, the cost of governing it may be expected to mount. But during the past few years, and particularly at the present time, cost is rapidly outstripping growth, with no end in sight.

In eight years the people have paid out nearly $8,000,000 to keep the Federal Trade Commission going. It has grown and spread and reached out until it is operating branch offices and maintaining a long array of subsections, furnishing jobs for 400 people, from doctors and lawyers down to clerks and messengers, at salaries ranging from $10,000 to $480 a year. Thus, a department starting out eight years ago with the idea of spending $75,000 a year is now expending in the neighborhood of $1,000,000 annually. Once create a Federal bureau designed to carry out even a temporary scheme of regulation and it is created in perpetuity.

The Children's Bureau, established in 1912, started out with a staff of six and an annual appropriation of $25,640. At the end of its second year there were 76 employees on its pay roll at an annual expense of $164,000. By 1919 the appropriation was $658,604; in 1923 the cost was approximately $1,000,000 for directors, assistant directors, research agents, field agents, statisticians, and their assistants. It is accomplishing a needed and valuable work, but it illustrates the precipitous and wholly unanticipated increases in personnel and budget typical of all Government bureaus, a mushroom growth wholly out of proportion to the growth of the country in population or wealth and calling for careful scrutiny on the part of the taxpayer.

These are merely individual factors in the cost of maintaining our Government. It is this sort of growth within the Government, adding large numbers every year to already overstaffed corps of employees, that has contributed heavily to the burden of taxation.

Another outstanding feature of the public service is the lack of proper and effective coordination between the various departments and bureaus.

Each department considers itself as an entity almost wholly detached from the remainder of the Government.

As a result investigation shows a duplication of work in many departments. In the matter of the tariff, for example, it is to be observed that there are a number of bureaus all engaged in what may be well regarded as a typical example of needless and costly duplication.

The United States Tariff Commission is the Government's instrumentality for procuring information pertinent to all industries in their relation to the import and export trade of the United States. The commission also studies tariff relations between the United States and other countries, commercial treaties, preferential provisions, and economic alliances.

The division of foreign tariffs, in the Bureau of Foreign and Domestic Commerce, maintains files of information on tariffs, customs, duties, trade-marks, and related subjects.

The Department of State has a foreign trade advisers office. The Pan-American Union makes a study of Latin American tariffs. Thus there are four agencies of the Government investigating the same subject. A coordination of such work by the departments would result not only in improved service but in material reductions in the number of employees required and the corresponding charges upon the Treasury.

In the survey of the Pension Bureau made in May, 1923, it was found possible only after the most rigid insistence to reduce

the force from 1,031 to 867 employees at a saving of $246,000 in salaries. This was accomplished by the elimination of duplication, lost motion, and slack time.

Various sections were consolidated, others were discontinued, and a further saving of some $20,000 annually in supplies and material was accomplished.

What was done in this bureau might be done in others.

In one of the departments where the daily absences from sickness and other causes aggregated 1,000 per day insistence upon administrative attention brought about a reduction to 75 per day.

In one year 19 internal-revenue agents drew $13,400 for traveling expenses. Pointed inquiry resulted in 30 of the same agents drawing but $6,900 in the year following.

In another department an administrative official when informed that there was likely to be a surplus in his department instructed a subordinate to see to it that all the appropriation was exhausted before the end of the fiscal year.

In still another department a chief gave out 15 minutes' work to his force and instructed them to make it last all day.

When Government was costing $2,000,000 a day, Senator Aldrich estimated that $1,000,000 of it was absolute waste. Government now costs about $25,000,000 a day. How much of it is waste to-day?

The only way to determine the amount of this waste and provide for its elimination is through the agency of congressional committees duly authorized to make a thorough investigation. The departmental heads, however conscientious and aggressive, are powerless to remedy the evil.

The problem is trenchantly stated in the following abstracts from a letter written by Mr. Herbert D. Brown, the Chief of the Bureau of Efficiency:

I know that there are a great many unnecessary clerks in Washington—literally thousands—because investigations made by the Bureau of Efficiency have disclosed that fact.

There is no doubt in my mind but that it would be possible for administrative supervisors to reduce the number of their clerical assistants very greatly: (1) Because the volume of work in the departments to which they are attached is considerably less than it was during the period of the war, and (2) because now that the war strain is over time can be found for improvements of methods. Now that the peak of the war load has been passed it should be possible to institute a program of strict economy.

In spite, however, of the conclusion reached by Mr. Brown attempts to weed out superfluous, unnecessary, and inefficient employees are practically impossible. No better illustration of this can be offered than that submitted by the Commissioner of Patents, Mr. Ewing, in the hearings before the House Committee on Patents in January, 1916. In reply to an inquiry as to whether employees once attached to the pay rolls were retained when there was insufficient business to keep them employed, Commissioner Ewing said:

It is mighty hard to get rid of them. The truth of the matter is they are all protected by the civil-service rules, and a dismissal must be accompanied by a statement of reason. The statement of the reason that we have not enough business for them is not a reason why any particular person should be dismissed.

This is the system under which thousands of unnecessary employees are kept on the pay roll and under which the cost of government is maintained at stilted figures, out of all proportion to the service rendered. Until there is a reduction in personnel in all departments by the weeding out of the surplus employees, and with them the incompetent and inefficient; until there is an elimination of duplicated work and a contraction in profitless activities, the cost of conducting the Federal Government will remain at or near its present swollen figures. There seems to be no other possible conclusion.

President Harding on May 23, 1921, declared:

To bring economy and efficiency into Government is a task second to none in difficulty. Few people have any conception of the growth of Government business in the last decades before the World War; still fewer at all realize the pace to which the growth has been speeded up since the war started. The multiplication of departments, bureaus, divisions, functions, has resulted in a sort of geometrical increase in the task which confronts the heads of executive departments when they face reconstruction problems.

Again the President said:

I know the unpopularity of insistent reductions and enforced economics. The spender is freely, though often thoughtlessly, applauded. But in the sober reflections of the people whom we serve the honest and zealous endeavor to reduce the cost of government is sure to win abiding favor.

We must have legislative reorganization of the governmental machinery so as to eliminate overlap and waste. There must be a rigorous retrenchment in public expenditures to eliminate the waste and duplication that still exist in our public economy, as well as a reduction of needless functions and services.

Mr. Speaker, the retrenchment of expenditure and the reduction of taxation was one of the principal, if not the paramount, duties delegated to this Congress. No action by the Congress can effect such retrenchment more directly or more expeditiously than a reduction in the number of employees on the pay rolls of the Government. That there is an excess of employees over the number actually required for the adequate and ample transaction of Government business is universally conceded. The chairman of the Committee on Appropriations, probably the best-informed man on the subject in America and in a position to judge this situation more accurately than any other official of the Government to-day, estimates that 30,000 superfluous employees are being carried on the pay rolls, and no doubt that is a conservative estimate.

An investigation to disclose the extent of this surplus of employees and authorizing recommendations as to methods of reducing to a minimum the number on the rolls is provided in this resolution.

This plan is both practical and economical. The committee is authorized to sit during vacation, when ample time will be afforded for investigation and a thorough study of the situation may be made, as indicated, without the expenditure of a dollar. When Congress reconvenes in December it will have at its command ample and authoritative data and will be in a position to take immediate action providing for a reduction of the number of employees, which will result in an annual saving of hundreds of thousands of dollars now disbursed in useless salaries and in the return to productive industry of surplus employees now needlessly retained at Government expense and engaged in lost motions in the blind alleys of departmental routine.

The same jealous care that would be given to any private trust should be exercised in the administration and use of Government money and time. There should not be one standard for private transactions and another for the Government service. Millions have been wasted because of the failure of Federal personnel to realize their responsibilities as trustees to the Nation. The Congress has the opportunity to discharge its full duty in that respect even at this eleventh hour by the passage of this resolution.

WHAT AND WHO DEFEATED THE M'NARY-HAUGEN BILL

Mr. LEAVITT. Mr. Speaker and gentlemen of the House, lessons are learned from moments of defeat which aid in reaching the hour of final victory. But it is essential to that end that correct conclusions be reached and that the lessons learned be the whole truth and not mere statements with selfish motive and based on half truths only.

It does not follow of necessity because a skillful speaker or writer calls attention to a bad situation that the remedy he himself advances is the right one. He may be simply ambitious or misled. Or, again, he may be purposely stating only that part of a truth which is to his own advantage.

Since the defeat of the McNary-Haugen farm relief bill many wild statements have been made as to what caused it. I was a sincere supporter of that measure. I made the first speech delivered in Congress in behalf of its principle, on the 8th of January, 1924, eight days before the bill was introduced. I used as the basis of my address the report of the Secretary of Agriculture on the wheat situation, which report had just been published. Again, on the 23d of May, when the measure was before the House after long hearings in committee, I spoke for it. During all the time it was being considered I worked for its success. No one was more disappointed than I when the final vote was reached on the 3d of June and it failed of passage.

Why did it fail? That was the first question which began clamoring for an answer in my mind, because to me this is only the first battle and not the end of the war for justice to agriculture. To that end let us see, first of all, who opposed it.

I have checked and mapped as to location every vote for and against this bill. I have classified them all as to party. I have been at great pains to find out whether the vote was sectional, political, or a division between city and country districts. I found that the vote was influenced to some extent by all of these factors, but there are some outstanding facts which will interest you and may help to point the way to the best step to take next.

I will first analyze the vote of the members of the House Agricultural Committee itself. There are 12 Republicans and 9 Democrats on that committee. When the bill was finally voted

on for passage nine of the Republicans voted for it and three against. Of the nine Democrats on the committee, four voted for the bill and five voted against it. But here is another interesting thing: The fight against the bill in the committee and on the floor of the House was led principally by two Members—Mr. VOIGT, of Wisconsin, generally considered a leader of the La Follette Republicans, and Mr. ASWELL, of Louisiana, who would become chairman of the Agricultural Committee as the ranking Democrat in case the Democrats should have a majority in the next Congress.

The opposition of these two gentlemen is particularly significant and interesting. It is generally conceded here, Mr. Speaker, that they had more to do with defeating the McNary-Haugen bill than any other Members of this House. They had both signed the minority report against the bill as dissenting members of the Agricultural Committee, Mr. VOIGT'S name being first and Mr. ASWELL'S name being second of four signing that adverse report. They joined in saying, among other things:

> The plan by which it is proposed to give the producers increased price for "wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine," as mentioned in the bill, is fully discussed in the majority report, and needs no amplification here. We contend that the plan is unworkable; that it will defeat itself; that if the corporation proposed in the bill were to attempt to put it in operation as to the commodities mentioned it would fail and bring nation-wide distress. It is impossible within the reasonable limits of a minority report to specify all objections which occur to us, but we shall point out the principal objections, which, in our judgment, demonstrate conclusively the futility of the plan.

The gentleman from Wisconsin [Mr. VOIGT] was not content with signing the minority report against the bill, but in order to more effectually kill it he had added to the report what he called "Additional Views of Mr. VOIGT," in which he proposed a bill of his own, and he spoke for an hour and a half against the McNary-Haugen bill as a member of the committee. He did not revise and print his speech until the debate was nearly over so that it could not be taken up in detail.

It is not my purpose to criticize my colleagues nor to question their motives, but the surprise with which the opposition of one who has always placed himself in that group claiming to represent progressive ideas and the common people was received was not in any way lessened when I found that of the 10 Wisconsin Congressmen of that group 5 had voted against this measure for the relief of our farmers and 5 for it, thus dividing so that their vote was neutralized and of no effect in the result. If we add the vote of the one Socialist Member [Mr. BERGER], who voted against the bill and told me it was not socialistic, the balance of Wisconsin's delegation was toward the defeat of the McNary-Haugen bill. The hope, therefore, of those who believe in this legislation does not lie in that direction.

And what about the opposition of the gentleman from Louisiana [Mr. ASWELL]? My farmers will be much interested in his leadership against this bill, because if the Democrats should win a majority in the next House of Representatives he will, as their ranking member of the Agricultural Committee, be the chairman of that committee and the most powerful Member in the framing of farm legislation. They will notice that with very few exceptions the South voted against this bill under his leadership, and they will not look in that direction for the solution of their problem. They will not forget that he closed his speech in this House last Tuesday with this statement about this bill, which my farmers had studied and approved and asked for:

> Except that it is unconstitutional, unworkable, impracticable, socialistic, communistic, bolshevistic, and would enslave the farmers, otherwise it might be all right.

Mr. Speaker, I hold no brief for the Republican Members from the great industrial centers of the East. New England, Republicans and Democrats alike, voted against the McNary-Haugen bill just as solidly as did the Democrats of the South. Massachusetts gave it one vote, a Republican, and New York gave it one vote, a Democrat. It got some support in Pennsylvania from both parties, and then, beginning with West Virginia and Ohio, its support grew as the great West was approached. Of the votes cast in Ohio it got half. West Virginia gave it 4 votes; all that voted. Indiana gave it 11 out of 13 votes, and Illinois gave 16 out of 27, all but one of the opposition being from Chicago, and 2 not voting.

From there on west it was almost a solid vote for the McNary-Haugen bill, only the great cities voting against it. Texas gave it but one vote, and the coast districts of California were against it, but all in all the West, the Northwest, the Southwest, the Middle West, and the Lake States gave it a fine support. In 16 States it had no opposition, and in only 11 was it without some support.

The gentlemen representing great industrial centers expressed the fear that it would raise the cost of living to their working people, and some were not convinced that this bill offered the right solution to problems which they knew to exist. I know, too, that the measure was fought by the packing and milling interests. But it is not my purpose, now that the vote has been taken, to enter again into a discussion of the merits of the bill. We will be here fighting again for agriculture next December, and I am now but studying and mapping the ground upon which we must advance.

There were 161 votes and pairs for the McNary-Haugen bill, and 232 were against it. Seventeen Republicans and twenty-four Democrats did not vote. One hundred and two Republicans and fifty-seven Democrats voted for the measure; to this add the one Independent and one Farmer-Labor vote. One hundred and five Republicans and one hundred and twenty-six Democrats voted against the bill; to this add the one Socialist. This analysis shows that the vote was not exactly political, although the bulk of the support was Republican and the bulk of the opposition Democratic.

But let us in closing come back to the House Agricultural Committee and its stand on this bill. Mr. HAUGEN, the gentleman from Iowa, is the chairman of that committee, and it makes a great deal of difference who is the chairman of a committee when it comes to getting a bill reported out. This was his bill and bore his name, and it was supported by eight other Republicans on the committee and four Democrats. If the Republicans remain in the majority in the next Congress, Mr. HAUGEN will still be chairman of that committee, in all human probability. If the Democrats are in a majority, the seniority rule will place Mr. ASWELL, of Louisiana, the leading opponent with Mr. VOIGT, as the chairman.

Mr. Speaker, this is a practical matter to the people of the farms, who need and deserve the action of this Congress in meeting difficult conditions. This bill did not pass, but there is certainly greater hope for suitable legislation in the future coming out of a committee headed by the one whose name is on this measure—Mr. HAUGEN—than from a committee headed by the gentleman from Louisiana [Mr. ASWELL], who termed the supporters of this measure Bolsheviks. My people will not be pleased with the action of the industrial centers and the South in defeating the McNary-Haugen bill, and they will protest; but they will not forget that its defeat was due to the gentleman from Wisconsin and the gentleman from Louisiana above all others, because they as members of the committee brought out a minority report against it and fought it on the floor of the House. They will resent the opposition of the Northeast and the East, but they will not injure themselves by putting at the head of this great committee the ones who fought and ridiculed them in the Congress of the United States.

And finally, Mr. Speaker, while I can hardly believe such a thought could rule anyone at such a time as this, if it was the intention of anyone to defeat or fail to support this bill so that it might be said in the coming campaign that this Congress has done nothing for the farmers, this analysis of the vote shows who is to be blamed.

### RIVER AND HARBOR IMPROVEMENTS

Mr. PORTER. Mr. Speaker, to-day I introduced a bill authorizing a bond issue in the sum of $204,000,000 to furnish the funds necessary to complete approved river and harbor projects as rapidly as is economically practicable. It is introduced at this time in order that it may be fully discussed and its merits thoroughly established before it is brought up for action at the December session of Congress. The bill does not take the place of the "river and harbor" bills, whose function is to adopt new projects or modify existing ones. It simply provides the means of financing projects which have already been adopted and most of which are partially completed.

We have spent since the beginning of our history approximately $750,000,000 for river and harbor improvements. This does not include the Panama Canal or flood-control expenditures. A large part of this investment has been lying unused for years, the Government bearing the expenses of maintenance and losing the interest on the unproductive investment.

Over 92 years ago Abraham Lincoln when a member of the General Assembly of Illinois made an appeal for the improvement of the Sangamon River, in the course of which he said:

> Yet it is folly to undertake works of this or any other kind without first knowing that we are able to finish them, as half-finished work generally proves to be labor lost.

Less than one-fourth of the total investment in these improvements is now needed to complete them and thereby protect and make productive the existing three-fourths. Sound business principles would seem to demand that this be done promptly to secure the use and benefit of such a vast expenditure of the people's money.

The bill follows:

A bill (H. R. 9730) authorizing the issue and sale of bonds to pay the cost of completing authorized public works on rivers and harbors, and for other purposes

Whereas among the present-day problems none is more acute and pressing for solution than that of transportation, which is the connecting link between producer and consumer; and

Whereas experience has demonstrated the great importance and imperative necessity for the speedy completion of the public works on the waterways of the United States—the great economy resulting from water transportation, as shown by both Government and private operations, is the master key to the transportation problem, as it presents a cheap and dependable highway of commerce; and

Whereas the Government has expended approximately $750,000,000 in the partial improvement of approved river and harbor projects in the United States; and

Whereas not only is the greater part of this investment unproductive by reason of the fact that the improvements have not been completed to a point where they can be economically utilized, but also the Government must bear the expenses of maintenance and lose the interest on its investment; and

Whereas $204,000,000, according to the estimate of the United States engineers, is required to complete all river and harbor projects heretofore approved by the United States engineers and authorized by laws approved by the President; and

Whereas it has been shown that material economies in construction can be obtained by carrying on this work as rapidly as is economically practicable, and this has proven impossible under the present policy of annual appropriations; and

Whereas the prompt completion of these projects is needed both for the purpose of securing the nation-wide benefits which will be derived therefrom and for the purpose of utilizing the large investment already made on the waterways throughout the entire country; and

Whereas it is a just and sound business practice to distribute the cost of permanent improvements over the period during which the benefits from the improvements are to be enjoyed: Now, therefore,

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized to borrow on the credit of the United States, from time to time, as the proceeds may be required to defray expenditures to be made under the direction of the Secretary of War and the supervision of the Chief of Engineers for the construction of authorized public works on rivers and harbors, the sum of $204,000,000, or so much thereof as may be necessary, and to pay upon the request and at the direction of the Secretary of War such sums as may be required by the Secretary of War for the completion of the public works on rivers and harbors heretofore approved by the United States engineers and authorized by laws approved by the President, and the Secretary of the Treasury is further authorized to prepare and issue therefor coupon or registered bonds of the United States in such form and in such denominations as he may prescribe, redeemable in gold coin at the pleasure of the United States after 10 years from the date of their issue and payable 30 years from such date, bearing interest quarterly in gold coin at a rate not exceeding 4½ per cent per annum: *Provided*, That said bonds may be disposed of by the Secretary of the Treasury under such regulations as he may prescribe, giving all citizens of the United States an equal opportunity to subscribe therefor, but no commissions shall be allowed or paid thereon; and a sum not exceeding one-tenth of 1 per cent of the amount of the bonds herein authorized is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to pay the expense of preparing, advertising, and issuing the same: *Provided further*, That the proceeds of the sale of the bonds herein authorized shall be used only for the purpose specified in this act.

HISTORY OF RIVER AND HARBOR IMPROVEMENT

From time immemorial people have gravitated toward their waterways. Being the world's most durable and economical traffic bearers, they have been instrumental in building the important commercial centers of the world.

Navigable rivers are the greatest business asset that any nation can possess. They always run down grade to the sea—and the sea is our one wide highway to the markets of the world. It covers three-fourths of the area of the globe—our rivers and harbors are but arms of the sea.

In the United States nature has directed rivers through the heart of the continent in the pathway of our greatest commerce. Near their shores lies the most productive region in the world—rich in agriculture, vast forests, minerals, coal, sand, gravel, clay, and manufactured products. They are crossed by all the great trunk-line railroads of the United States.

Waterways are the people's property. Having been placed under Government control, they should receive consideration at least equal to that afforded the railroads which are owned by private individuals.

On the other hand, this great natural asset has been handled with marked indifference. Millions have been expended here and there, and in many cases not sufficient to conserve the capital already invested.

Gen. Harry Taylor, who has recently been confirmed as the new Chief of Engineers of the Army, in an address before the West Virginia Manufacturers' Association, gave the following figures for the amounts spent by the Federal Government on various classes of river and harbor improvements from the time when such improvements were first instituted up to June 30, 1923:

| | |
|---|---|
| For the improvement and maintenance of harbors on our Atlantic, Gulf, and Pacific coasts, and in Hawaii and Porto Rico | $385,000,000 |
| For coastwise channels and intracoastal canals among the Atlantic and Gulf coasts | 15,000,000 |
| For connecting channels and harbors of the Great Lakes | 142,000,000 |
| For interior rivers and lakes other than the Great Lakes | 445,000,000 |
| For investigations, surveys, and contingent expenses not susceptible of classification | 20,000,000 |
| For projects which have been abandoned or have proved obsolete or have been otherwise dropped from reports | 20,000,000 |
| Grand total | 1,027,000,000 |

The above figures are, of course, approximations. They do not include the amounts spent for levee construction on the Mississippi River nor for flood control on the Sacramento River. They cover both improvement and maintenance.

In this connection General Taylor states:

For a long period in the early days of the administration of improvements separate maintenance accounts were not kept and reliable figures of the total cost of the new work are consequently not available. The best information at hand shows that approximately $750,000,000 represents the capital cost of river and harbor improvement, this figure being, if anything, too large. Great as this expenditure is, it sinks into insignificance in comparison with the capital expenditure on other means of transportation. The capital expenditure on the railroads of this country is in the vicinity of $20,000,000,000. We have been spending money on highways for the last four years at the rate of approximately $500,000,000 per year, so that the expenditures in two years for roads very nearly equals the total expenditure for river and harbor improvements since the beginning of the Government.

The completion and successful operation of our natural system of waterways is the accepted agency for the solution of our transportation problem. The need is so imperative and so apparent and the benefits that will accrue to the Nation as a whole so evident that little argument should be required as to the integrity of the proposition to complete them. With straight-thinking people it becomes therefore only a matter of ways and means.

ECONOMIES AND SERVICE AFFORDED BY WATERWAYS

Waterways are an inseparable part of our national transportation, a system which to be thoroughly efficient and economical should consist of a proper coordination of the three existing agencies, namely, railways, waterways, and highways.

A general recognition that transportation by water is many times cheaper than by either rail or highway has created throughout the United States in the interest of cheaper freight rates and lower cost of living a growing favor for waterway improvement.

In a recent report issued by M. G. Barnes, member of the American Society of Engineers and chief engineer of the division of waterways of the State of Illinois, there appears a statement to indicate relative transportation costs. It shows the number of miles $1 will carry a ton of freight by different methods:

| | Miles. |
|---|---|
| With horse and wagon | 4 |
| Automobile truck | 20 |
| Railroad | 100 |
| New York Barge Canal | 300 |
| Great Lakes freighters | 1,000 |
| Ohio and Mississippi Rivers (downstream) | 3,000 |

Brig. Gen. Frank T. Hines, former Chief of Transportation, Inland and Coastwise Waterways Service, War Department, in a recent article states it in another way: On a highway a single horse with an ordinary dray can draw 2 tons of freight. Hitch him to a car on a railroad track and he can pull, at the

same rate of speed, 15 tons. If, however, he be hitched from the bank to a well-designed boat in the stream he will with the same effort be able to pull 105 tons of freight through still water.

The average rail rate throughout the United States last year was 10.78 mills per ton-mile. The Federal barge line operating on the Mississippi River carried freight last year for 3½ mills per ton-mile and earned a profit for the Government. The Great Lakes steamers are thriving carrying freight at 1.14 mills per ton-mile.

The most convincing example of economy and service afforded by water facilities is the performance since 1918 of the Government owned and controlled barge service. Even with its limited equipment and the delays encountered in service due to lack of proper channel development in the lower Mississippi it has been able to prove the economical value of the water carrier by actual accomplishments the worth of which no one can dispute. During the 30-month period ending December 31, 1923, the line actually saved to shippers in 25 States a total of over $2,000,000 in transportation costs, which represents an average saving of $1.40 per ton.

There has been an attitude on the part of the shipper located away from water transportation facilities that the benefits of water carriers are solely for cities located immediately on the waterways. Nothing could be further from the truth. The vast majority of all water-borne commerce either originates on a railroad line or is delivered to a railroad to be carried to its destination. For instance, the Federal barge line performance for the calendar year ending June 30, 1923, shows that of the total tonnage handled by the line during this period 54.3 per cent, or over one-half, was in connection with joint hauls by railroads. This fact demonstrates the value of water facilities to the inland community. An average of 65 per cent of the total tonnage of the barge line since its inauguration has been handled in conjunction with rail lines and, exclusive of grain, 95 per cent of the tonnage either comes from or goes to rail lines. And, too, we must remember in this same connection that in the 30-month period, above referred to, the barge line's savings of over $2,000,000 affected 25 States, and that the great majority of the cities either receiving or shipping freight in these States can be classified as interior points.

There is not enough tonnage solely at the river points to keep a facility such as the barge line busy. Also these rates at interior points reflect the same saving of 20 per cent as the all-water rate between St. Louis and New Orleans.

Now, a word as to service.

The prevailing opinion of water-borne commerce is not in line with the actual facts as to time consumed. In the case of the barge line, it has established and maintained sailing schedules comparable with the best rail time. For instance, the line recently inaugurated a new express service on the Mississippi River between St. Louis and New Orleans which gives shippers a 5-day service southbound and 10 days northbound.

Five days St. Louis to New Orleans via water is a schedule which the ordinary daily freight train can not meet. Ten days from New Orleans to St. Louis compares favorably with the regular rail time between these two points.

As an illustration to convince that the combination of economy and service applies to the water carrier, I will cite the performance of the self-propelled barge *Birmingham*, which made the initial trip in the new express river service March 29 of this year. The inaugural trip was made from New Orleans to St. Louis as per schedule of 10 days, running time. The *Birmingham* carried a capacity load with a total tonnage of 1,123 tons. Included in the tonnage were 448 tons, or 17 carloads, of sugar. The saving in freight costs accruing to the shippers of this commodity amounted to 10 cents a hundred pounds, or a total of $897 was saved on the entire sugar shipment. A total of 514 tons of coffee, or 27 carloads, carried at the same saving per hundred pounds, netted the shippers of this commodity $1,028. The commodities carried went to many cities of the North and had come from nearly all countries of the world. The above savings are in addition to those enjoyed by the shippers of hundreds of other commodities carried by the *Birmingham* on its initial trip.

I have no available figures as to tonnage carried on the first southbound trip. However, a telegram has been shown me which was received by the Mississippi Valley Association from the Federal manager of the barge line immediately after the boat docked at New Orleans, stating that the first merchandise steamer southbound from St. Louis, leaving April 4, arrived at all ports on time.

Mr. A. B. Shepherd, vice president of the Jones & Laughlin Steel Corporation testified before the Rivers and Harbors Committee as to the time required for delivery of their steel by water. He cited a trip from Pittsburgh to St. Louis by water in 14½ days, as against 10 days by rail.

PARTIALLY COMPLETED WATERWAYS CARRY ENORMOUS TONNAGE

The low cost of river transportation is becoming so well recognized that private capital is investing enormous sums in water equipment. Last year industry on the Ohio alone spent $10,000,000 for new river equipment. A survey recently made shows that the investment of private capital in water facilities on this river totals approximately $20,000,000.

Such outstanding firms as the Pittsburgh Steel Co., the Carnegie Steel Co., the National Tube Co., the Jones & Laughlin Steel Corporation, and others maintain large fleets of barges to take advantage of the economies afforded by this means of transportation. Only last year the Jones & Laughlin Steel Corporation authorized a million-dollar building program to provide new floating equipment to supplement their present facilities, which, by the way, transported steel last year on the Ohio and Mississippi as far as St. Louis at a saving to the consumer of $2.75 a ton, and in shipping to Memphis, Tenn., in spite of the difficulties and delays due to the incompleted conditions of the Ohio River project and to a shift of the channel in the Mississippi after the big flood of 1922, they have made an average saving of between $2 and $3 per ton, as compared with the rail freight charge, and the purchaser has secured the benefit of this saving in the price of steel he bought. The same company handles its own coal on the Monongahela River for a distance of 60 miles at a cost of 15 cents per ton as against a rail rate of 75 cents per ton.

General Taylor stated recently before the House Rivers and Harbors Committee that to the best of his knowledge there is not a boat yard on the Ohio River that is not fully occupied with work building towboats and barges for private concerns.

So much for private interest in water transportation.

We often hear the doubt expressed as to the possible use the waterways will be put to if they are sufficiently improved to permit dependable and economical navigation. This doubt is convincingly answered by the tonnage now being carried on rivers, even under the most adverse conditions.

Let us briefly review the available tonnage figures for three rivers in the Pittsburgh district—the Ohio, Monongahela, and Allegheny Rivers. During the year 1921 a total of 17,353,782 tons was shipped over these three streams; in 1922, 18,211,902 tons; and in 1923, 28,234,000 tons. For the year 1923 a total of 23,560,000 tons was carried on the Monongahela, 4,613,000 tons on the Allegheny, and 7,286,000 tons on the Ohio. In 1923 the Monongahela River alone handled only about 1,600,000 tons less than the Panama Canal and 783,000 more than the Suez Canal. On the Mississippi River between St. Louis and New Orleans the following tonnage was carried: 1922, 655,789 tons; 1923, 595,115 tons; and for the first six months of 1924, 339,522 tons. Officials of the Federal barge service, which carried the tonnage above referred to, are confident that the line will carry 1,000,000 tons in 1924.

The strongest argument in favor of the immediate development of our waterways for transportation purposes is found in the present activities on them.

VALUE OF WATER TRANSPORTATION TO AGRICULTURE

The commerce of the world relies to a surprisingly large extent on agriculture, and agriculture is entitled to the best possible and cheapest form of transportation that human genius can provide. The grain and livestock and all of the products of the soil that move marketward comprise a total volume so large as to baffle the human mind to comprehend. Transportation service and economical shipping rates are of first importance. Lacking either of these the greatest single industry of the world is crippled.

It is the cheapness of waterway transportation that holds out the greatest possibilities for the broadest and most certain prosperity for agriculture. This advantage, which can not be ignored, must be employed if agriculture is to prosper in proportion to the importance of the rôle it plays in the industrial and business affairs of the world.

A study of the map showing the agricultural producing sections of this country, with the thought of waterways in mind, will reveal some interesting and impressive facts. The Mississippi River flows from near the Canadian border almost directly southward to the Gulf of Mexico, dividing the United States in two nearly equal sections. This majestic river, known as "The Father of Waters," furnishes a channel for boat traffic as far north as the Twin Cities, Minneapolis and St. Paul.

The Missouri River heads far in the Northwest, in western Montana, and empties into the Mississippi near St. Louis. In an

early day there was steamboat traffic as far upstream as Great Falls, Mont. In the seventies Sioux City, Iowa; Yankton, S. Dak.; Fort Benton, Mont., and other Missouri River points were shipping ports of very considerable importance. The traffic carried vast quantities of freight downstream to the Gulf and from the Gulf far into the interior.

The Ohio River has long been available for navigation from near its source adjacent to Lake Chautauqua, in western New York, but a short stride from Lake Erie, south and westward to its mouth at Cairo, Ill., where it merges with the Mississippi. There is yet another water course, the Illinois River. This channel directly connects the Great Lakes and the Gulf of Mexico.

These great rivers branch out and encompass the whole agricultural section affording usable highways which, if developed, would provide not only adequate transportation facilities, but provide these at a rate which would prove an enormous impetus to agricultural development and to all the countless industries that inevitably grow with the building of agriculture.

The amount of wheat transported by the Federal barge line in the month of August, 1923, was 1,364,707 bushels and on this single month's shipments the shippers realized a saving in freight of $53,223. When this is accomplished by one barge line of very limited equipment and wholly inadequate dockage the possibilities of the navigable rivers loom large for transportation service and shipping economy. It appears that this single barge line, handicapped though it was, made a profit of very impressive proportions carrying freight at 3½ mills per ton-mile. This is decidedly suggestive when it is understood that the average rail rate throughout the United States was 10.78 mills per ton-mile. Under present conditions the railroads paralleling the waterways are permitted to make a lower rate, so, as a matter of fact, the existence of a barge line effects a much greater saving than the amounts quoted.

The potential agricultural tonnage available for the waterways is enormous. In a statement of Mr. James E. Smith, president of the Mississippi Valley Association, which he made before the Committee on Rivers and Harbors of the House of Representatives on March 20, 1924, he stated that the nine leading agricultural States, including Kansas, Nebraska, South Dakota, North Dakota, Minnesota, Wisconsin, Iowa, Illinois, and Missouri, produced, in 1922, 490,313,000 bushels of wheat, or 56.51 per cent of the total production of the United States; 1,599,465,000 bushels of corn, or 55.04 per cent of the total production of the United States; 828,388,000 bushels of oats, or 68.14 per cent of the total production of the United States; 75,563,000 bushels of rye, or 73.10 per cent of the total production of the United States; 117,510,000 bushels of barley, or 64.54 per cent of the total production of the United States, or a total of 3,111,239,000 bushels of the grains mentioned.

Representative EDWARD C. LITTLE, of Kansas, testifying before the same committee on April 4, in outlining the merit of waterway development on the Missouri River to the farmer, said: "A couple of years ago I made considerable study of this situation, and I find at hand some of the remarks I made then. I said that the State of Kansas paid 10½ cents a bushel to send its wheat to Chicago and 21 cents more to get that wheat to Liverpool—that makes 31½ cents a bushel. We are shy that much on every bushel of wheat we ship to Liverpool.

"You can ship wheat from New Orleans to Liverpool for 8 cents, or you could at that time. You could ship wheat by barges, with tugboats, from St. Louis to New Orleans for 8 cents.

"That makes 8 cents and 8 cents, which is 16 cents. If we could get the tugs and barges running from Kansas City to St. Louis and down the river we would send out wheat to New Orleans for about 10 cents, and 8 cents from there to Liverpool would make 18 cents. We would save the difference between 18 cents and 31 cents on every bushel, or 13 cents a bushel on wheat.

"In 1921 Kansas raised 128,000,000 bushels of wheat. At 13½ cents a bushel that would be over $17,500,000. If you will give us a million and a half a year to fix the Missouri here for a few years we will have a 6-foot channel to St. Louis and then save $17,500,000 a year for the farmers."

Favored thus in the solution of the transportation problem by the maximum use of the waterways the great agricultural producing section of this country will move forward in importance in world commerce and amazingly in the benefits to which it is justly entitled. No other section in the world is favored to such an extent in natural resources. No other section is more clearly entitled to the best transportation facilities and service, and none is more deserving of favorable shipping rates.

PROCEDURE IN ADOPTING RIVER AND HARBOR PROJECTS

There are very few people who realize the great care with which river and harbor projects are scrutinized and the large number of separate and impartial examinations which are made of each such project before its improvement is authorized by Congress.

The late James R. Mann, who was for many years an acknowledged leader in the House of Representatives and one of the best-posted men who ever served in Congress, stated on the floor of the House:

> Whatever men may think about the merits of particular propositions in a bill, there is no legislation which comes before Congress which is so critically scanned by experts as are the river and harbor bills before they reach the House. * * * There are more processes involved, and far more expert men, wholly disinterested, unbiased, uncontrolled by politics, in reference to a river and harbor item than for any other legislation provided by any legislative assembly in the world.

Here are the steps through which any river or harbor project must pass before any work is authorized to be done on it:

1. Authorization by Congress for a preliminary examination and survey. In effect, this authorizes the Chief of Engineers to direct the district engineer, in whose district the proposed improvement lies, to make a preliminary examination and to report to him whether there appears to be sufficient merit in the proposal to justify a thorough examination and survey.

2. The district engineer makes this preliminary examination, and his report, which deals largely with present and prospective commerce and the benefits to commerce which the proposed improvements would afford, is sent to the division engineer.

3. The division engineer, who is a senior officer, with years of experience on river and harbor work, and has supervision over several districts examines the report of the district engineer and makes his comments on it, and any recommendations he may see fit and sends it on to Washington.

4. It is then turned over to the Board of Engineers for Rivers and Harbors, which is a body specially created by law to review all river and harbor projects in an impartial way and from a strictly national point of view. This board reviews the report of the district engineer and the comments of the division engineer, and reports the whole matter to the Chief of Engineers with its views and recommendations.

5. The Chief of Engineers then examines the report of the district engineer and the comments and recommendations of the division engineer and the Board of Engineers for Rivers and Harbors in order to determine whether a thorough examination and survey are justified by the present and prospective commerce and the benefits to commerce which the proposed improvement would afford. If his decision is unfavorable (5a) the Chief of Engineers so reports to Congress. Congress may let the matter drop there, and the matter is ended. If, however, they think that any facts or considerations have been overlooked or not given sufficient weight they may (5b) authorize a further examination of the proposed improvement and a subsequent report to Congress.

If in step 5 the decision of the Chief of Engineers is favorable, or if Congress has authorized further examination, as in step 5b, then—

6. The Chief of Engineers directs the district engineer, or such other officer or board as he may designate, to make a thorough examination and survey of the proposed improvement and to make recommendations as to exactly what work should be done and an estimate of how much it will cost and the rate at which the work should be prosecuted. This report also completes, as far as possible, commercial statistics and gives consideration to such subjects as the adequacy of terminal facilities, the possibility of water-power development, etc.

7. This report is transmitted through the division engineer, who again makes his comments and recommendations and forwards it to Washington.

8. The report, with the comments of the division engineer, goes to the Board of Engineers for Rivers and Harbors, which reviews the whole question and makes its report and recommendations to the Chief of Engineers.

9. The Chief of Engineers examines the report of the district engineer or other officer or board and the comments and recommendations of the division engineer and the Board of Engineers for Rivers and Harbors.

10. The Chief of Engineers sends to Congress his report and recommendations on the proposed improvement, either transmitting in full or summarizing for the benefit of Congress the views and opinions of the district engineer, the division engineer, and the Board of Engineers for Rivers and Harbors.

11. This report is referred to the proper committees of Congress, the Committee on Rivers and Harbors in the House of Representatives and the Committee on Commerce in the Senate.

12. Hearings are held by these committees, at which all interested parties are given an opportunity to be heard, and at which the Chief of Engineers and his assistants may be asked for further information. If the decision of the committee is favorable, then—

13. The committee includes an item for the proposed improvement in a bill which it reports to its House of the Congress with the recommendation that it pass.

14. The bill must pass both Houses of the Congress and be approved by the President. The proposed improvement, then, is an adopted project, and work is authorized upon it when Congress shall have provided the necessary funds.

Surely, Mr. Mann was justified in his statement that no other legislation is given the careful and impartial scrutiny that is accorded river and harbor legislation before a project can be adopted, and the chance of an unwarranted improvement being adopted is practically nil.

ESTABLISHED METHOD OF FINANCING IMPROVEMENTS

But when a project has been adopted there is still the matter of providing funds for its carrying out. This is no small matter under the present procedure. Here are the steps in providing these funds:

1. The district engineer, in his annual report to the Chief of Engineers, includes an estimate of the money required for the next fiscal year for each of the approved projects in his district.

2. The division engineer comments on these estimates in transmitting this report to the Chief of Engineers.

3. The Chief of Engineers reviews the estimates of the district engineers and the comments of the division engineers in preparing his estimate of the total funds required for river and harbor improvements during the next fiscal year.

4. The Chief of Engineers transmits his estimate of the funds required for river and harbor improvements to the Chief of Finance of the War Department for consideration in conjunction with all the other requirements of the War Department.

5. The Chief of Finance prepares for the Secretary of War the preliminary budget estimates to be transmitted to the Bureau of the Budget.

6. The Bureau of the Budget considers these preliminary estimates in conjunction with similar preliminary estimates from all the other departments of the Government and returns them requesting such modifications as it deems necessary to fit them into the financial program of the Government.

7. The Chief of Finance of the War Department, after consultation with the Chief of Engineers, prepares revised estimates to be transmitted by the Secretary of War to the Bureau of the Budget for inclusion in the Budget.

8. The Bureau of the Budget holds hearings to determine the necessity for providing the funds requested in these revised estimates.

9. The President transmits the completed Budget to Congress as his recommendation of the funds required by the different departments of the Government.

10. The Committee on Appropriations of the House of Representatives holds hearings to determine the necessity for providing the funds recommended in the Budget.

11. The Committee on Appropriations reports the bill to the House of Representatives with its recommendations as to the funds required.

12. The House of Representatives votes on the bill as reported by the Committee on Appropriations, and may modify any item in it.

13. The Committee on Appropriations of the Senate holds hearings to determine the necessity for providing the funds contained in the bill as it passed the House of Representatives.

14. The Committee on Appropriations reports the bill to the Senate with its recommendations as to the funds required.

15. The Senate votes on the bill as reported by the Committee on Appropriations and may modify any item in it.

16. If the Senate and the House of Representatives have voted different amounts for any item in the bill, that must be a subject of conference between the two Houses, and the decision of the conferees must be accepted by both Houses before the bill goes to the President for signature.

17. Finally the bill must be approved by the President.

The practical result of this procedure is that it is impossible to predict how much money may be made available for carrying on the improvement of waterways, even after the project has been adopted by Congress, and it is therefore impossible for the engineers to adhere to any definite program of construction. Anyone who has ever done any construction work on a large scale knows the absolute necessity of working to a definite program if waste is to be avoided and the work to be finished at a reasonable cost. That this is impossible under the present procedure is due not only to the long and complicated process of making appropriations but also to the changing personnel of Congress and the lack of understanding or lack of interest, or both, of some Members who are not familiar with the benefits to be derived from waterway improvements nor with the necessary conditions for their economical procurement.

LACK OF RESULTS OF PRESENT METHOD OF FINANCING

During the visit of Lloyd-George to America last year he was asked while in St. Louis what was the most impressive thing he had seen during his tour of this country. At the time the question was put to the great English statesman he was standing on the bank of the Mississippi a short distance north of St. Louis. Without hesitation he replied, "I have witnessed to-day in the nonuse of the Mississippi River the greatest example of extravagant waste I have ever seen."

How long will it take to complete the work of development of our rivers and harbors and render available for public use the badly needed transportation facilities which will result therefrom? Under the present system of appropriating for them nobody knows how long it will take, because the will of Congress varies from year to year, and the engineers who are charged with the duty of carrying out this work are therefore handicapped in carrying out a consistent and comprehensive program.

Consider, for example, the Mississippi and Missouri Rivers. Here is what General Taylor says about the results to them of the present system of appropriations:

> In those cases, where the projects were adopted with a view to completion within a certain specific number of years—in the case of the Mississippi between the Ohio and Missouri, 12 years; in the case of the Mississippi between the mouth of the Missouri and Minneapolis, 12 years; and in the case of the Missouri River from Kansas City to the mouth, 10 years—the appropriations have not been sufficient to permit of the work being done at that economical rate. In some years practically nothing has been done, with the result that these improvements, which might have been completed by this time, and a large part of the work done during the period of low prices before the war, have now run over into the period of high prices, and much work remains to be done. In fact, due to the small appropriations and the lack of continuous and effective prosecution of the work, a considerable portion of the work already done will have to be done over again.

Maj. Gen. Lansing H. Beach, who retires as Chief of Engineers, United States Army, on June 18, stated to the members of the House Rivers and Harbors Committee considering waterway legislation on March 20, that "it would probably take to the year 3,000 to complete waterway improvements if the present system" of piecemeal appropriations is continued.

NEED OF PROMPT COMPLETION OF ADOPTED PROJECTS

Delay in improvement of our waterways is a loss every year in wealth amounting to more than would be required for improvement of the whole system of waterways, and it is subjecting the people to an immeasurable loss of prosperity which is unnecessary.

Waterway improvements are of little value unless completed. It is immaterial how much work may be done on a waterway if one small section remains unimproved the entire project is about as useless as a great bridge with one span out or a railroad with a section of track missing.

We learned during the World War the serious weakness of our transportation system. We must have relief from the freight congestion of a rapidly growing commerce so that facilities will be available to carry great quantities of freight at rates which water facilities alone can afford.

An improvement of such magnitude is calculated to benefit the entire country.

It will save to the farmers at least 20 per cent to 30 per cent of their freight costs, because it will give cheap transportation right through the heart of the great agricultural section of America.

Our farms and our factories must have world markets in which to sell their surplus goods and to take from them the things we want but do not ourselves produce. We must protect our trade lines; other nations have a monopoly on many articles of commerce that are necessary under our standard of living. There must be reciprocity—a swapping of our surplus factory and farm products for their articles of commerce, all of which means transportation in one form or another.

Our system of rail transportation is undergoing a change of life. There are several contributing factors, such as our natural increase in population, the inability of the weak rail lines to keep pace with the stronger ones, the unnecessary multipli-

cation of overhead charges, terminal congestion, and the lack of capital for needed expansion.

From now on the major transportation agencies of the country—its rail, water, and highways—must be so integrated that all avoidable friction shall be eliminated and all be made to work smoothly for one common purpose, namely, the movement of persons and things from one point to another at the lowest cost consistent with good service. In this general scheme of orderly and effective transportation the waterways must be placed in a position to participate under the favorable conditions which only their full and complete development will bring about.

AMOUNT NEEDED TO COMPLETE APPROVED PROJECTS

The latest estimate made by the United States Army Engineers of the amount required to complete all approved river and harbor projects is as follows:

PRINCIPAL SEACOAST HARBORS

| | |
|---|---|
| Portland Harbor, Me | $100,000 |
| Boston Harbor, Mass | 1,545,000 |
| Providence River and Harbor, R. I | 238,000 |
| Bronx River, N. Y | 143,000 |
| Jamaica Bay, N. Y | 10,541,000 |
| Harbor at Flushing Bay, N. Y | 115,800 |
| Newtown Creek, N. Y | 127,300 |
| New York Harbor, N. Y | 783,400 |
| Coney Island Channel, N. Y | 57,000 |
| Red Hook Channel, N. Y | 360,600 |
| Buttermilk Channel, N. Y | 1,609,900 |
| East River, N. Y | 33,372,800 |
| Harlem River, N. Y | 1,059,600 |
| Hudson River Channel, N. Y | 123,400 |
| Newark Bay and Hackensack and Passaic Rivers, N. J | 2,570,000 |
| New York and New Jersey Channels, N. Y. and N. J | 7,300,000 |
| Elizabeth River, N. J | 15,000 |
| Raritan River, N. J | 175,000 |
| Schuylkill River, Pa | 174,000 |
| Delaware River, Pa., N. J., and Del., Philadelphia, Pa., to the sea | 4,190,000 |
| Wilmington Harbor, Del | 257,000 |
| Baltimore Harbor and Channel, Md | 844,000 |
| Norfolk Harbor, Va | 2,222,500 |
| Thimble Shoal Channel, Va | 74,560 |
| Cape Fear River, N. C., at and below Wilmington | 420,000 |
| Charleston Harbor, S. C | 6,040,000 |
| Savannah Harbor, Ga | 1,042,000 |
| Brunswick Harbor, Ga | 1,012,000 |
| St. Johns River, Fla., Jacksonville to the ocean | 441,200 |
| Harbor at Key West, Fla | 970,000 |
| Tampa Harbor, Fla | 655,000 |
| Mobile Harbor, Ala | 1,195,000 |
| Southwest Pass, Mississippi River, La | 1,574,000 |
| Sabine-Neches Waterway, Tex | 1,719,000 |
| Galveston Channel, Tex | 2,466,400 |
| Houston Ship Channel, Tex | 1,100,000 |
| Port Aransas Harbor, Tex | 55,500 |
| Los Angeles Harbor, Calif | 450,000 |
| San Francisco Harbor, Calif | 240,000 |
| Oakland Harbor, Calif | 1,171,450 |
| Richmond Harbor, Calif | 173,500 |
| San Pablo Bay and Mare Island Strait, Calif | 333,000 |
| Coos Bay, Oreg | 2,620,000 |
| Columbia and Lower Willamette Rivers below Vancouver, Wash., and Portland, Oreg | 3,098,000 |
| Grays Harbor and bar entrance, Wash | 600,000 |
| Lake Washington Ship Canal, Wash | 563,000 |
| Honolulu Harbor, Hawaii | 760,000 |
| Hawiliwili Harbor, Hawaii | 325,000 |
| San Juan Harbor, P. R | 300,000 |
| Total | 97,322,910 |

SECONDARY HARBORS AND COASTWISE CHANNELS

| | |
|---|---|
| Beverly Harbor, Mass | 61,000 |
| Harbor of refuge at Nantucket, Mass | 34,000 |
| New Bedford and Fairhaven, Mass | 60,000 |
| Pawtucket River, R. I | 77,000 |
| Harbor of refuge at Block Island, R. I | 21,000 |
| Great Salt Pond, Block Island, R. I | 116,000 |
| Pawcatuck River, R. I. and Conn | 64,700 |
| New London Harbor, Conn | 120,000 |
| Connecticut River below Hartford, Conn | 105,500 |
| Housatonic River, Conn | 41,150 |
| Bridgeport Harbor, Conn | 81,200 |
| Norwalk Harbor, Conn | 118,000 |
| Stamford Harbor, Conn | 120,000 |
| Greenwich Harbor, Conn | 7,400 |
| Port Chester Harbor, N. Y | 12,500 |
| Mamaroneck Harbor, N. Y | 103,000 |
| Westchester Creek, N. Y | 475,000 |
| New Rochelle Harbor, N. Y | 35,000 |
| Port Jefferson Harbor, N. Y | 53,600 |
| Mattituck Harbor, N. Y | 81,800 |
| Great South Bay, N. Y | 5,700 |
| Tarrytown Harbor, N. Y | 6,300 |
| Burlington Harbor, Vt | 217,000 |
| Cheesequake Creek, N. J | 50,000 |
| Matawan Creek, N. J | 12,120 |
| Shoal Harbor and Compton Creek, N. J | 47,130 |
| Shrewsbury River, N. J | 50,000 |
| Mantua Creek, N. J | 40,495 |
| Oldmans Creek, N. J | 58,300 |
| Maurice River, N. J | 61,200 |
| Absecon Inlet, N. J | 148,000 |
| Tuckerton Creek, N. J | 1,640 |
| Inland Waterway from Delaware River to Chesapeake Bay, Del. and Md | 3,000,000 |
| Appoquinimink River, Del | $3,000 |
| St. Jones River, Del | 123,000 |
| Murderkill River, Del | 9,900 |
| Smyrna River, Del | 4,000 |
| Inland waterway between Rehoboth Bay and Delaware Bay, Del | 89,000 |
| James River, Va | 2,811,500 |
| Inland waterway from Norfolk, Va., to Beaufort Inlet, N. C | 3,651,600 |
| Harbor of refuge, Cape Lookout, N. C | 2,162,000 |
| Winyah Bay, N. C | 128,000 |
| Waterway between Charleston and Winyah Bay, S. C | 25,000 |
| Wappoo Gut, S. C | 28,500 |
| Waterway between Beaufort, S. C., and St. Johns River, Fla | 87,000 |
| Oklawaha River, Fla | 108,000 |
| Indian River, Fla | 19,500 |
| St. Lucie Inlet, Fla | 1,436,500 |
| Sarasota Bay, Fla | 7,740 |
| Harbor at St. Petersburg, Fla | 5,000 |
| Apalachicola Bay, Fla | 122,000 |
| La Grange Bayou, Fla | 28,500 |
| Barataria Bay, La | 51,000 |
| Bayou Teche, La | 148,000 |
| Intracoastal waterway from Mississippi River to Bayou Teche, La | 100,000 |
| Intracoastal waterway, Franklin to Morgentau, La | 463,700 |
| Intracoastal waterway, Calcasieu River to Sabine River, La. and Tex | 135,000 |
| Calcasieu River and Pass, La | 25,300 |
| Pascagoula Harbor, Miss | 163,000 |
| Channel from Aransas Pass to Corpus Christi, Tex | 1,394,800 |
| Crescent City Harbor, Calif | 414,000 |
| Humboldt Harbor and Bay, Calif | 1,135,000 |
| Noyo River, Calif | 8,000 |
| Yaquina Bay and Harbor, Oreg | 75,215 |
| Umpqua River, Oreg | 450,000 |
| Willamette Slough, Oreg | 23,350 |
| Lewis River, Wash | 14,400 |
| Anacortes Harbor, Wash | 89,000 |
| Total | 21,023,240 |

LAKE HARBORS AND CHANNELS

| | |
|---|---|
| Narrows of Lake Champlain, N. Y | 163,000 |
| Duluth-Superior Harbor, Minn. and Wis | 265,000 |
| Harbor at Port Wing, Wis | 8,200 |
| Keweenaw Waterway, Mich | 84,500 |
| Harbor of refuge at Grand Marais, Mich | 131,700 |
| Green Bay Harbor, Wis | 30,000 |
| Milwaukee Harbor, Wis | 3,500,000 |
| Racine Harbor, Wis | 27,000 |
| South Haven Harbor, Mich | 115,000 |
| Grand Haven Harbor, Mich | 40,000 |
| Grand River, Mich | 149,000 |
| Muskegon Harbor, Mich | 66,000 |
| White Lake Harbor, Mich | 21,720 |
| Ludington Harbor, Mich | 57,000 |
| Manistee Harbor, Mich | 27,000 |
| Charlevoix Harbor, Mich | 23,750 |
| Chicago Harbor, Ill | 206,000 |
| Indiana Harbor, Ind | 279,000 |
| Michigan City Harbor, Ind | 39,500 |
| Sandusky Harbor, Ohio | 379,000 |
| Huron Harbor, Ohio | 117,300 |
| Lorain Harbor, Ohio | 171,000 |
| Cleveland Harbor, Ohio | 1,650,000 |
| Fairport Harbor, Ohio | 429,500 |
| Ashtabula Harbor, Ohio | 233,000 |
| Conneaut Harbor, Ohio | 92,000 |
| Buffalo Harbor, N. Y | 115,300 |
| Black Rock Channel and Tonawanda Harbor, N. Y | 890,000 |
| Oswego Harbor, N. Y | 77,000 |
| Cape Vincent Harbor, N. Y | 1,180 |
| Total | 9,380,650 |

PRINCIPAL RIVERS

| | |
|---|---|
| Hudson River, N. Y | 534,000 |
| Mississippi River: | |
| Between the Ohio and Missouri Rivers | 17,680,000 |
| Between Missouri and Minneapolis, Minn | 11,703,000 |
| Mississippi and Leech Rivers, Minn | 35,700 |
| Missouri River: | |
| Kansas City to the mouth | 11,000,000 |
| Kansas City, Mo., to Sioux City, Iowa | Indefinite. |
| Sioux City, Iowa, to Fort Benton, Mont | Indefinite. |
| Cumberland River, Tenn. and Ky.: | |
| Below Nashville | 297,000 |
| Above Nashville | 6,918,000 |
| Tennessee River: | |
| Below Riverton, Ala | 131,000 |
| Above Chattanooga, Tenn | 3,250,000 |
| Chattanooga to Browns Island | 4,325,725 |
| Survey of | 100,000 |
| Construction of locks and dams on the Ohio River | 27,855,000 |
| Monongahela River, Pa. and W. Va | 5,040,439 |
| Allegheny River, Pa., construction of locks and dams | 4,041,000 |
| Fox River, Wis | 15,000 |
| Illinois River, Ill | 754,300 |
| Total | 93,680,164 |

SECONDARY RIVERS

| | |
|---|---|
| Roanoke River, N. C | 42,000 |
| Cape Fear River, above Wilmington, N. C | 32,000 |
| Northeast (Cape Fear) River, N. C | 50,750 |
| St. Johns River, Fla., Jacksonville to Palatka | 13,300 |
| Lake Crescent and Dunns Creek, Fla | 33,700 |
| Kissimmee River, Fla | 750 |
| Flint River, Ga | 135,000 |

| | |
|---|---|
| Chattahoochee River, Ga., and Alabama River, Ala. (Revised estimate being prepared) | $267,000 |
| Black Warrior, Warrior, and Tombigbee Rivers, Ala. | 46,800 |
| Tensas River and Bayou Macon, La. | 4,200 |
| Kansas River, Kans. | Indefinite. |
| Osage River, Mo. | Indefinite. |
| Gasconade River, Mo. | Indefinite. |
| Napa River, Calif. | 43,000 |
| Snake River, Oreg., Wash., and Idaho | 86,800 |
| Willamette River above Portland and Yamhill River, Oreg. | 53,900 |
| Total | 809,200 |
| Grand total, approved river and harbor projects | 222,216,164 |

Since this estimate was prepared the War Department appropriation act for the fiscal year ending June 30, 1925, has been enacted, carrying $37,250,000 for rivers and harbors. Part of this appropriation will be required for the maintenance of existing improvements and the remainder will be available for expenditure on further improvements under the projects included in the above list. The net result is to reduce the amount still required to be provided to about $204,000,000.

This figure does not include any maintenance work, which can better be provided for by annual appropriations, the amount required being subject to variations in the light of actual experience from year to year. Moreover, maintenance is a current expense and is properly payable from current revenues. The annual maintenance now averages about 2 per cent per annum of the investment involved, and this percentage will be smaller when the projects are completed, as the engineers have testified that while there will be more work to maintain the cost is likely to be less, since completed improvements are less subject to damage by floods or otherwise than partially completed projects.

SOUND BUSINESS METHOD OF PROVIDING FUNDS

Our Government has been compared with a business corporation, the citizens of the country corresponding to the stockholders of a corporation, Congress to the board of directors, the President to the president of the corporation, and the members of the Cabinet to the administrative vice presidents of the corporation. A corporation is run for the benefit of its stockholders and the Government is run for the benefit of the citizens of the country. In the campaign of economy during the last few years, which has made tax reduction possible, the effort has been to get "more business in Government and less Government in business." It is largely due to the fact that business methods have been applied to many of the activities of this Government that economies have been secured, and the application of business methods to the financing of river and harbor improvements will produce equally beneficial results.

A business secures money for the construction of permanent improvements by the sale of securities. The choice of the form of security to be used—stock, bonds, or some other form—is determined by the circumstances in each case, but there is always a capital obligation of some sort representing the cost of all permanent improvements.

There are various reasons for this procedure, but the fundamental one is that it permits the prompt utilization of the improvements and the necessity of paying for them is postponed until the benefits from their use are being realized. In other words, this is a way to make the improvements pay for themselves.

The same line of reasoning applies with equal force to the financing of river and harbor improvements by the Government. Why should the taxpayer of to-day pay the entire cost of these improvements when the taxpayer of to-morrow—and many more to-morrows—will be deriving the benefits from them? The benefits of lower costs of transportation and reduced losses from congestion at critical points will result not only in these direct savings but also in the increased prosperity which the freer and cheaper circulation of commodities will produce. All this will provide the taxpayer of to-morrow with more funds to meet the cost of the improvements—spread over a number of years—than the taxpayer of today has available. It will be literally making the improvements pay for themselves.

The annual appropriations for rivers and harbors are now running from $35,000,000 to $60,000,000 per year, of which about $15,000,000, or 2 per cent of the $750,000,000 investment, is required for maintenance. With a bond issue for $204,000,000 providing for the completion of the approved projects, the annual charge for the first 10 years would be $15,000,000 for maintenance and interest charges on the bonds, gradually rising to $9,180,000 in the fifth year and never going over that figure, making a total of from $17,700,000 to $24,180,000 annually instead of from $35,000,000 to $60,000,000. This is based on the maximum rate of interest—4½ per cent—authorized in the bill. The interest rate, and consequently the interest charges, are almost certain to be materially lower than these figures. Assuming that the bonds would be retired at the rate of $10,000,000 per year, beginning with the eleventh year after their issue, which would retire them all 30 years from their issue, the maximum annual charge would be $34,180,000 in the eleventh year, gradually reducing to $27,540,000 in the thirtieth year, and thereafter would be merely the annual maintenance of $15,000,000 per year. The following tabulation shows how these bonds could be handled to reduce the immediate drain on the Treasury, as indicated above, keep the maximum charge for succeeding years at less than the appropriation for the fiscal year ending June 30, 1925, which is the lowest which has been made for several years, and spread the bulk of the cost, in gradually decreasing amounts, over a period of 20 years, commencing five years after the great majority of the improvements will be completed.

| Year | Bonds issued during year | Bonds outstanding during year | Interest on bonds for year at 4½ per cent | Bonds retired during year | Total bond charges for year | Annual maintenance of all projects | Total charge for year |
|---|---|---|---|---|---|---|---|
| 1 | $60,000,000 | $60,000,000 | $2,700,000 | ---------- | $2,700,000 | $15,000,000 | $17,700,000 |
| 2 | 50,000,000 | 110,000,000 | 4,950,000 | ---------- | 4,950,000 | 15,000,000 | 19,950,000 |
| 3 | 40,000,000 | 150,000,000 | 6,750,000 | ---------- | 6,750,000 | 15,000,000 | 21,750,000 |
| 4 | 30,000,000 | 180,000,000 | 8,100,000 | ---------- | 8,100,000 | 15,000,000 | 23,100,000 |
| 5 | 24,000,000 | 204,000,000 | 9,180,000 | ---------- | 9,180,000 | 15,000,000 | 24,180,000 |
| 6 | ---------- | 204,000,000 | 9,180,000 | ---------- | 9,180,000 | 15,000,000 | 24,180,000 |
| 7 | ---------- | 204,000,000 | 9,180,000 | ---------- | 9,180,000 | 15,000,000 | 24,180,000 |
| 8 | ---------- | 204,000,000 | 9,180,000 | ---------- | 9,180,000 | 15,000,000 | 24,180,000 |
| 9 | ---------- | 204,000,000 | 9,180,000 | ---------- | 9,180,000 | 15,000,000 | 24,180,000 |
| 10 | ---------- | 204,000,000 | 9,180,000 | ---------- | 9,180,000 | 15,000,000 | 24,180,000 |
| 11 | ---------- | 204,000,000 | 9,180,000 | $10,000,000 | 19,180,000 | 15,000,000 | 24,180,000 |
| 12 | ---------- | 194,000,000 | 8,730,000 | 10,000,000 | 18,730,000 | 15,000,000 | 33,730,000 |
| 13 | ---------- | 184,000,000 | 8,280,000 | 10,000,000 | 18,280,000 | 15,000,000 | 33,280,000 |
| 14 | ---------- | 174,000,000 | 7,830,000 | 10,000,000 | 17,830,000 | 15,000,000 | 32,830,000 |
| 15 | ---------- | 164,000,000 | 7,380,000 | 10,000,000 | 17,380,000 | 15,000,000 | 32,380,000 |
| 16 | ---------- | 154,000,000 | 6,930,000 | 10,000,000 | 16,930,000 | 15,000,000 | 31,930,000 |
| 17 | ---------- | 144,000,000 | 6,480,000 | 10,000,000 | 16,480,000 | 15,000,000 | 31,480,000 |
| 18 | ---------- | 134,000,000 | 6,030,000 | 10,000,000 | 16,030,000 | 15,000,000 | 31,030,000 |
| 19 | ---------- | 124,000,000 | 5,580,000 | 10,000,000 | 15,580,000 | 15,000,000 | 30,580,000 |
| 20 | ---------- | 114,000,000 | 5,130,000 | 10,000,000 | 15,130,000 | 15,000,000 | 30,130,000 |
| 21 | ---------- | 104,000,000 | 4,680,000 | 10,000,000 | 14,680,000 | 15,000,000 | 29,680,000 |
| 22 | ---------- | 94,000,000 | 4,230,000 | 10,000,000 | 14,230,000 | 15,000,000 | 29,230,000 |
| 23 | ---------- | 84,000,000 | 3,780,000 | 10,000,000 | 13,780,000 | 15,000,000 | 28,780,000 |
| 24 | ---------- | 74,000,000 | 3,330,000 | 10,000,000 | 13,330,000 | 15,000,000 | 28,330,000 |
| 25 | ---------- | 64,000,000 | 2,880,000 | 10,000,000 | 12,880,000 | 15,000,000 | 27,880,000 |
| 26 | ---------- | 54,000,000 | 2,430,000 | 10,000,000 | 12,430,000 | 15,000,000 | 27,430,000 |
| 27 | ---------- | 44,000,000 | 1,980,000 | 10,000,000 | 11,980,000 | 15,000,000 | 26,980,000 |
| 28 | ---------- | 34,000,000 | 1,530,000 | 10,000,000 | 11,530,000 | 15,000,000 | 26,530,000 |
| 29 | ---------- | 24,000,000 | 1,080,000 | 12,000,000 | 13,080,000 | 15,000,000 | 28,080,000 |
| 30 | ---------- | 12,000,000 | 540,000 | 12,000,000 | 12,540,000 | 15,000,000 | 27,540,000 |
| 31 | ---------- | ---------- | ---------- | ---------- | ---------- | 15,000,000 | 15,000,000 |
| 32 | ---------- | ---------- | ---------- | ---------- | ---------- | 15,000,000 | 15,000,000 |
| 33 | ---------- | ---------- | ---------- | ---------- | ---------- | 15,000,000 | 15,000,000 |

The morning papers of June 9, 1924, announce that the latest note issue put out by the Treasury bears interest at the rate of 2¾ per cent. If such a rate can be secured on these bonds when they are issued, it would reduce the maximum interest charge, in the above tabulation, to $5,610,000 instead of $9,180,000 and the maximum total charge for any year to $30,610,000 instead of $34,180,000. All other interest figures in the above would be correspondingly reduced—about 29 per cent—and would carry reduced total charges for each year.

ADVANTAGES OF THIS METHOD OVER PRESENT PROCEDURE

The advantages of this method over the present procedure may be divided into two general classes—first, the advantages from the construction point of view and, second, the advantages from the taxpayer's point of view, which include the first class as well.

From the construction point of view the provision of the necessary funds when and as needed will permit the laying out of a program for the prosecution of the work at the most economical rate, with full assurance that this program will not have to be modified on account of lack of funds. This is particularly important in the matter of the procurement and full utilization of equipment and the building up and maintaining of a well-trained and efficient personnel. There have been instances in the past when equipment has been provided with a view to carrying out a program of construction, and the funds provided in subsequent years have been so restricted that a considerable part of this equipment has lain idle because there was not sufficient money to carry out the program for which it was provided. As in most businesses, it costs money to train personnel to efficiently carry on the work of improving waterways, and when the funds are reduced below the amount required to keep this personnel profitably occupied it is necessary to lay off part of the trained men, some of whom never come back, thereby necessitating the training of others to take their places when sufficient funds are again available.

A further advantage from the construction point of view lies in the possibility of procuring lower costs for a given piece of work when it can be carried on at such a rate as to make the use of larger and more efficient equipment possible. (Quantity production methods are responsible for our ability in this country to compete with, and in many cases to undersell, concerns of other countries on many manufactured products, and that in spite of the fact that our wages and scale of living are higher than in any other country in the world.) The same principles of quantity production applied to work on waterway improvements will produce similar savings in the cost of completing these projects.

General Taylor gave an excellent illustration of the economies which can be achieved when funds are available to do the work at the maximum economical rate. He referred to the Chesapeake & Delaware Canal, which was estimated to cost $13,000,000, and which he states he believes would have cost all of that if it had been built at the rate which was made necessary by limited appropriations. However, due to certain circumstances which made it impossible to proceed with some other projects, some additional funds were available, and under the lump-sum appropriation system it was possible to divert them to other projects. It was decided to divert sufficient to the Chesapeake & Delaware Canal to permit contracting for practically the entire job at one time. The result was a much lower unit price for the work to be done, and it is now expected to complete the canal at a cost of $9,500,000, which represents a reduction in cost of $3,500,000, which is 25 per cent. This was possible only because the contractor, with several years' work assured, felt justified in building a large and efficient dredge, which was able to do the work much cheaper than such smaller and less efficient equipment as he would have had to use if the work had been let in smaller quantities and spread out over a number of years. The same sort of economies can be achieved by the Government engineers if they are assured the funds required to do their work at the most advantageous rate.

From the taxpayer's point of view, in addition to all the advantages enumerated above, there are further advantages which make this method of financing river and harbor improvements most desirable. These consist, first, in securing the completion as promptly as possible of the river and harbor improvements in which so much of his money has already been spent, although few of them have been completed, so that he can enjoy the benefits of cheaper and more satisfactory transportation and the commercial prosperity which that will carry with it, and, second, in distributing the cost of completing these improvements over a period of years during which the improvements will be completed and when the benefits derived from them will help pay off the bonds sold to pay for the construction work, and, third, in reducing the demand on the Treasury for money for this purpose at this time when economy in the Government expenditures is so important.

COOPERATION OF THE FEDERAL GOVERNMENT WITH THE STATES IN CONSTRUCTION OF HIGHWAYS

Mr. BRIGGS. Mr. Speaker, the tremendous development in highway construction in the various States of the Union since the passage of the Federal highway act in 1916 has demonstrated the desire of the people for a system of adequate and permanent highways. The sentiment for good roads has manifested itself in a most tangible form by the construction of an astonishingly large mileage of durable, modern highways that have not only resulted in greatly improved interstate post roads but to an even greater extent the development of excellent intercounty highways which afford greatly improved means of communication between cities and towns and agricultural sections and enable both dwellers in such towns and cities and on the farms to have a better and closer system of communication and better opportunities for the sale and exchange of commodities, for more rapid transportation, and for the growth and development of the localities through which such highways pass, in addition to many other conspicuous benefits.

The Chief of the United States Bureau of Public Roads recently stated in the hearings before the Committee on Roads of the House of Representatives that since the passage of the Federal aid road act in 1916, 33,000 miles of highways have been completed in the United States and 13,800 were under construction on the 1st of March of this year.

No State in the Union has manifested greater interest in the development of a system of modern highways than has Texas. I recently called upon the United States Bureau of Public Roads for a statement of the extent to which the Federal Government had cooperated with the State of Texas in the construction of highways and the extent to which it was continuing to do so. I also asked for information regarding the completed and approved road projects in my own congressional district, and feeling that the information furnished by the Bureau of Public Roads will be of interest to many I am taking occasion to include in my remarks the data submitted:

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF PUBLIC ROADS,
*June 4, 1924.*

Hon. CLAY STONE BRIGGS,
*House of Representatives.*

DEAR MR. BRIGGS: I have your letter of June 3, asking for information relative to Federal-aid road work in Texas, particularly in the counties of the seventh congressional district.

The apportionments made under Federal-aid acts, by fiscal years, and payments made to the State for completed work in each of these years, are as follows:

| Year | Apportionment | Payments made |
|---|---|---|
| 1917 | $291,927.81 | |
| 1918 | 583,855.62 | |
| 1919 | 3,803,206.07 | $204,295.59 |
| 1920 | 5,559,816.81 | 353,267.91 |
| 1921 | 5,861,598.46 | 3,164,850.18 |
| 1922 | 4,425,172.41 | 5,915,045.87 |
| 1923 | 2,950,114.94 | 5,843,077.67 |
| 1924 | 3,838,351.12 | [1] 4,968,464.37 |
| Total | 27,314,043.24 | 20,449,101.59 |

[1] To May 31.

The amount contributed by the Federal Government to each of the counties of the seventh district in which work has been done is shown by projects on the sheet which is attached, giving the status of Federal aid in congressional district No. 7, Texas, as of May 31, 1924. This table shows the project numbers and names, types constructed, the counties in which located, with total cost and Federal aid paid.

For the whole State, as of May 31 of this year, the completed mileage was 3,139, with a total cost of $42,457,817, and Federal aid paid to the amount of $16,307,427.84. There was under construction 1,556 miles, estimated to cost $24,411,935, of which the Federal allotment is $9,605,778.16. In addition, there has been approved for construction 214 miles, estimated to cost $3,824,285, with a tentative allotment of Federal aid amounting to $1,399,550.26. This makes a total program of 4,909 miles, with a total cost of $70,694,038, of which $27,312,256.24 is in Federal funds. The total amount paid to the State as of the above date for work completed was $20,449,101.59.

I trust this information will be of service to you.

Very truly yours,
P. ST. J. WILSON,
*Acting Chief of Bureau.*

(Inclosure.)

*Status of Federal aid in congressional district No. 7, Texas, as of May 31, 1924*

PROJECTS COMPLETED AND FINAL PAYMENT MADE

| Project No. | Name | Type | County | Total cost | Federal aid allotted | Federal aid paid | Miles |
|---|---|---|---|---|---|---|---|
| 76 | League City-Dickinson | Shell | Galveston | $ 23,602.79 | | $11,771.91 | 8.5 |
| 125 | Houston branch | Gravel | Liberty | 148,574.21 | | 61,424.60 | 8.5 |
| 134-A | Trinity River-Neches | do | Polk | 169,493.42 | | 37,840.35 | 10.6 |
| 134-B | Do | do | do | 414,065.25 | | 206,709.62 | 22.1 |
| 134-C | Do | do | do | 236,839.40 | | 61,311.00 | 9.7 |
| 157 | Galveston-Virginia point | Block, conc. base | Galveston | 134,869.62 | | 30,000.00 | 1.6 |
| 207 | Highway 35 | Shell | Chambers | 98,635.76 | | 33,000.00 | 11.3 |
| 225 | Walker County line to Houston County line | Gravel | Trinity | 181,651.30 | | 58,367.00 | 16.3 |
| 252 | Dickinson Bayou Bridge | Bridge | Galveston | 30,593.77 | | 13,405.07 | .1 |
| 254-A | State Highway No. 21 | Gravel | Houston | 173,561.11 | | 80,000.00 | 13.0 |
| 254-B | do | do | do | 116,743.83 | | 58,371.91 | 6.9 |
| | Total | | | 1,728,691.66 | | 657,401.46 | 105.6 |

PROJECTS UNDER CONSTRUCTION

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 352 | Houston-Beaumont | Graded and drained. | Liberty | $455,856.33 | $227,928.16 | $129,153.30 | 34.5 |
| 370 | State Highway No. 19 | Gravel | Montgomery | 202,984.76 | 70,000.00 | | 21.5 |
| | Total | | | 658,841.09 | 297,928.16 | 129,153.30 | 56.0 |

PROJECTS APPROVED FOR CONSTRUCTION

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 403 | Athens-Crockett | Concrete | Anderson | $358,937.34 | $122,250.00 | | 9.7 |
| 426 | Cleveland-Livingston | Gravel | Liberty | 41,654.84 | 20,000.00 | | 4.2 |
| | Total | | | 400,592.18 | 142,250.00 | | 13.9 |

The advent of the automobile and its widespread distribution throughout the land, numbering something over 16,000,000 in the United States, and nearly 700,000 registered cars in the State of Texas, has undoubtedly been largely responsible for the almost universal demand for good roads and for the rapid and constant increase in new and better highways.

In order that the investment in good roads should result in the greatest and most lasting benefit, the Bureau of Public Roads insists that highways constructed should be, as far as possible, of the most durable and permanent type, and should be maintained and properly protected so as to avoid deterioration and disintegration—thereby avoiding an increased cost of restoration and maintenance.

The linking of the county and city through a system of modern highways is not only resulting in a more rapid development and growth, but is also establishing closer relations between the people and resulting in a better understanding of conditions and has become the means of greater mutual helpfulness and progressive prosperity.

THE PUBLIC DEBT HAS BEEN REDUCED MORE THAN FIVE BILLION DOLLARS IN LESS THAN FIVE YEARS

Mr. HARDY. Mr. Speaker, "Reduce the taxes" has been the cry in all times since before the days of Christ. "Tax reduction" is the slogan to which many a candidate in all elections in a thousand years has pinned his faith. I remember a candidate for county assessor who went into office one time on the slogan, "Vote for Abernathy and reduce your taxes," and he had just about as much to do with the reduction of taxes as had the janitor of the courthouse.

The Congress does have to do with taxes, and the Congress has reduced the Federal taxes greatly—this year and in the four years before. The Federal taxes have been going down year after year since the Republican Congress was elected in 1918. It may be your State, county, school, and city taxes have been going up, but your Federal taxes have been coming down rapidly.

Many people get Federal taxes and local taxes mixed up. The Congress has nothing whatever to do with local taxes—city, county, school, or State. The Federal taxes are collected chiefly from income taxes and the tariff.

I have told how this Congress has cut $232,750,000 off the income taxes you are paying this year and about $472,000,000 off the tax you would have been called upon to pay in the next calendar year. That is great. It is wonderful.

But the last Republican Congress did better than that—vastly better than that, and it has long since been forgotten. It was not much praised at the time. People took it as a matter of course, as they take the sunshine and the rain.

The last Congress which was Republican reduced your taxes for 1923 more than $633,000,000, and you heard hardly a word about it.

It was not carried in red headlines, no thanksgiving services were held, and, so far as I know, no Member of the Congress ever heard anybody commend the action.

Just to remind a few people of the taxes they used to pay but pay no more—thanks to a Republican Congress—let me set out a few items which were eliminated or reduced in your last year's payments and will not be collected this year or nevermore, we hope.

These amounts are the taxes collected in 1922, but were not collected in 1923 because the tax on these items had been abolished or the rates reduced:

| | |
|---|---|
| On freight, express, passenger fares, Pullman, etc | $169,518,727.30 |
| On insurance | 10,855,403.81 |
| Soft drinks, etc | 23,376,964.55 |
| Toilet soap, chewing gum, and drug-store items | 4,372,953.49 |
| Pianos, organs, etc | 4,951,752.13 |
| Sporting goods, etc | 2,215,607.05 |
| Electric fans, thermos bottles | 213,907.28 |
| Articles made of fur | 6,523,971.03 |
| Motion-picture films | 3,678,868.17 |
| Ten-cent admissions, dues, etc | 3,236,475.26 |
| Carpets, rugs, trunks, etc | 7,012,582.31 |
| Reduction in income and profits tax | 397,744,152.29 |
| Total | 633,701,364.67 |

The Republican Congress gave the people the Budget system. The Budget system and an economical Republican Congress are responsible for lifting from the people a vast burden of taxation and a reduction in the public debt by a stupendous sum.

Look at the public debt for a moment. You can hardly comprehend the figures, but they are illuminating. A Republican Congress was elected first in 1918. That is the year I was elected to Congress. The public debt reached its maximum on August 31, 1919, when it was $26,596,701,648.01. In 1919 the Republican Congress began its program for reduced appropriations, economy in government, and reductions in the public debt. On June 20, 1924, the public debt was $21,301,501,055.86, a clear reduction in less than five years of $5,295,200,592.15. Can you beat it—more than $5,000,000,000 paid off on the public debt in less than five years?

In the past year the debt has been reduced more than the usual $1,000,000,000.

Let us look at these figures in detail:

| *The public debt* | |
|---|---|
| Aug. 31, 1919, it was | $26,596,701,648.01 |
| June 20, 1924 | 21,301,501,055.86 |
| Total reduction | 5,295,200,592.15 |
| *This year's reduction* | |
| July 1, 1923, debt was | $22,349,707,365.36 |
| June 20, 1924, debt was | 21,301,501,055.86 |
| Total reduction | 1,048,206,309.50 |

As a matter of fact, by July 1, 1924, about forty-five millions more will be paid off, so the total reductions in the debt for this year will be about one billion and ninety million dollars.

The Republican Congresses since the election of 1918 have accomplished much. Here I am speaking only of the business side of the administration. Surely this businesslike and economical administration of public affairs should commend the

Republican Congress to the people. The like of it has not been known among the nations of the world in all time. I am proud to have been a Member of Congress during these debt-cutting and tax-reducing administrations.

Surely the adoption of the Budget system and the great reductions in taxes and in the public debt in the past five years, even aside from a hundred other big things to its credit, has justified the election of a Republican Congress in 1918, 1920, and 1922—and will guarantee a reelection of a Republican Congress in 1924.

TOM WILLIAMS TELLS OF BOYHOOD DAYS AND WORK IN CONGRESS OF GUY U. HARDY

THOMAS S. WILLIAMS, editor of the Clay County (Ill.) Republican and a Member of Congress, who writes much of Congress and of some here who formerly lived in his district, has furnished his home paper with a story of the boyhood days of Congressman GUY U. HARDY and makes some complimentary remarks about Mr. HARDY's activities in Congress. Mr. WILLIAMS says:

If Congressman GUY U. HARDY of Colorado had not gone West to grow up with the country but had stayed on in the country he grew up in in southern Illinois he would to-day be one of my constituents—or I would be one of his.

The same thing might be said of at least three other prominent Members of this Congress. Senator WILLIAM E. BORAH of Idaho went West from Wayne county where he had grown to manhood, Senator WESLEY L. JONES of the State of Washington spent his boyhood days in White County. Congressman WILLIAM A. AYRES of the Wichita, Kans., district was born and played his boyhood pranks in Hardin County. All of these gentlemen, HARDY, BORAH, JONES, and AYRES come back home occasionally to visit in their old home towns in the twenty-fourth district of Illinois, the district I have the honor to represent in Congress.

I have known GUY HARDY, or of him, for many years. He has relatives in several counties in my district—and a few dozen of them are constituents of mine. I know the stock from which he comes. Good, old-fashioned, conservative, farmer, Protestant, American folks. His forefathers were early-day pioneer settlers in southern Illinois, and many of his relatives still cultivate the land and help to make up that safe, conservative citizenship which makes Illinois the great State it is.

GUY HARDY grew up at Albion, Edwards County, Ill. His father died when Guy, the oldest of three boys, was 13. The widowed mother died when he was 16. Left without means, the boys all went to work. The future Congressman got a job with a little grocery store in Albion and lived with the proprietor. Guy was to get $50 a year and his board and go to the village school in winter time. This he did for two years. Studying nights and taking a short course in a summer normal school at Albion he got a teacher's certificate at 18. It is not always easy for a youthful appearing boy of 18 to find a school to teach. But he found one and his income was raised to the extravagant sum of $30 per month. He taught two years in the country schools of old Edwards County. Then he went down to Florida and taught school in the backwoods among the crackers for two terms. In Florida at 20 he took the civil service examination for railway mail clerk, and after a few months was offered an appointment. This he declined to accept as he had been so thrifty in saving money on a teacher's salary of $30 per month that he had saved up enough to go back to college. In 1893 and 1894 he was a student in the Bible College at Transylvania University, Lexington, Ky. This school has turned out many notable ministers of the Christian church. HARDY's college chums are all ministers and several of his relatives are or have been ministers in this church.

All this time he had been a resident of Albion. In the fall of 1894 the young student, then 22 years of age, went to Colorado for the climate, so he says. He never admits that he went there for his health, although he does say that his father and mother both having died of tuberculosis in early life he thought it wise to select the healthiest place in America in which to live—and he says there is no healthier climate in the world than that of Colorado.

HARDY went to Colorado at 22, without funds or friends, seeking fortune and a healthful climate. He landed in Canon City about the 1st of November, 1894. Before Christmas he had a job as reporter on the local paper, the Canon City Record, at $12 a week. By the first of the next July, 1895, he was the owner of the paper, subject to a fair sized mortgage.

Colorado was a long ways out West in those days. His old friends would have lost track of him if it had not been for his old home town paper, the Albion Journal. It is the old home town paper that keeps track of the boys who have gone away. It records their doings and magnifies their successes. It praises their efforts and records no failure. Many a boy can thank the editor of his old home town paper for many kind words of praise and encouragement.

For 30 years the old home town paper, the Albion Journal, has kept his friends back in the old Illinois home country informed of the doings and success achieved by Congressman GUY U. HARDY.

For a number of years he was the boy editor of Canon City. He kicked in and worked like a slave as most country editors do. He had the newspaper instinct. He made the Weekly Record stand out among Colorado weeklies. At 22 he was a reporter on the paper. At 23 he was the owner of the paper. At 24 he was editing one of only three newspapers in Colorado which were supporting Mr. McKinley for President of the United States in that notable campaign of 1896. This brought him to the attention of Senator Wolcott and President McKinley. At 27 HARDY was appointed postmaster of Canon City. He served only one term, and that is the only office he ever held until elected to Congress. At 27 he was married and now has a happy family of three boys and one girl.

A man who runs a newspaper and runs it intelligently and successfully can be a power for good in his home community. GUY HARDY has run his paper intelligently and successfully. For 30 years he has been doing big things for his town and taking part in the big affairs of his State.

Early in his newspaper career he was elected president of the Colorado Editorial Association. In 1918 he was elected president of the National Editorial Association, in point of membership the largest newspaper organization in the world. During his presidency the National Editorial Association met at Winnipeg and Congressman HARDY led a group of several hundred successful American newspaper publishers and editors on an extended tour of western Canada and down through Washington and Oregon.

In his home town GUY HARDY has been the moving spirit in many things. His newspaper has grown to be one of the best small city dailies in the country. He has served as director of the Red Cross and the Y. M. C. A. He was president of the chamber of commerce and of the University Club for several years until elected to Congress, and still is president of the Fremont Building and Loan Association. He was an active member of the building committees for the Elks Club, the Y. M. C. A., and the Christian Church. He is a trustee for the Christian Church, and for about 28 years has been a member of the Colorado State executive committee for the Y. M. C. A. While a newspaper man is usually about the busiest man in his town Mr. HARDY has found a good deal of time for public service. During the war he devoted most of his time to war-time activities, being food administrator for his county.

In 1918 GUY HARDY was nominated and elected to Congress. It happened this way: The district had always been Democratic. The Republicans felt that they had only a fair show of electing a Congressman. They felt they needed the best man that could be found to make the race. The convention met in Pueblo. Mr. HARDY was not at the convention and was in no sense a candidate. His name had never been suggested in that connection. He was at home attending to business.

After much discussion of candidates GUY HARDY's name was proposed and he was given practically a unanimous nomination. And the following November he was elected by a flattering majority.

Congressman HARDY has been elected three times by the people of the third district of Colorado. Each time his vote shows a substantial lead over other Republicans on his ticket. The people of his district have shown the greatest confidence in him, which has been fully justified by his record in Congress.

As a Member of the House of Representatives Congressman HARDY has not been a spectacular operator. He has made no effort to shoot off fireworks, introduce fool bills, nor spread the buncombe. He has been a serious-minded, conservative, active, energetic, hard-working Member—one of the kind who get results. He was fortunate in the beginning. He was not unknown when he came. He was well acquainted with some of the leaders. He had been in Washington before. He found a good friend in that notable leader, James R. Mann. He had known Uncle Joe Cannon before. The Illinois delegation took him in as one of them. He got more in the organization of the Sixty-sixth Congress than most new Members get. He was put on the Committee on the Post Office and Post Roads, his first choice of committees. He served well on that committee and became one of its leaders. He did much for the postal employees of the country and his name is known by many of them outside of his own district. He served four years on this committee and left it with keen regrets.

In this Congress Mr. HARDY was advanced to the Appropriations Committee. This is the goal for which most Members are aiming. Selections to committeeship usually run by seniority. Probably a hundred Members wanted the few vacancies on the Appropriations Committee, and it was a distinct honor, indicating the greatest confidence on the part of his colleagues, when Mr. HARDY was chosen for one of the much-coveted places.

The Appropriations Committee is considered by many the most important committee in the House. It is made up of 35 members, representing 28 States. The committee passes on and reports out all appropriation bills. The budget that it handles amounts to more than

three and a half billions of dollars. And the power of this committee is so great and the confidence in which it is held by the House is so secure that any amendment offered on the floor to raise an item in or to add an item to an appropriation bill has a slack chance of passing. This Appropriations Committee practically holds the purse strings to the Nation's Treasury. Colorado people should be proud of the fact that Congressman HARDY has secured a place on this important committee so early in his congressional career.

Members of the Appropriations Committee do not come much in the limelight. Their names do not appear on many bills nor get much in the press. They spend weeks and sometimes months in the committee rooms going over the appropriation bills, scanning and inquiring into every item in a thousand page budget.

Congressman HARDY has worked hard and has proved to be a valuable member of this great committee. He takes a broad view of things—a national view—but he is strong for cutting down appropriations and reducing taxes.

Congressman HARDY was a close friend of the late President Harding. Their newspaper instincts and experiences gave them a common tie. They had something in common to talk about besides the affairs of state, and President Harding was always glad to talk about the newspaper game. One of the best stories that went out from here about the late President was one Mr. HARDY wrote about a newspaper chat with President Harding. It was widely copied. Mr. HARDY has written some excellent stories about Congress and Washington life.

Last year newspapers all over the land, big and little, were running his series of stories, "Looking in on Congress," and a number of Congressmen I know have been using material taken from them for their own speeches.

Congressman HARDY is a safe, reliable, conservative, hard-working Member of the House. He handles much business for his constituents. His mail is heavy. He has done a vast amount of work for the ex-service men. He has been one of their best friends in the House.

In the way of legislation I have observed that Mr. HARDY has stood for retrenchment and economy, lower appropriations and lower taxes, the child labor amendment, restricted and selective immigration, better education and naturalization, a tariff for American manufactures and American labor, farm relief, reclamation, and for everything that appears to be good for the West.

Congressman HARDY is a great admirer of President Coolidge and has unbounded faith in him. He met Mr. Coolidge when he was Governor of Massachusetts at a meeting of the National Editorial Association and they have since been friends.

Mr. HARDY is a Republican of the type who can easily follow the lead of a Republican administration headed by a Harding or a Coolidge.

In the Congressional Library the other day I happened to run across a copy of the Pueblo Chieftain, which contained a worthy tribute to Congressman HARDY. It so nearly expresses my own views that I am going to copy it here. I am sure his old Illinois friends will be glad to know of the notable success this Albion boy has made in Colorado, where he has lived for 30 years.

The Pueblo (Colorado) Chieftain says:

> "There were some Representatives and Senators who made a good record and should not be included in any sweeping condemnation. One of these good Congressmen was GUY HARDY, Representative of the third congressional district of Colorado.
>
> "Congressman HARDY has established for himself, both in Washington and in Colorado, a record for practical common sense and efficiency. He is a loyal Republican, but not a narrow and petty partisan. He has given steadfast support to the policies of the Republican administration, and has done everything possible to forward the interests of the people of this district.
>
> "The people of southern Colorado could have no better Representative in Congress, and they should continue to keep him there as long as he is willing to accept their commission."

Mr. BOX. Mr. Speaker, I make the point of no quorum.

ADJOURNMENT

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 48 minutes p. m.) the House, under its previous order, adjourned until to-morrow, Saturday, June 7, 1924, at 11 o'clock a. m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

553. A letter from the Secretary of War, transmitting report of an accumulation of documents and files of papers in the War Department which are not needed or useful in the transaction of the current business of the department and have no permanent value or historical interest; to the Committee on Disposition of Useless Executive papers.

554. A letter from the Secretary of War, transmitting a section of proposed legislation to remove suspensions and disallowances of payments made by disbursing officers for extra time served on Saturday afternoons from June 15 to September 15 of each year, as authorized by Executive order of June 9, 1914; to the Committee on the Civil Service.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MAPES: Committee on Interstate and Foreign Commerce. H. R. 9537. A bill to authorize the Secretary of Commerce to transfer to the city of Port Huron, Mich., a portion of the Fort Gratiot Lighthouse Reservation, Mich.; without amendment (Rept. No. 1005). Referred to the House Calendar.

Mr. JOHNSON of South Dakota: Committee on Rules. H. Res. 351. A resolution to empower the Committee on World War Veterans' Legislation or any subcommittee thereof to make a survey of soldiers' homes, hospitals, and hospital facilities, including contract hospitals; without amendment (Rept No 1016). Referred to the House Calendar.

Mr. LAGUARDIA: Committee on the Post Office and Post Roads. S. 3319. An act authorizing the extension and operation of the transcontinental airplane mail service to Boston, Mass.; without amendment (Rept. No. 1008). Referred to the Committee of the Whole House on the state of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 7918. A bill to diminish the number of appraisers at the port of Baltimore, and for other purposes; without amendment (Rept. No. 1009). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 4495. A bill to provide for the establishment of a dairying and livestock experiment station at Mandan, N. Dak. (Rept. No 1018). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 9092. A bill to authorize the transportation, at public expense, of the remains of officers and employees of the Department of Agriculture who die while away from their official stations; without amendment (Rept. No. 1010). Referred to the Committee of the Whole House on the state of the Union.

Mr. WYANT: Committee on Interstate and Foreign Commerce. H. R. 4522. A bill to provide for the completion of the topographical survey of the United States; without amendment (Rept. No. 1011). Referred to the Committee of the Whole House on the state of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BUTLER: Committee on Naval Affairs. H. R. 8741. A bill for the relief of Flora M. Herrick; with an amendment (Rept. No. 1012). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 51. An act for the relief of the owner of the schooner *Itasca* and her master and crew; with amendments (Rept. No. 1013). Referred to the Committee of the Whole House.

## CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9152) granting an increase of pension to Samuel F. Brown; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 9583) granting an increase of pension to William H. Grammer; Committee on Invalid Pensions discharged and referred to the Committee on Pensions.

A bill (H. R. 9642) granting a pension to Julia Miller; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

## PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BURDICK: A bill (H. R. 9721) to amend the act entitled "An act to provide compensation for employees of the

United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916; to the Committee on the Judiciary.

By Mr. CONNERY (by request): A bill (H. R. 9722) to amend the act entitled "An act to provide revenue, to regulate commerce in foreign countries, and to encourage the industries in the United States, and for other purposes," approved September 21, 1922; to the Committee on Ways and Means.

By Mr. TAGUE: A bill (H. R. 9723) to amend the Federal employer's liability laws to provide for persons other than seamen engaged under maritime contracts; to the Committee on the Judiciary.

By Mr. THATCHER: A bill (H. R. 9724) to authorize an appropriation for the care, maintenance, and improvement of the burial grounds containing the remains of Zachary Taylor, former President of the United States, and of the memorial shaft erected to his memory; to the Committee on the Library.

By Mr. DICKSTEIN: A bill (H. R. 9725) to repeal the act entitled "An act to prohibit the importation and the interstate transportation of films or other pictoral representations of prize fights, and for other purposes," approved July 31, 1912; to the Committee on Interstate and Foreign Commerce.

By Mr. UPSHAW: A bill (H. R. 9726) to prevent the mobilization and cultivation of foreign sentiment on American soil, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 9727) to encourage the fullest Americanism, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. JOHNSON of Texas: A bill (H. R. 9728) to extend the time within which certain causes of action may be brought, growing out of the operation of railroads and other transportation systems under the Federal control act; to the Committee on Interstate and Foreign Commerce.

By Mr. SNYDER: A bill (H. R. 9729) to amend the act entitled "An act to provide revenue, to regulate commerce in foreign countries, and to encourage the industries in the United States, and for other purposes," approved September 21, 1922; to the Committee on Ways and Means.

By Mr. PORTER: A bill (H. R. 9730) authorizing the issue and sale of bonds to pay the cost of completing authorized public works on rivers and harbors, and for other purposes; to the Committee on Ways and Means.

By Mr. THATCHER: A bill (H. R. 9731) to authorize the construction of a lighthouse in the Ohio River near Louisville, Ky.; to the Committee on Interstate and Foreign Commerce.

By Mr. SUMMERS of Washington: A bill (H. R. 9732) to encourage and promote the sale and export of agricultural products grown within the United States; to the Committee on Banking and Currency.

By Mr. FLEETWOOD: Joint resolution (H. J. Res. 288) consenting that certain States may sue the United States, and providing for trial on the merits in any suit brought hereunder by a State to recover direct taxes alleged to have been illegally collected by the United States during the years 1866, 1867, and 1868, and vesting the right in each State to sue in its own name; to the Committee on the Judiciary.

By Mr. EVANS of Montana: Joint resolution (H. J. Res. 289) exempting from tariff duty all articles imported from foreign countries which are exchanged for American farm products for exportation; to the Committee on Ways and Means.

By Mr. SEARS of Florida: Joint resolution (H. J. Res. 290) to provide for the refund of certain taxes; to the Committee on Ways and Means.

By Mr. BACON: Joint resolution (H. J. Res. 291) declaring it to be the policy of the United States not to enter any association of nations which does not uphold the ideals of America as set forth in the Declaration of Independence and the Constitution, urging the calling of an international conference, etc.; to the Committee on Foreign Affairs.

By Mr. RATHBONE: Resolution (H. Res. 352) relating to a governmental investigation of the coffee trade between the United States and Brazil; to the Committee on the Judiciary.

By Mr. CANNON: Resolution (H. Res. 354) empowering the Committee on the Civil Service or any subcommittee thereof to investigate the question relating to the number of persons required to transact Government business in the various departments; to the Committee on Rules.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRAND of Ohio: A bill (H. R. 9733) for the relief of C. Earl Smith and Marie Patton; to the Committee on Claims.

By Mr. CONNOLLY of Pennsylvania: A bill (H. R. 9734) granting an increase of pension to Sarah A. Evans; to the Committee on Pensions.

By Mr. DAVEY: A bill (H. R. 9735) granting a pension to Elizabeth Jane Barton; to the Committee on Invalid Pensions.

By Mr. GARDNER of Indiana: A bill (H. R. 9736) granting a pension to Adaline Elizabeth Fetz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9737) granting a pension to John T. Smith; to the Committee on Invalid Pensions.

By Mr. GIBSON: A bill (H. R. 9738) granting an increase of pension to Ann E. Spencer; to the Committee on Invalid Pensions.

By Mr. GRIEST: A bill (H. R. 9739) granting a pension to Margaret J. Murr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9740) granting a pension to Emma Elizabeth Steffy; to the Committee on Invalid Pensions.

By Mr. HULL of Iowa: A bill (H. R. 9741) granting an increase of pension to Ellen E. Webb; to the Committee on Invalid Pensions.

By Mr. LOZIER: A bill (H. R. 9742) granting a pension to Albert M. Vance; to the Committee on Pensions.

By Mr. OLIVER of New York: A bill (H. R. 9743) granting an increase of pension to Cecilia Quinlan; to the Committee on Invalid Pensions.

By Mr. PERLMAN: A bill (H. R. 9744) for the relief of the R. S. Howard Company; to the Committee on War Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 9745) granting an increase of pension to Laura C. York; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9746) granting a pension to Enoch Cody; to the Committee on Pensions.

Also, a bill (H. R. 9747) granting an increase of pension to Nancy Lankford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9748) granting an increase of pension to Buster Davis; to the Committee on Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 9749) granting a pension to Jennie C. Gorton; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 9750) granting a pension to Franc Murray; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 9751) granting an increase of pension to Kate J. Jerolman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9752) granting an increase of pension to Katherine R. Parker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9753) granting an increase of pension to Michael J. Delaney; to the Committee on Pensions.

By Mr. UNDERWOOD: A bill (H. R. 9754) granting an increase of pension to Mary E. Nutting; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9755) granting an increase of pension to Sarah Wolf; to the Committee on Invalid Pensions.

By Mr. VAILE: A bill (H. R. 9756) granting permission to Lieut. Col. Kyle Rucker, Judge Advocate General's Department, United States Army, to accept the decoration of the Ordre Grand-Ducal de la Couronne de Chene (Commandeur), tendered by the Grand Duchy of Luxemburg; to the Committee on Foreign Affairs.

Also, a bill (H. R. 9757) granting an increase of pension to Elizabeth Lloyd; to the Committee on Invalid Pensions.

By Mr. WOOD: A bill (H. R. 9758) granting an increase of pension to Mary J. Harris; to the Committee on Pensions.

By Mr. WOODRUFF: A bill (H. R. 9759) for the relief of Augustus M. Herring; to the Committee on Patents.

By Mr. ALMON: A bill (H. R. 9760) granting an increase of pension to Thomas Sims; to the Committee on Invalid Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3029. By Mr. ANDERSON of Minnesota: Petition of the Methodist Episcopal Church of Medford, Minn., in support of the constitutional amendment to prohibit sectarian appropriations (H. J. Res. 159); to the Committee on the Judiciary.

3030. By Mr. GILLETT and Mr. UPSHAW: Petition of various religious and patriotic bodies representing over 10,000,000 citizens, urging the adoption by Congress of H. J. Res. 159, a constitutional amendment proposed by the Minute Men of America, an organization of 5,000,000 citizens, forbidding

appropriations of any public funds, Federal, State, or municipal, to any sectarian institutions. The following bodies have united in presenting these petitions: Methodist General Conference, Springfield, Mass.; the presbytery of Genessee of the Presbyterian Church; the presbytery of Clarion of the Presbyterian Church; the presbytery of Columbia of the Presbyterian Church; the presbytery of Portland of the Presbyterian Church; the presbytery of Steuben of the Presbyterian Church; the presbytery of San Jose of the Presbyterian Church; the presbytery of Central Washington of the Presbyterian Church; the presbytery of Peoria of the Presbyterian Church; the presbytery of Geneva of the Presbyterian Church; the Lexington conference of the Methodist Episcopal Church; the Des Moines conference of the Methodist Episcopal Church; the Dakota conference of the Methodist Episcopal Church; the west Wisconsin conference of the Methodist Episcopal Church; the Wisconsin conference of the Methodist Episcopal Church; the presbytery of Blairsville of the Presbyterian Church; the Mississippi Baptist convention; the Indiana Baptist convention; the Kentucky Baptist general convention; Delaware Baptist State convention; the Connecticut Baptist convention; the Michigan Baptist convention; the Nevada Baptist convention; the Colorado Baptist convention; Oklahoma general Baptist convention; the Iowa Baptist convention; the western Washington Baptist convention; the Pennsylvania Baptist general convention; the Florida Baptist convention; the Georgia Baptist convention; the Baptist general convention of Texas; the southern Baptist convention; the Minnesota Baptist convention; Indiana conference Methodist Episcopal Church; south Georgia conference Methodist Episcopal Church South; the Missouri Baptist general association; north Indiana conference Methodist Episcopal Church; the Wilmington conference of the Methodist Episcopal Church; eastern Swedish conference Methodist Episcopal Church; the presbytery of Sacramento of the Presbyterian Church; the presbytery of Detroit of the Presbyterian Church; the presbytery of Zanesville of the Presbyterian Church; the presbytery of Petoskey of the Presbyterian Church; the presbytery of Kalamazoo of the Presbyterian Church; the presbytery of Bot Butte of the Presbyterian Church; the presbytery of Westchester of the Presbyterian Church; the presbytery of Kittanning of the Presbyterian Church; the presbytery of Iowa of the Presbyterian Church; the presbytery of Hudson of the Presbyterian Church; the presbytery of Brooklyn-Nassau of the Presbyterian Church; the presbytery of Mankato of the Presbyterian Church; the presbytery of Nevada of the Presbyterian Church; the presbytery of St. Joseph of the Presbyterian Church; the presbytery of Iowa City of the Presbyterian Church; the presbytery of Philadelphia of the Presbyterian Church; the presbytery of Chillocothe of the Presbyterian Church; the presbytery of Newcastle of the Presbyterian Church; the presbytery of Washington City of the Presbyterian Church; the presbytery of Yellowstone of the Presbyterian Church; the presbytery of Chester of the Presbyterian Church; the presbytery of Bushville of the Presbyterian Church; the presbytery of Boston of the Presbyterian Church; the presbytery of Lackawanna of the Presbyterian Church; the presbytery of Oklahoma of the Presbyterian Church; the presbytery of Winnebago of the Presbyterian Church; the presbytery of Georgia of the Presbyterian Church; the presbytery of Jackson of the Presbyterian Church; the presbytery of Central West of the Presbyterian Church; the presbytery of Freeport of the Presbyterian Church; the presbytery of Hannibal of the Presbyterian Church; the Texas conference of the Methodist Episcopal Church South; the Mississippi conference of the Methodist Episcopal Church South; the Pacific conference of the Methodist Episcopal Church South; the New York Baptist missionary convention; The Montana conference of the Methodist Episcopal Church; the Tennessee conference, Methodist Episcopal Church South; the New Mexico conference, Methodist Episcopal Church South; the north Texas conference of the Methodist Episcopal Church South; the north Georgia conference of the Methodist Episcopal Church South; Louisiana Baptist State convention; the Arkansas Baptist State convention; the Wyoming conference of the Methodist Episcopal Church; the northwest Nebraska conference of the Methodist Episcopal Church; the presbytery of Spokane of the Presbyterian Church; the North Dakota conference of the Methodist Episcopal Church; the Erie conference of the Methodist Episcopal Church; the presbytery of Olympia of the Presbyterian Church; southern Illinois conference Methodist Episcopal Church; Baptist convention of North Carolina; the presbytery of McAlister of the Presbyterian Church; Virginia conference of the Methodist Episcopal Church; and the New Jersey Baptist convention; to the Committee on the Judiciary.

## SENATE

### SATURDAY, *June 7, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, Thou hast placed us in a beautiful world. The heavens declare Thy glory and the firmament showeth Thy handiwork. Day unto day uttereth speech and night unto night declareth knowledge. Thou hast clothed the lilies with glories surpassing Solomon, and Thou dost take care of us as if we were the only creatures of Thy hand.

We bless Thee for the privileges of service in Thy name, and for all the manifold opportunities to help others along the pathway and to bear the burdens of life and its anxieties. Be pleased to be in this closing session, and grant, we beseech of Thee, the continuance of Thy favor during the intervening months. Be always our guide. Help us to avoid the wrong, to pursue the right, and to honor Thee continually. We ask in Jesus Christ's name. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the bill (S. 1987) accepting certain tracts of land in the city of Medford, Jackson County, Oreg.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 9561) making additional appropriations for the fiscal year ending June 30, 1925, to enable the heads of the several departments and independent establishments to adjust the rates of compensation of civilian employees in certain of the field services.

The message further announced that the House had passed bills and a joint resolution of the following titles, in which it requested the concurrence of the Senate:

H. R. 26. An act to compensate the Chippewa Indians of Minnesota for lands disposed of under the provisions of the free homestead act;

H. R. 646. An act to make valid and enforceable written provisions or agreements for arbitration of disputes arising out of contracts, maritime transactions, or commerce among the States or Territories or with foreign nations;

H. R. 8086. An act to amend the act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1915," approved August 1, 1914; and

H. J. Res. 283. Joint resolution to permit to remain within the United States certain aliens in excess of quotas fixed under authority of the immigration act of May 19, 1921.

#### ENROLLED BILLS SIGNED

The message also announced that the Speaker of the House had signed enrolled bills of the following titles, and they were thereupon signed by the President pro tempore:

H. R. 3477. An act for the relief of James B. Porter;

H. R. 4816. An act authorizing the Secretary of War to permit the city of Vicksburg, Miss., to construct and maintain water mains on and under the National Cemetery Road at Vicksburg, Miss.;

H. R. 4835. An act to pay tuition of Indian children in public schools;

H. R. 5325. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes; and

H. R. 6049. An act for the relief of V. E. Schermerhorn, E. C. Caley, G. W. Campbell, and Philip Hudspeth.

#### REPORT OF BOARD OF VISITORS TO NAVAL ACADEMY (S. DOC. NO. 152)

The PRESIDENT pro tempore laid before the Senate the report of the Board of Visitors to the Naval Academy for 1924, which was referred to the Committee on Naval Affairs and ordered to be printed.

#### DISPOSITION OF USELESS PAPERS

The PRESIDENT pro tempore laid before the Senate a communication from the Public Printer, transmitting, pursuant to law, a schedule of useless files of papers and records in the office of the Superintendent of Documents not needed in the conduct of business, and asking for action looking to their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive De-

partments. The President pro tempore appointed Mr. MOSES and Mr. FLETCHER members of the committee on the part of the Senate and ordered that the Secretary notify the House of Representatives thereof.

He also laid before the Senate a communication from the Secretary of War, transmitting, pursuant to law, a list of documents and files of papers not needed or useful in the transaction of the current business of the department or having no permanent value or historic interest, and asking for action looking to their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments. The President pro tempore appointed Mr. WADSWORTH and Mr. FLETCHER members of the committee on the part of the Senate and ordered that the Secretary notify the House of Representatives thereof.

DEPRESSION IN COTTON MANUFACTURING INDUSTRIES (S. DOC. NO. 150)

The PRESIDENT pro tempore. The Chair lays before the Senate a report of the Tariff Commission, in response to Senate Resolution 219, on the present depression in and the effect of imports upon the cotton-cloth industry, which, without objection, will be printed as a Senate document, with illustrations.

Mr. WALSH of Massachusetts. I ask unanimous consent that that part of the report which does not include tables be printed in the CONGRESSIONAL RECORD, and that the report be referred to the Committee on Finance.

Mr. SMOOT. The Senator will not object to having the tables printed also?

Mr. WALSH of Massachusetts. They will be printed as a Senate document, but it would be too bulky to print them in the RECORD.

There being no objection, the report was referred to the Committee on Finance, ordered to be printed as a Senate document, and to be printed in the RECORD in part, as follows:

UNITED STATES TARIFF COMMISSION,
*Washington, June 7, 1924.*

Hon. A. B. CUMMINS,
*President pro tempore, United States Senate.*

MY DEAR SENATOR: Herewith I have the honor to transmit a report of the Tariff Commission, in response to Senate Resolution No. 219, a report on the present depression in and the effect of imports upon the cotton-cloth industry.

Respectfully,

THOMAS O. MARVIN, *Chairman.*

(Inclosure.)

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UNITED STATES TARIFF COMMISSION,
*Washington, D. C.*

On May 12, 1924, the United States Senate adopted the following resolution No. 219:

"Whereas a prolonged depression of exceptional magnitude has, and is, occurring in the cotton textile industry, causing an attendant decrease in production of 40 to 60 per cent and general unemployment and its consequent want and distress in communities where this industry is located: Therefore be it

"*Resolved*, That the United States Tariff Commission be, and hereby is, directed to furnish to the Senate as expeditiously as possible, if not incompatible with the public interests, all available facts requested hereinafter:

"(1) Is the present depression in the cotton manufacturing industry confined to the United States or is it world-wide?

"(2) To what extent and for how long a period has the present depression in the cotton manufacturing industry of this country been apparent?

"(3) What is the quantity and value of cotton cloth imported into and exported from the United States under the present tariff act as compared with those under the acts of 1909?

"(4) What is the percentage of imports and exports, as compared to the domestic production, of cotton cloth in the census years 1909, 1914, 1919, 1921, and 1923?

"(5) What types of cotton cloth constitute the bulk of the import trade, and are these cloths similar or different in character from those produced in this country?

"(6) What are the main reasons for the importation of cotton cloths; in particular, are such imports due primarily to price or to quality?

"(7) To what extent has the domestic industry been affected by the postwar increases in the importation of cotton cloths?

"(8) Would changes in the present tariff rates on cotton cloths be of material assistance in stimulating production and restoring prosperity to this industry?"

In response to the foregoing resolution, the United States Tariff Commission has the honor to submit the following:

I

"Is the present depression in the cotton manufacturing industry confined to the United States or is it world-wide?"

The present depression in the cotton manufacturing industry is practically world-wide, although more severe in some countries than in others.

The United States is the world's largest consumer of cotton. On the basis of number of spindles the cotton manufacturing countries rank as follows: The United Kingdom, the United States, France, Germany, India, Russia, Italy, Japan, Czechoslovakia, China, Spain, Brazil, Belgium, Switzerland, Canada, Poland, and Austria.

A prompt answer to the inquiry of the Senate does not permit a detailed study of the relative extent of the depression in the various countries, and the following statements and quotations are given only as evidence that there is more or less depression existing in the cotton manufacturing industry of almost every country.

United Kingdom: Sir Charles W. Macara, an acknowledged authority, in a pamphlet published April 28, 1924, expresses the opinion that the British cotton industry, dependent upon overseas trade for four-fifths of its employment, has, in the world upheaval resulting from the World War, suffered more severely than the cotton industry of any other country. He says, further, "We can not forget that during the past disastrous three years the industry has suffered an estimated loss of £150,000,000."

The United Kingdom is the predominating factor in the international trade in cotton cloth, but its sales are mainly to Asiatic countries, particularly India and China, where price is the main consideration. The high prices prevailing in recent years have resulted in a great curtailment of this Asiatic trade, primarily because the purchasing power of the masses is strictly limited and has not increased in proportion to the increase in the price of British cottons. In addition there have been various other factors, such as the exchange conditions, the Swadeshi movement in India, internal disturbances in China, keener competition from American export goods, etc., that have militated against any return to full-time operation by the British mills.

The following table (this table is taken from a paper prepared for the Manchester Statistical Society by Prof. G. W. Daniels and reproduced in the International Cotton Bulletin for March, 1924) shows the changes in the distribution of British piece goods exports between 1913 and 1923:

TABLE I

| Country | Percentage distribution | |
|---|---|---|
| | 1913 | 1923 |
| Far East | 50 | 46 |
| Near East | 10 | 9.9 |
| Central and South America | 9.5 | 10 |
| Europe | 6 | 7.3 |
| Self-governing colonies | 5.5 | 8 |
| Africa | 4.8 | 7.5 |
| United States | .6 | 4.2 |
| Other countries | 3.6 | 7.3 |
| Totals (percentages) | 100 | 100 |
| Totals (million yards) | 7,075 | 4,272 |

The above yardage totals show a wide decline in demand for British piece goods. Although, as shown by the above table, the percentage of total distribution of British piece goods exported to the United States increased from 0.6 of 1 per cent in 1913 to 4.2 per cent in 1923, the actual increase in sales of British piece goods to the United States was from 44,404,500 square yards in 1913 to 174,922,200 square yards in 1923, an increase of nearly 4 times.

At the present time many of the British cotton mills are shut down and a substantial proportion are working short time. The spinning mills that use American cotton are, by agreement, operating only 26½ hours a week. Although the spinning mills that use Egyptian cotton in the manufacture of finer goods are more fully employed, it would appear that, all classes of goods considered, the industry as a whole, spinning and weaving, is not operating to more than two-thirds capacity.

One phase of the present depression in the British cotton industry, the fact that there has been not only a loss in production but also a diminution in productive machinery, is illustrated in a recent report (published May 1, 1924, as Special Bulletin No. 310) of the Department of Commerce. In part this is as follows:

"Since the armistice there has been a substantial reduction in the number of spindles and looms in place in Lancashire. Authorities disagree as to the exact figures, but there is no question as to the decline itself. The Cotton Spinners' and Manufacturers' Directory

In its lists showed a decline between the years 1917 and 1923 of 1,462,514 spindles and 17,122 looms. The estimate published by the International Cotton Bulletin is to the effect that the reduced spindleage, 1920–1923, amounted to over 2,000,000 spindles. * * *

"It was particularly commented upon in the cotton districts the great extent to which secondhand machinery was shipped overseas in the years 1921–22. The pent-up demand in the Far East was so great, and the prospect of obtaining new machinery from British or other textile machinists so remote, that high prices were paid for machinery which had been running a number of years in Lancashire. Of course, the other factor—the actual wearing out of machinery—accounted for most of the net reduction in recent years. There is still a great need in Lancashire mills for the replacement of worn-out machinery and a still greater need for improved apparatus, automatic looms, etc.

"Lancashire mill managers are not only concerned about the gradual disappearance of machinery but they are worried about the shrinkage in the size of their work forces. It has recently been estimated that not more than 80 to 85 per cent of the looms in Lancashire could be operated if full-time operations became a rule in 1924. Boys and girls have not been going into the cotton trade in sufficient numbers to fill the gaps of the older people leaving it and the war-time losses have never been made up. This situation applies much more to the weaving sheds than it does to the spinning departments, as the spinning mills have been running at least part time through much of the depression, whereas weavers have found it much more feasible to close down entirely."

France: The International Cotton Bulletin of March, 1924, stated, "France, in direct contrast to the last censur, is the only European country of importance to reduce her total cotton consumption during the half year under review." It contains the following report from French manufacturers:

"The condition of the weaving industry continues satisfactory. Until recently the spinning industry has lagged behind the weaving; however, in some cotton districts an appreciable improvement has taken place in this respect during the last few days. On the whole, stocks are small. In the present condition of things it is not anticipated that any organized short time will take place in the whole of the cotton districts within the near future. However, owing to wild fluctuations in the prices of the raw material and the high tension of the rates of exchange, it is impossible to foretell what the future of the cotton industry will be even within the next few days."

In the bulletin for September, 1923, the French manufacturers reported:

"Prices continue to leave only very little, if any, profit at all. Notwithstanding the perceptible increase in the price of cotton, owing to the rise in the rates of exchange, the average prices obtaining have hardly increased since the publication of the last bulletin."

Germany: The Textile Mercury (published at Manchester, England), in its issue of May 10, states:

"According to a Reuter telegram from Berlin dated May 4, spring business in the German cotton industry has generally been satisfactory. Home demand, it is true, is not so eager as during the first months of the year, and retail business is somewhat quieter, but no great falling off in demand is yet felt. Most mills have work in hand up to the third quarter of the year, some even to the end of the year. Employment, however, varies, 50 to 65 per cent of capacity being general, with 70 to 80 per cent at a large number of mills, and 100 per cent at a few. As regards export, the German mills are placed at a disadvantage by the high prices they are obliged to charge, due to their not having been able to purchase raw material before the rise in price and to the empty running at the mills. The further development of the industry will depend largely on the solution of the question of money and credit, and also on a mitigation of the policy of high prices and severe conditions followed by the combines in the textile industry."

India: The following extract is from the address of Mr. S. D. Saklatwala, chairman of the Bombay Millowners' Association, at the annual meeting on February 26, 1924, as reported in the Indian Textile Journal for March:

"The year that has just passed has clearly indicated to us that we are now drawing very close to the pre-war level of profits, and, perhaps, before normality has established itself our industry may pass through a still more critical time during the current year. Indeed, gentlemen, we are now feeling the effects of the aftermath of war. India can hardly hope to escape the gloom which seems to have enveloped countries with far greater staying powers than India. But the main reasons for this continued depression are, in my opinion, the stringency and uncertainty prevailing in the money market and an inclination on the part of buyers to wait with a view to be able to make a better bargain in the future."

Italy: The International Cotton Bulletin of March, 1924, contains the following report from Italian manufacturers:

"Although the demand is scarce, spinners and weavers have sufficient work to keep the machinery going a few months. In particular, weavers who produce fancy goods and cloths containing artificial silk are sufficiently engaged, whilst those working on gray cloth, shirtings, and such like, are rather short of orders. No organized stoppage is in force, but many mills are working short time, especially those weaving gray cloth. On the whole, the position is sound, and statistics show that stocks are small. It is hoped that a stronger demand will arise with the coming season, but with such an unsettled raw-cotton market the prospects are uncertain."

Spain: The International Cotton Bulletin of March, 1924, contains the following report from Spanish manufacturers:

"The demand for goods is now at a standstill. Stagnation affects, at most, about 40 per cent of the production, with a tendency to increase. Amongst the principal causes of the dullness of trade the following deserve mention:

"1. The reduced consuming capacity of the country, owing to the general depression of business and to the losses suffered in and after the year 1921.

"2. The disproportion existing between wages, especially agricultural wages, and the cost of living. In consequence of this the agricultural worker does not possess any margin for expenditure on clothing.

"3. The depression in the world's economic situation, causing a suspension of Spain's foreign trade. The present industrial crisis has inevitably forced down sale prices in order to enable the sale of current production, leaving a profit which scarcely covers general costs and in some cases of sales from stock leaves no profit at all.

"As long as these conditions persist prosperity is improbable; but, at the same time, a general deterioration is not looked for unless new difficulties arise."

Brazil: The United States trade commissioner at Rio de Janeiro reported May 24, 1924, as follows:

"The market for cotton goods in Rio de Janeiro has shown a general slackening, due to the course of the foreign exchange market and the general falling off in domestic business."

Belgium: The International Cotton Bulletin of March, 1924, contains the following report from Belgian manufacturers:

"The demand for cloth is very limited in this country owing to the high current prices of the Belgian franc. The depreciation of our currency is, on the other hand, favorable to export business. In cotton-spinning mills orders are renewed regularly; and although the orders booked are not very important, there is no reason to consider a reduction in the hours of work for the present. The fluctuations in the rates of exchange enforce on certain days a stoppage of sales, buyers and sellers finding it impossible to cover themselves promptly enough."

Switzerland: The International Cotton Bulletin of March, 1924, contains the following report from Swiss manufacturers:

"The demand is, on the whole, fairly satisfactory. No important changes have taken place. The number of those establishments which, by special permission, are allowed to work 52 instead of 48 hours a week has, however, somewhat increased, and resulted in a corresponding increase in the wages of the workers in those establishments."

Poland: The International Cotton Bulletin of March, 1924, contains the following report from Polish manufacturers:

"The demand is now very small, and this has led to curtailment of production. This state of affairs is caused by the general economic crisis in Poland, which is associated with the stabilization of the Polish mark and the efforts of our Goverument to improve the finances of the State. Under these circumstances the profits of the manufacturers are nil, or, at the most, very small indeed. We do not see any hope of an immediate improvement of things. In our opinion the crisis will be a long one, as was the case under somewhat similar conditions in Austria."

Austria: The United States Assistant Trade Commissioner at Vienna reported, May 9, 1924, as follows:

"The textile industry, with few exceptions, is suffering greatly from the shortage of money, which has become very acute. Dealers are neither able to collect outstanding debts nor to sell their stocks; consequently the industry receives few orders, so that stagnation is most pronounced. The ever-fluctuating price of American cotton also tends to prevent sound business operations. Print works are reported busy on specialties, with no orders for staple printed fabrics."

II

"To what extent and for how long a period has the present depression in the cotton manufacturing industry of this country been apparent?"

The present depression in the cotton manufacturing industry of the United States has been apparent for about 11 months, from July, 1923, to May, 1924, inclusive.

This statement is supported by two tables included herewith. Table 2 (see Appendix) shows the bales of cotton consumed by American mills, and Table 3 shows activity in the cotton-spinning industry of the United States. These tables show that cotton consumption and spindle activity were unusually high in the nine months from October, 1922, to June, 1923, inclusive, but that in July of 1923 there was a sharp drop in cotton consumption and in spindle activity and that both of these, although fluctuating from month to month, have since continued on a generally lower level.

As to the extent of the present depression, answer depends on what factor and what period is to be taken as a base. The total active spindle hours are reported each month by the Bureau of the Census (see Table 3) and can be taken, since there are no similar data as to loom activity, as the best available standard for comparison. Data are available only to April, 1924. The total active spindle hours during the 10 months from July, 1923, the beginning of the depression, through April, 1924, averaged 7,531,775,255. If we compare these figures with the average active spindle hours during the 10 months from July, 1922, through April, 1923, which amounted to 8,410,060,907, we find that the percentage of decline in spindle hours is 10.45.

Tables, which will be found in their proper place in the Appendix, further illustrate this aspect of the subject.

Table 4: Production and sales of fine cotton goods reported by 24 New Bedford mills.

Table 5: Average wholesale prices of raw cotton, cotton yarn, and cotton cloths; also index figures based on 1913, as reported by the Bureau of Labor Statistics.

Table 6: Wholesale prices of a standard print cloth and of bleached and printed cloths made therefrom; also cost of cotton used, as reported by a large mill each January 1 and July 1 since 1909, also wholesale prices of a standard gingham made of print cloth yarns.

Table 4 is a record of the production and sales of fine cotton goods reported by 24 New Bedford mills. This table is pertinent to the inquiry, although, owing to the relatively small production of fine goods in this country, it can not be taken as indicative of conditions in the industry as a whole. This table shows that there was a sharp decline in sales of fine goods by these mills in April, 1923, but that although volume of sales continued low in all but four of the subsequent months the production by these mills continued relatively high until April, 1924. The resulting accumulation of stock reflects clearly the falling off in demand.

In connection with the depression in the industry which began in July, 1923, as shown by tables 2 and 3, as well as by statements of the trade, it may be noted that in July, 1923, there was a sharp drop in the price of cotton, which was reflected in the prices obtainable for yarns and cloths. When cotton later increased in value the prices of the manufactured goods were not increased in the same proportion. This is shown in table 5, but inasmuch as the manufactures there shown are made of higher-priced cotton than the basic middling there quoted, table 6 is added to show the actual margins between the prices obtained for certain cloths and the costs of the cotton actually used therein as reported by a large manufacturer semiannually for a period of years.

In regard to the sharp fluctuations in cotton prices, the president of the National Association of Cotton Manufacturers, in a recent report to his association, remarked:

"Looking back over the last two years, spot cotton ranged from 17.75 cents in April, 1922, to 31.30 cents in March, 1923, down to 22.45 cents in July, 1923, up to 37.65 cents last December, and recently down to 27.05 cents. Future quotations on the New York Exchange have been even more erratic than the spot prices."

It may be noted that Fall River manufactures mainly print cloth and that these goods are exported in large quantities; such competition as it experiences is from the southern mills, as there is no competition from imports. New Bedford, on the other hand, manufactures mainly fine goods and such competition as it experiences is mainly from abroad.

In view of these facts, it is interesting to know that Sanford & Kelley, New Bedford and Fall River stock brokers, in an annual review of the cotton-mill situation at these two places, have expressed the opinion that the Fall River coarse-goods mills had a very difficult time during the year 1923, as there was little or no manufacturing profit available in the industry as conducted at Fall River, whereas the cloth mills in New Bedford had a very good year in 1923.

III.

"What is the quantity and value of cotton cloth imported into and exported from the United States under the present tariff act as compared with those under the act of 1909?"

The total quantity and value of countable cotton cloths (which are the only kinds to which the resolution is understood to relate) imported and exported under the act of 1922 and under preceding acts have been as follows:

*Countable cotton cloths—Totals by tariff acts*

| Tariff acts | Imports for consumption | | Domestic exports | |
|---|---|---|---|---|
| | Square yards | Dollars | Linear yards | Dollars |
| Act of 1890 (1,422 days) | 138,000,131 | 17,700,974 | 692,327,427 | 443,489,967 |
| Act of 1894 (1,062 days) | 128,460,567 | 15,303,196 | 714,862,821 | 40,041,745 |
| Act of 1897 (4,394 days) | 719,356,561 | 107,076,077 | 4,842,985,875 | 272,569,864 |
| Act of 1909 (1,520 days) | 211,151,204 | 34,165,180 | 1,650,366,021 | 112,214,391 |
| Act of 1913 (3,275 days) | 687,466,248 | 168,372,194 | 5,443,867,022 | 857,046,365 |
| Act of 1922 (557 days) [1] | 294,900,445 | 64,999,053 | [2] 690,194,071 | 117,027,995 |

[1] For period from Sept. 22, 1922, to Mar. 31, 1924, inclusive, for which data are available.
[2] Square yards.

Reducing the above to a uniform basis, the year of 365 days, there is obtained the following contrast:

*Countable cotton cloths—Average per year of 365 days*

| Annual average for | Imports for consumption | | Domestic exports | |
|---|---|---|---|---|
| | Square yards | Dollars | Linear yards | Dollars |
| Act of 1890 | 35,421,975 | 4,543,598 | 177,707,110 | 11,163,291 |
| Act of 1894 | 44,150,760 | 5,259,676 | 245,682,024 | 13,761,945 |
| Act of 1897 | 59,755,381 | 8,894,576 | 402,287,971 | 22,641,784 |
| Act of 1909 | 50,704,694 | 8,204,159 | 396,466,183 | 26,946,219 |
| Act of 1913 | 76,618,576 | 20,994,153 | 606,741,057 | 95,518,144 |
| Act of 1922 [1] | 193,247,150 | 42,587,737 | [2] 452,281,573 | 76,688,004 |

[1] For period from Sept. 22, 1922, to Mar. 31, 1924, inclusive, for which data are available.
[2] Square yards.

The figures for the five tariff acts prior to the act of 1922 show that the general tendency has been for the foreign trade, both export and import, of the United States in countable cotton cloths to increase. Under each of these successive tariff acts the rate of increase has been more marked in exports than in imports. Under the act of 1922 the increase in imports has been accentuated, whereas there has occurred a decrease in exports; this act, however, has been in operation not much over a year and a half. It is therefore too early to state that this marks a permanent reversal of the condition of a continually widening margin of exports over imports which is shown by the figures for the five preceding acts.

In amplification of the above answer there are attached tables 7 and 8. Table 7 shows imports for consumption for each year and fraction of a year under the tariff acts of 1890, 1894, 1897, 1909, 1913, and 1922, with details as to quantity, value, duty collected, value per unit, and the rate of duty, the last stated on both the ad valorem and the specific basis. Table 8 shows the quantity and value of domestic exports for each year and fraction of a year under the tariff acts above mentioned.

IV

"What is the percentage of imports and exports, as compared to the domestic production, of cotton cloth in the census years 1909, 1914, 1919, 1921, and 1923?"

The data are as follows:

*Countable cotton cloths—Relation of imports and exports to production*

| Year | Quantity | | | Value | | |
|---|---|---|---|---|---|---|
| | Volume of production | Relation of imports to production | Relation of exports to production | Volume of production | Relation of imports to production | Relation of exports to production |
| | *Square yards* | *Per cent* | *Per cent* | *Dollars* | *Per cent* | *Per cent* |
| 1889 | 3,003,012,007 | 1.05 | 3.55 | 191,933,218 | 2.09 | 4.41 |
| 1899 | 4,433,932,327 | 1.22 | 8.36 | 280,015,368 | 3.00 | 8.25 |
| 1904 | 4,933,561,905 | 1.02 | 4.51 | 300,004,149 | 2.68 | 4.90 |
| 1909 | 6,121,311,718 | 1.13 | 5.41 | 424,578,252 | 2.47 | 5.11 |
| 1914 | 5,599,118,359 | .89 | 5.98 | 456,522,994 | 2.52 | 6.32 |
| 1919 | 5,983,359,767 | .44 | 10.82 | 1,128,819,078 | 1.32 | 13.47 |
| 1921 | 6,097,714,645 | 1.84 | 8.14 | 797,486,207 | 4.77 | 10.12 |
| 1923 [1] | | | | | | |

[1] Production data not available.

The Bureau of Census states that the compilation of production data for 1923 has not been completed. For this reason production and import and export percentages are not given for 1923 in the foregoing table. Using the latest production figures, those for 1921, as a tentative base for 1923, imports in 1923 were 3.38 per cent in quantity and 6.33 per cent in value, whereas exports were 7.61 per cent in quantity and 11.21 per cent in value. Since the consumption of cotton in the calendar year 1923 was greater than in the calendar year 1921, it is probable that when all the figures become available the quantity and value of cotton-cloth production will be found to be greater, in which case the actual percentages for 1923 will prove to be smaller than those indicated.

Exports from the United States have exceeded imports in every year since 1875. The bulk of the exported cloths are woven of coarse or medium numbers of yarn, whereas the bulk of the imported cloths are woven of fine yarns.

Table 9 shows domestic production and imports and exports by years, from 1889 to 1923, inclusive. Tables 10 and 11 show in detail the census records of production of the various cloths; these two tables show the derivation of the figures used above for the production of countable cotton cloths. Export data are given only for countable cotton cloths, and exports of special fabrics, such as pile fabrics, etc., are not recorded thereunder, some being listed separately and some being lumped with "manufactures of cotton n. s. p. f." To obtain a correct comparison, cotton cloths provided for eo nomine, also articles such as towels and blankets, have been excluded from the production and import as well as the export figures. The data as shown, therefore, relate solely to countable cotton cloths such as are now dutiable in paragraphs 903 and 906 of the tariff act of 1922.

V

What types of cotton cloth constitute the bulk of the import trade, and are these cloths similar or different in character from those produced in this country?

The types of cotton cloth predominating in the import trade vary from time to time. For a number of years prior to the World War, in fact until about 1920, the leading cloth imported consisted of dyed Venetians; these were eight-harness warp sateens, with a silk-like finish imparted by secret processes. They were very popular as linings. The next largest import was of medium-fine and fine plain white goods, such as muslins, cambrics, nainsooks, lawns, and organdies. There were substantial importations of fine shirtings and ginghams, of dotted Swisses, of ratines, voiles, piques, filling sateens, typewriter cambrics, poplins, and plain and novelty dress goods. Colored goods predominated, followed by bleached goods, whereas imports of gray goods were relatively small.

In 1920 voiles constituted the main import. Fine plains ranked next in the imports of cloths.

Beginning with 1920 imports increased both in quantity and in value. This increase has been due mainly to the larger importations of fine-yarn goods; in 1913, for instance, cloths woven of fine yarns, above 40s in average yarn number, constituted less than one-half of the total, whereas in 1923 they constituted over two-thirds of the total. The most striking postwar changes have been three: The decline in imports of the eight-harness warp Venetians; the increase in imports of five-harness warp sateens made of fine yarns; and the great popularity of a new fabric that has been named "cotton broadcloth."

The main cotton cloths now imported are as follows: (1) Cotton "broadcloth" shirtings, (2) fine combed warp sateen, (3) voiles, and (4) fine plains (lawns, organdies, nainsooks, cambrics, etc., of average yarn number over 40's). These four types constituted over three-fourths of the total import during 1923 and 1924 to date. Cloths imported in smaller but appreciable quantities have included ratines, Japanese crêpe, venetians, fine ginghams, dotted Swisses, and fancy-woven fabrics. Gray goods have predominated, with colored goods second, and bleached goods last. (For descriptive detail of the cloths referred to see Exhibit A, Appendix.)

The increased proportion of goods entered in the gray has probably been due in part to the lower rates of duty, in the present as in other acts, applicable to unfinished goods. In larger part, however, it has been due to the improvement during the last decade in the finishing facilities in this country for such cloths. One advantage in importing in the gray is that the goods can be finished here as desired to meet the changing demands of the market. It is claimed in the trade that charges for finishing are as low in the United States as in England; this is in line with the facts found by the Tariff Board as far back as 1911. No recent investigation of finishing costs has been made by the Tariff Commission either in the United States or in England.

In answer to the second part of the inquiry it can be stated that a large portion of the imported cloths are entirely different in character from cloths produced in this country. Most of the other imported cloths are similar in general character to domestic fabrics but usually differ therefrom by reason of the type of cotton used, the type of spinning used, variations in design, or variations in finish.

In general, it may be said that the great bulk of the domestic fabrics are woven of yarns ring spun from American cotton, whereas the great bulk of the imports are woven of yarns mule spun from Egyptian cotton. This basic difference results in the imported goods having in general a better "cover" and a smoother feel than the domestic, although the latter will in many instances prove more durable. Swivel-woven cloths, including the genuine dotted Swisses, are not produced in this country, and there is practically no domestic production of fabrics made of yarns above 120's except such as are woven with imported yarns. Japanese crêpe, made of harsh Indian and Chinese cottons, is also different in character from any domestic crêpe. Attempts have been made by American manufacturers to produce several other specialties, such as Penelope canvas, but the efforts have been given up because of the extra care and slow rate of production involved in their manufacture and consequent higher labor cost.

There is domestic production of cotton broadcloth shirtings, fine-combed warp sateens, voiles, and fine plains (other than the extreme fine plains), the four types now constituting the bulk of the imports; also in the case of ginghams. In each of these instances, however, aside from the fact that the imported fabrics are usually made of mule-spun Egyptian cotton and the domestic of ring-spun American cotton, the great bulk of the domestic production is of the lower grades, The imports are mainly of the finer grades. In other words, the market in the United States for the medium-fine goods is controlled by the domestic mills, whereas the market for the fine goods is divided between the imported and the domestic, with the market for the extremely fine goods entirely controlled by importers.

On practically no type of cloth made in bulk by the domestic mills is there serious competition from abroad. On such goods the American mills, aided by their much more extensive use of the automatic loom, not only control their domestic market but offer strong competition in foreign markets. These goods manufactured and exported in bulk include sheetings, print cloths, tobacco cloths, osnaburgs, ducks, cotton flannels, coarse colored cottons (cottonades, denims, ticks, etc.), and ginghams, made of carded yarns not finer than 40's; also certain finer goods, such as single voiles.

In general it may be said that on cloths that can be made of upland short-staple cotton, the spinning limit of which is about 40s, there is little or no competition from abroad. Such imported cloths made from coarse or medium yarns are mainly of the nature of specialties required in limited amounts. There is a large export and a substantial import trade. In the medium-fine range, goods made of yarns from 41s to 60s. In cloths made of fine yarns above 60s there is very little export trade, whereas imports are large. Imports of the extremely fine cloths monopolize the limited demand for such fine high-priced goods.

The United Kingdom supplies most of the cotton cloths imported by the United States. Table 12 contains British statistics of this trade and shows clearly the change from a pre-war predominance of piece-dyed and bleached goods to a post-war predominance of gray goods. Table 13 is appended to show imports by trade names of certain specified cloths. These data have been collected by the Treasury for publication by the Department of Commerce only since the middle of February, 1924. Table 14 gives imports for consumption during the calendar year 1923, and Table 15 imports for consumption during the first quarter of 1924. These two tables are compiled to show quantity and value of imports by yarn ranges. There is also attached Table 16, which shows imports by yarn ranges under the act of 1913 in comparison with those under the act of 1922. The post-war trend toward the importation of finer fabrics is very noticeable.

VI

"What are the main reasons for the importation of cotton cloths? In particular, are such imports due primarily to price or to quality?"

Among the main reasons for the importation of cotton cloths may be listed the following:

1. Quality: That portion of the population of the world which can afford fine cotton fabrics of high quality is accustomed to turn to England, France, or Switzerland to supply their requirements, and the United States is no exception to this rule. The superior quality of imported cotton cloths may be due to more care in manufacture, to the use of Egyptian cotton, to the use of mulespun yarns, to the use of flyer-twisted ply yarns, to differences in construction—for instance, to a larger number of threads, of finer yarns, than customary in the United States—to superior finish, or to other factors.

2. Reputation: Various imported fabrics are sold under trade-marks that have become familiar to the American public as a guaranty of established quality. In such instances the foreign fabric is bought because of reputation and often without knowledge as to whether the goods are of foreign or domestic origin. On the other hand, many goods are sold at high prices simply because they are marked "imported" and irrespective of the fact that domestic goods of equal or superior quality may be available at lower prices.

3. Lack of domestic production: The American cotton industry does not use swivel looms because of their slow rate of production and consequent higher labor cost. All swivel-woven cloths, including substantial amounts of swivel-decorated voiles and crêpes, as well as the more staple "dotted Swisses," must therefore be imported at the present time. These goods are of Swiss or French origin and are produced mainly on hand looms in the homes. The American cotton industry spins but little warp yarn above 100s, and but little filling yarn above 120s, mainly because the demand is relatively so small that it would hardly pay the domestic manufacturer to undertake to produce them. Fine lawns, organdies, mulls, etc., made of the higher range of fine yarns must therefore be purchased abroad. The American cotton industry has no flyer-twisters, and therefore cloths such as fine-ply voiles and fine-ply broadcloths, in which smooth and well-rounded ply yarns of fine counts are essential, must be imported. One domestic firm makes fabrics of quality equal to the imported cloths, using imported yarns, but its output is not sufficient to supply the domestic demand. Japanese crêpe, the only cloth imported from Japan in appreciable quantities, is made of Indian or Chinese cotton, and therefore has a peculiarly rough, strong feel. This type of crêpe is not produced in this country and is of a different character from the crêpes made of the softer American cotton produced in great quantities by the domestic mills. Included in the import trade are various other fabrics of which there is no domestic production.

4. Specialty demand: Much of the importation of cotton cloth from France consists of specialties. Substantial amounts of such specialties come from Switzerland and England, and smaller amounts from other countries. Such specialties cover a wide range, from voile or crêpe grounds, ornamented with novelty yarns, to staple shirting fabrics which are of a confined pattern and which the consumer of exclusive taste buys because he has the guaranty that it will be different. The domestic manufacturer, working on the "mass production" system, is unable to cater profitably to the demand for fabrics of any one type or design required in small amounts. In coutils for corsets, for instance, the American manufacturers supply the bulk demand, which is for smooth piece-dyed fabrics, whereas the smaller demand from custom corsetieres who want something different, is supplied entirely by importations from France of closer woven, rougher-finished coutils, woven of bleached yarns. Any imported specialty that attains a bulk demand is quickly reproduced by American producers, although usually in less expensive qualities by American mills. Illustrations of cotton cloths of comparatively recent origin, introduced as specialties but which now partake more of the nature of staples, are voiles, Russian-cord shirtings, and broadcloths.

5. Lower price: The fact that the United States exports large quantities of cloths made of coarse and medium yarns, such as sheetings, drills, denims, tickings, crêpes, prints, ginghams, etc., also medium fine fabrics such as single voiles, tends to prove that the 1912 findings of the tariff board, to the effect that on such goods the American manufacturer, producing in bulk with the aid of the automatic loom, can compete successfully, are also true to-day. On the extremely fine range and in specialties, where American products are lacking or else produced in insufficient quantities, there is practically no direct price competition in the domestic market.

In the most directly competitive range, that from 40s to 100s average yarn numbers, price is a more important factor, but its relative importance varies according to the class of goods and also from time to time according to the trend of prices here and abroad. Prices in the United States and in England, the chief source of imported cloths, do not always show the same trend and at times in the two countries are much closer together than at others. For instance, from the fall of 1922 to the fall of 1923 the price of American raw cotton, although fluctuating sharply, tended upward, whereas the price of Egyptian raw cotton tended downward. The normal price relation between the two types of cotton was upset, with the result that during this period English yarns and cloths made of Egyptian cotton were, relative to American yarns and cloths made of American cotton, much lower in price than usual. Under such circumstances there was strong price competition on the American market in the competitive range of 40s to 100s average yarn numbers, and imports in this range increased considerably. However, the trade in fine plains was but little affected and the increase in imports was confined mainly to three cloths, namely, broadcloths, fine combed sateens, and voiles. Broadcloth is of recent English development and has not yet become firmly established in American mills as an article of mass production. The demand for fine combed sateens had become, largely by reason of the increase in the use of bloomers, greater than the few domestic mills on such goods could supply. The competition on voiles expressed itself in lower prices, and therefore larger sales, of the high-grade ply voiles, which are made here by only one or two mills, and did not extend to direct competition on the single voiles which continued to be made and exported in large quantities.

In the spring and early summer of 1924 conditions changed. American prices have gone down, whereas English prices have gone up, and at the time of this report, in June, 1924, conditions appear to be rapidly returning to the normal status where imports have to be made on the basis of quality or other factor without the aid of lower prices. An investigation at New York shows that on most of the competitive cloths American manufacturers are now quoting prices lower than those at which the foreign goods can be landed with charges and duties paid.

To sum up, imports of cotton cloths are due primarily to the quality of certain grades rather than to general price competition. The relative importance of the price factor varies and at times it is the deciding factor on a limited number of fabrics, but normally, and at the date of this report, the more important factors appear to be quality, reputation, lack of domestic production, and specialty demand.

VII

"To what extent has the domestic industry been affected by the postwar increase in the importation of cotton cloths?"

This question is difficult to answer with certainty, for the reason that imports constitute but one of many factors that affect the demand for domestic fabrics, and for the further reason that a substantial proportion of the imported fabrics are of a type not made here at all or else not made here in sufficient quantities. If we assume, however, that each yard of imported cloth displaces a yard of domestic fabrics, then, since imports are now on the basis of about 200,000,000 square yards per annum, as compared with a pre-war basis of about 50,000,000 square yards, it would follow that domestic sales have been affected to the extent of approximately 150,000,000 square yards. If the total domestic production be taken as 6,500,000,000 square yards, this postwar increase of 150,000,000 square yards amounts of 2.3 per cent of the total output.

Any attempt to examine more precisely the effect of imports as regards various cloths or groups of cloths involves more or less estimate and conjecture. Even for cloths imports of which are recorded by trade names no accurate contrast is possible. In few cases is there similar record of the domestic production. For instance, the census figures do not record broadcloths separate from other plain-woven fabrics and do not record fine-combed sateens separate from twills and sateens of all kinds. In some cases, such as ginghams and voiles, figures are available for both production and imports; but here, again, as imports are mainly of the finer types, whereas the bulk of domestic production is of the coarse or medium types, sufficient data are not available to permit the desired comparison.

On the basis of such data as are available it seems reasonable to assume that the domestic output of fine cloths, made of yarns averaging above 40s, constitutes about 20 per cent of the total square yards produced in this country. If this total be approximately 6,500,000,000 square yards, there is then obtained the following comparison of the competition experienced by fine cloths and by other cloths in 1923:

| | Estimated production | Actual imports | Imports, of production |
|---|---|---|---|
| | *Sq. yds.* | *Sq. yds.* | *Per cent* |
| Coarse and medium cloths | 5,200,000,000 | 56,036,607 | 1.08 |
| Fine cloths | 1,300,000,000 | 150,110,173 | 11.55 |
| Total | 6,500,000,000 | 206,146,780 | |

Included in the imports of fine goods are some made with yarns finer than any produced in this country. Some of the coarser goods, such as the Japanese crêpes, are also made of yarns different from any produced in this country. It may therefore be assumed, as an approximation of the true condition, that imports of coarse and medium cloths now constitute about 1 per cent of the domestic production of such cloths and imports of fine goods about 10 per cent of the production of such cloths.

VIII

"Would changes in the present tariff rates on cotton cloths be of material assistance in stimulating production and restoring prosperity to the industry?"

The commission has as yet made no investigation of the difference in costs of production of cotton cloths here and abroad, and if such an investigation were to be made it could hardly be completed within less than a year. It is the general opinion, as stated by authorities in the industry, that domestic and foreign, particularly British, selling prices are to-day very close to actual costs, but in the absence of verified domestic and foreign costs of production required by section 315 of the tariff act of 1922 the commission does not feel warranted in suggesting readjustments in the duties on cotton cloths.

Information for use in a consideration of this inquiry is furnished by Table 17, which shows not only the value of the 1923 imports but also the revenue collected and the average rates of duty by yarn ranges; by Table 18, which shows the amount and value of that portion of the 1923 imports that were dutiable at the maximum rate of 45 per

cent ad valorem; and by Chart D, which is a graphical illustration of the rates of duty on cotton yarns and on countable cotton cloths, as arranged in the acts of 1922 and 1913.

THOMAS O. MARVIN, *Chairman.*
W. S. CULBERTSON, *Vice Chairman.*
DAVID J. LEWIS, *Commissioner.*
EDWARD P. COSTIGAN, *Commissioner.*
W. BURGESS, *Commissioner.*
HENRY H. GLASSIE, *Commissioner.*

INVESTIGATION OF NORTHERN PACIFIC LAND GRANTS

The PRESIDENT pro tempore. The Chair announces that he has appointed the following members of the joint committee under House Joint Resolution No. 237:

The Senator from North Dakota [Mr. LADD], the Senator from South Dakota [Mr. NORBECK], the Senator from Missouri [Mr. SPENCER], the Senator from Wyoming [Mr. KENDRICK], and the Senator from Colorado [Mr. ADAMS].

AGRICULTURE THE BASIC INDUSTRY

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 107) declaring agriculture to be the basic industry of the country, and for other purposes.

Mr. SMITH. I move that the Senate disagree to the amendments of the House, ask for a conference on the disagreeing votes of the two Houses, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. SMITH, Mr. PITTMAN, and Mr. CUMMINS conferees on the part of the Senate.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated below:

H. R. 646. An act to make valid and enforceable written provisions or agreements for arbitration of disputes arising out of contracts, maritime transactions, or commerce among the States or Territories or with foreign nations; to the Committee on Commerce.

H. R. 26. An act to compensate the Chippewa Indians of Minnesota for lands disposed of under the provisions of the free homestead act; and

H. R. 8086. An act to amend the act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1915," approved August 1, 1914; to the Committee on Indian Affairs.

H. J. Res. 283. Joint resolution (H. J. Res. 283) to permit to remain within the United States certain aliens in excess of quotas fixed under authority of the immigration act of May 19, 1921; to the Committee on Immigration.

INSPECTION OF RAILWAY LOCOMOTIVES

Mr. SMITH. Mr. President, I ask unanimous consent for the present consideration of the bill (H. R. 8578) to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto," approved February 17, 1911, as amended. It is a matter of very vital importance, and there is no amendment to the bill. It is a question of providing adequate means for the proper inspection of railway locomotives. It is recommended by the President, by the Budget, and by the Interstate Commerce Commission.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from South Carolina?

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill which was read as follows:

*Be it enacted, etc.*, That the first sentence of section 1 of the act entitled "An act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto," approved February 17, 1911, as amended, is amended to read as follows:

"That when used in this act the terms 'carrier' and 'common carrier' mean a common carrier by railroad, or partly by railroad and partly by water, within the continental United States, subject to the interstate commerce act, as amended, excluding street, suburban, and interurban electric railways, unless operated as a part of a general railroad system of transportation."

SEC. 2. Section 2 of such act is amended to read as follows:

"SEC. 2. That it shall be unlawful for any carrier to use or permit to be used on its line any locomotive unless said locomotive, its boiler, tender, and all parts and appurtenances thereof are in proper condition and safe to operate in the service to which the same are put, that the same may be employed in the active service of such carrier without unnecessary peril to life or limb, and unless said locomotive, its boiler, tender, and all parts and appurtenances thereof have been inspected from time to time in accordance with the provisions of this act and are able to withstand such test or tests as may be prescribed in the rules and regulations hereinafter provided for."

SEC. 3. The last sentence of section 3 of such act is amended to read as follows:

"The office of the chief inspector shall be in Washington, D. C., and the Interstate Commerce Commission shall provide such legal, technical, stenographic, and clerical help as the business of the offices of the chief inspector and his said assistants may require."

SEC. 4. Section 4 of such act is amended by adding thereto a new paragraph to read as follows:

"Within the appropriations therefor and subject to the provisions of this act, the Interstate Commerce Commission may appoint, from time to time, not more than 15 inspectors in addition to the number authorized in the first paragraph of this section, as the needs of the service may require. Any inspector appointed under this paragraph shall be so assigned by the chief inspector that his service will be most effective."

SEC. 5. Section 10 of such act is hereby repealed.

SEC. 6. Hereafter the salary of the chief inspector shall be $6,000 per year; the salary of each assistant chief inspector shall be $5,000 per year; the salary of each inspector shall be $3,600 per year; and the annual allowance for each inspector for office rent, stationery, and clerical assistance, fixed by the Interstate Commerce Commission, shall not exceed $1,000.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. WARREN. Mr. President, I have a very important conference report for which I ask immediate consideration. Unless we can give early attention to the matter, the entire bill, carrying about $200,000,000, will fail, because we are in disagreement on quite a number of items.

The PRESIDENT pro tempore. The Chair is of the opinion that the conference report has precedence.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives to the bill (H. R. 9559) as follows:

IN THE HOUSE OF REPRESENTATIVES,
*June 7, 1924.*

*Resolved*, That the House recedes from its disagreement to the amendments of the Senate numbered 37 and 39 to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes and concurs therein.

That the House insists upon its disagreement to the amendments of the Senate numbered 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 58, and 59;

That the House agrees to a further conference requested by the Senate on the disagreeing votes of the two Houses thereon; and

That Mr. MADDEN, Mr. ANTHONY, and Mr. BYRNS of Tennessee are appointed managers on the part of the House at the further conference.

Mr. WARREN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 4, 5, 8, 9, 12, 13, 14, 20, 24, 41, 42, 49, and 57.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 11, 16, 17, 19, 22, 25, 26, 38, 40, 43, 44, 45, 46, 47, 48, 50, 51, 52, 53, 54, 55, and 56, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"SENATE

"For miscellaneous items, exclusive of labor, fiscal year 1924, $50,000.

"For payment for services rendered the Senate or committees thereof, as follows: John G. Holland, jr., $250; Ernest K. Hill,

$250; Fred A. Eckstein, $860; Albert Reid, $125; Alexander K. Meek, $1,200; Louis Bose, $40; U. G. Gordon, $40, and James F. Sellers, $200; in all, $2,965."

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: On page 2 of the bill, line 22, strike out "five" and insert in lieu thereof "six," and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In the matter inserted by said amendment strike out the following: ", to be paid wholly out of the revenues of the District of Columbia," and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"For carrying out the provisions of the act entitled 'An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment,' approved June 2, 1920, as amended by the act of June 5, 1924, for the fiscal year 1925, $834,000: *Provided*, That the apportionment to the States shall be computed on the basis of not to exceed $1,034,000, as authorized by the act approved June 2, 1920, as amended by the act approved June 5, 1924."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"For additional hospital and out-patient dispensary facilities for patients of the United States Veterans' Bureau, and facilities for a permanent national training school for the blind at a cost not exceeding $350,000, who are beneficiaries of the United States Veterans' Bureau, by purchase and remodeling or extension of existing plants, and by construction on sites now owned by the Government or on sites to be acquired by purchase, condemnation, gift, or otherwise, such hospitals and out-patient dispensary facilities to include the necessary buildings and auxiliary structures, mechanical equipment, approach work, roads, and truckage facilities leading thereto; and also to provide accommodation for officers, nurses, and attending personnel; and also to provide proper and suitable recreational centers, $3,850,000, to remain available until June 30, 1925, and in addition to this amount obligations may be incurred for the purposes set forth in this paragraph not to exceed in the aggregate $3,000,000. That not to exceed 3 per cent of the total of $6,850,000 shall be available for the employment in the District of Columbia and in the field of necessary technical and clerical assistants at the customary rates of compensation, exclusively to aid in the preparation of the plans and specifications for the projects authorized herein and for the supervision of the execution thereof, and for traveling expenses and field-office equipment and supplies in connection therewith."

And the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: Before the sum named in said amendment, insert: "fiscal year 1923"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 39, 58, and 59.

F. E. WARREN,
CHARLES CURTIS,
W. L. JONES,
LEE S. OVERMAN,
WM. J. HARRIS,
*Managers on the part of the Senate.*
MARTIN B. MADDEN,
D. R. ANTHONY, Jr.,
JOSEPH W. BYRNS,
*Managers on the part of the House.*

Mr. WARREN. I move the adoption of the conference report.

Mr. ROBINSON. Mr. President, may I ask the Senator from Wyoming what are the outstanding amendments upon which no agreement has been reached?

Mr. WARREN. The outstanding amendments include every item that pertains to reclamation and farming interests. There are sundry others of which I can give the Senator a list.

Mr. NORRIS. Mr. President, I was interrupted and did not hear the Senator's answer to the Senator from Arkansas. Will he kindly repeat it as far as he has gone?

Mr. WARREN. So far as the items in disagreement are concerned, they are all in disagreement as to the reclamation and farming subjects. In addition to that are the items relating to the shale investigation, United States marshals in United States courts, the matter of the Leavenworth bridge, and also quite a number of minor matters, but the main ones I have stated.

Mr. REED of Pennsylvania. Mr. President, will the Senator state whether an agreement has been reached with reference to the Veterans' Bureau hospital item?

Mr. WARREN. There has been no agreement reached with reference to that item.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

Mr. WARREN. Mr. President, I move that the Senate insist upon its amendments in disagreement, ask the House for a further conference, and that the Chair appoint the conferees on the part of the Senate on the disagreeing votes of the two houses.

The motion was agreed to; and the President pro tempore appointed Mr. WARREN, Mr. CURTIS, Mr. JONES of Washington, Mr. OVERMAN, and Mr. HARRIS conferees on the part of the Senate.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a joint resolution (S. J. Res. 85) authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 2887) authorizing transfer of certain abandoned or unused lighthouse reservation lands by the United States to the State of New York for park purposes.

## ENROLLED BILLS SIGNED

The message also announced that the Speaker of the House had signed enrolled bills of the following titles, and they were thereupon signed by the President pro tempore:

H. R. 5318. An act to authorize an exchange of lands with the State of Washington;

H. R. 7996. An act to regulate and fix rates of pay for employees and officers of the Government Printing Office;

H. R. 7998. An act granting public lands to the city of Golden, Colo., to secure a supply of water for municipal and domestic purposes;

H. R. 8839. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 9177. An act granting the consent of Congress to the counties of Kittitas and Grant, in the State of Washington, to construct a bridge across the Columbia River at or near Vantage Ferry, Wash.;

H. R. 9345. An act granting the consent of Congress for the construction of a bridge across the Ohio River between Vanderburgh County, Ind., and Henderson County, Ky.; and

H. R. 9429. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes.

## PERSONAL EXPLANATION—WAR FINANCE CORPORATION LOANS

Mr. GOODING. Mr. President, I rise to a question of personal privilege. Last evening, in the closing hour of the session, which seemed to be a storm center, the junior Senator from Virginia [Mr. GLASS] made the charge that I had violated a Federal statute and was subject to a fine of $3,000. I am quite sure if the Senator from Virginia had taken time to follow out the matter, or there had been a little better understanding, or the Senate had not been in such a commotion at the time, he would not have made that statement.

I send to the desk a letter from the general counsel of the War Finance Corporation and ask to have it read. It relates to my right or the right of any other Senator to participate, through a corporation, in the matter of the corporation securing loans from the War Finance Corporation.

The PRESIDENT pro tempore. Without objection, the letter will be read as requested.

The reading clerk read as follows:

WAR FINANCE CORPORATION,
THE TREASURY BUILDING,
*Washington, June 7, 1924.*

Hon. FRANK R. GOODING,
*United States Senate.*

MY DEAR SENATOR GOODING: You have asked me to confirm in writing the opinion which I expressed to you this morning as to the legality of certain loans made by the War Finance Corporation to a loan company, secured by the note of a corporation in which you are financially interested.

The loan in question was made to the Southern Idaho Loan Co., a livestock loan company, against its promissory note, secured by a number of notes of livestock growers, among them being a corporation in which I understand that you own a substantial stock interest.

Section 114 of the Penal Code makes it unlawful for any Member of Congress to "undertake, execute, hold, or enjoy in whole or in part, any contract or agreement made or entered into in behalf of the United States by any officer or person authorized to make contracts on its behalf."

Section 115 makes it unlawful for an officer of the United States, on behalf of the United States, to enter into any contract with any Member of Congress.

Section 116 provides that "nothing contained in the two preceding sections shall extend, or be construed to extend, to any contract or agreement made or entered into, or accepted by any incorporated company, where such contract or agreement is made for the general benefit of such incorporation or company."

Even if the sections above referred to are applicable to loans made by the War Finance Corporation, it is apparent that there has been no violation of law in the present case. The loan was made by the War Finance Corporation to a loan company which pledged as security a note of a corporation in which you held stock. There was, therefore, no contract made between yourself and the War Finance Corporation and the provision of section 116 relating to contracts with a corporation in which a Member of Congress may be interested expressly covers the case.

Moreover in the light of recent decisions of the United States Supreme Court, it is clear that a contract made by the War Finance Corporation is not a contract made on behalf of the United States with the meaning of penal provisions. The Supreme court has so held in the case of the United States Shipping Board Emergency Fleet Corporation (U. S. *v.* Strang, 254 U. S. 491), and the same reasoning is applicable to the War Finance Corporation, which is incorporated by special act of Congress. Indeed the War Finance Corporation act specifically provides that the United States is not liable for any obligation incurred by the corporation.

Of course, you understand that it is not a part of my official duties to give opinions upon the interpretations of the criminal statutes of the United States. It is, however, my duty, as general counsel of the War Finance Corporation, to ascertain that loans made by the War Finance Corporation are made in accordance with law, and from this point of view I can express with confidence the opinion that the transactions in question were not in violation of sections 114 to 116 of the Penal Code. The loans in question were made, as are all loans of the War Finance Corporation, in aid of the livestock industry as a whole, upon the merits of the security tendered and without regard to what individuals may be interested therein.

Yours very truly,

GERALD C. HENDERSON,
*General Counsel.*

Mr. GLASS. Mr. President, the Senator from Idaho has anticipated me in a statement which I would very cheerfully have made before the reading of the letter had I known that he proposed having the letter read.

Last evening in the confusion of the Senate Chamber I understood the Senator from Idaho to speak of this loan as his loan. When he did so, I recalled section 114 of the criminal statutes, which prohibits a Member of the Senate or of the House of Representatives from entering into a contract, directly or indirectly, with the United States Government. Subsequently I understood the Senator from Idaho to amend his statement by saying that a corporation with which he was connected had made the loan. I confess that that did not at the time modify my opinion, because I was not then aware of the fact that section 116 of the Criminal Code—which had not been brought to my attention, while section 114 had—expressly exempts Senators and Members of the House of Representatives from the operation of section 114 when they are merely stockholders in the corporation.

Therefore I perceive and frankly avow that to that extent I did the Senator from Idaho an injustice. I do not think he is amenable to the statute.

Mr. GOODING. Mr. President, I felt last night that the Senator from Virginia did not intend, of course, to cast any reflection on my acts in any way, because I had not willfully violated the law and the law had not been violated. I am glad to have him make the statement which he has that, in his opinion, I am completely exonerated from violating a Federal statute, because when I get through with my public service I am going to know in my own conscience that I have never intentionally violated any law of my country.

Mr. President, I am entitled to have Senate Resolution 208, in which I have asked for an investigation of my acts in connection with this loan, disposed of in some way or other by the Senate, and I therefore ask for its immediate consideration.

I will say, Mr. President, that I should like to have a member of the Committee to Audit and Control the Contingent Expenses of the Senate make a statement in regard to a letter which he received from the War Finance Corporation. It was charged that I had secured loans to the injury of the farmers of my State. No part of that is true. I spent more time in the early days of my service in the Senate in trying to secure relief for the farmers of my State through the War Finance Corporation than along any other line. There were some disappointments. The law did not go far enough to take care of the individual farmer, but in my State nearly 2,500 farmers were taken care of, and I know that it was more or less through my efforts that corporations were formed in Idaho that gave farmers an opportunity to secure loans, and in some communities the farmers were saved their homesteads.

I ask unanimous consent for the present consideration of Senate Resolution 208, to which I have referred.

The PRESIDENT pro tempore. The Senator from Idaho asks unanimous consent for the present consideration of the resolution. The Secretary will read the resolution.

The reading clerk read the resolution (S. Res. 208) submitted by Mr. GOODING on April 10, 1924, and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

*Resolved*, That the President of the Senate pro tempore is authorized to appoint a special committee of three Members of the Senate to investigate and report to the Senate as soon as practicable the facts in respect of the activities of the War Finance Corporation in distributing loans and advances for agricultural and livestock purposes in the State of Idaho, and particularly any alleged favoritism shown in such distribution to FRANK R. GOODING, a Senator from the State of Idaho, or any member of his family, or any of his business associates.

The committee is authorized to hold hearings, to sit during the sessions and recesses of the Sixty-eighth Congress, and to employ such stenographic and other assistants as it may deem advisable. The committee is further authorized to send for persons and papers; to require by subpœna the attendance of witnesses, the production of books, papers, and documents; to administer oaths; and to take testimony. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee shall be paid from the contingent fund of the Senate.

Mr. GOODING. I send to the desk a short letter from the War Finance Corporation, which I ask may be read, and then I shall have said my last word. I hope the Senate will take some action on the resolution.

The PRESIDENT pro tempore. The Secretary will read as requested.

The reading clerk read as follows:

(Personal)

WAR FINANCE CORPORATION,
*April 25, 1924.*

Hon. F. R. GOODING,
*United States Senate.*

MY DEAR SENATOR: Replying to your letter of April 22, would say that I do not find anywhere in our files any reference to an application made on behalf of the Canyon County Farm Bureau for a loan. If such an application was made, it would necessarily be made through one of the classes of financing organizations through which we are authorized under the law to make loans. Canyon County is within easy reaching distance of Boise, where the War Finance Corporation agency is located. Any inquiry made direct to this office would be referred to the local agency. I do not, however, find any correspondence from or in regard to the organization in question.

I find that on April 24, 1922, you wrote Hon. Dwight F. Davis, Director of the War Finance Corporation, and sent him letters from various Idaho people with regard to War Finance Corporation loans,

asking that the situation referred to be looked into. Congressman SMITH also wrote Mr. Meyer about the same time, and I find that Mr. Davis answered your letter the same day he received it. I think the matter referred to in that correspondence was all straightened out.

We do not, of course, know what inquiries may have been made of the Idaho agency, but I am satisfied that no one who approached the agency with reasonable security for an agricultural loan was discouraged or turned down. Possibly more banks could have applied for loans than did, but that is a matter over which the corporation had no control. The livestock loan companies in your State have been doing particularly good work. The last day or two a very considerable portion of the work of the corporation has been in the renewal and extension of loans of from $100 to $1,000, and averaging about $300, on dairy cows through the Northside Live Stock Loan Co. at Jerome.

Yours very truly, F. W. MONDELL.

P. S.—You will understand that this is not an official letter, but the facts are as stated.

F. W. M.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the Committee to Audit and Control the Contingent Expenses of the Senate be discharged——

Mr. ROBINSON. Mr. President, I suggest to the Senator from Tennessee that the Senator from Idaho, as a matter of privilege, is entitled to have the resolution which he has presented disposed of.

Mr. McKELLAR. I was seeking to do that. I was about to ask unanimous consent that the Committee to Audit and Control the Contingent Expenses of the Senate be discharged from the further consideration of the resolution, and that the resolution be agreed to.

The PRESIDENT pro tempore. Unanimous consent is asked that the Committee to Audit and Control the Contingent Expenses of the Senate be discharged from the further consideration of the resolution presented by the Senator from Idaho and that it be immediately considered. Is there objection? The Chair hears none.

The question is on agreeing to the resolution.

The resolution was agreed to.

## POSTMASTERS AND POSTAL EMPLOYEES—VETO MESSAGE (S. DOC. NO. 149)

The PRESIDENT pro tempore. The Chair lays before the Senate a message from the President of the United States.

Mr. WALSH of Massachusetts. May I inquire if the message from the President is his veto of the postal employees' salary bill?

The PRESIDENT pro tempore. The Chair so understands, but the message will be read.

The message was read, and ordered to be printed as a Senate document, as follows:

*To the Senate:*

Herewith is returned, without approval, S. 1898, a bill "Reclassifying salaries of postmasters and employees of the Postal Service and readjusting their salaries and compensation on an equitable basis, and for other purposes."

This bill adds approximately $68,000,000 to the annual expenditures of the Government. It makes no provision for raising this amount as postal revenue. The money must come from the pockets of the taxpayers. To the extent that we create further obligations which must be met from the moneys derived from taxation, to that extent do we reduce the possibility of further reduction in taxes. Before such obligations are created it should be conclusively shown that they are essential in the best interests of the Nation.

Government extravagance must stop. The people of the Nation are paying all that it is possible for them to pay. I have taken my position in relation to Government economy, which I have stated and restated until it is well known. I feel that that position ought to be consistent. I do not see how I can approve the large increase in expenditure of this kind, except on the plea of urgent necessity. It may be that some adjustments would be justified, but an organized effort by a great body of public employees to secure an indiscriminate increase in compensation should have the most searching scrutiny. The needs of the public, the ability of the people to pay, must have some consideration. These salaries had been adjusted three times since 1918, the last time in 1920. Since then the cost of living has decreased, rather than increased.

The postal service rendered the public is good. The service conditions under which the employees perform their duties are probably more satisfactory than ever before in the history of the Post Office Department. The Government has been solicitous of the welfare of postal employees. Their compensation has been the subject of several recent legislative acts and adjusted to scales of pay as favorable as any in the public service. The act of July 2, 1918, increased the compensation of clerks and carriers in post offices and railway postal clerks $200 a year, and rural carriers $240 a year. In addition there were increases in compensation to a large number of the supervisory force. The act of November 8, 1919, further increased the compensation of postal employees from $100 to $200 per annum. This was followed by the act of July 5, 1920, which provided further increases in compensation ranging from $200 to $300 for clerks and carriers and railway postal clerks, and $260 for rural carriers. Substantial increases were also provided in the salaries of the supervisory force, ranging from $200 to $600 a year.

The effect of these increases in salary grades over those for the fiscal year 1918 was an increase of $600 to clerks and carriers in post offices, $500 to railway postal clerks, and $600 to rural carriers.

By reason of these increases the Government has paid out during the fiscal years from 1919 to 1923 an additional aggregate of $450,000,000 in salaries to postal employees above what would have been paid under the scale in effect before these changes, as follows:

| | |
|---|---|
| During the fiscal year 1919 | $33,202,600 |
| During the fiscal year 1920 | 68,901,000 |
| During the fiscal year 1921 | 110,756,000 |
| During the fiscal year 1922 | 114,256,000 |
| During the fiscal year 1923 | 123,256,000 |

It is apparent that the Government has dealt generously with this service.

As a result of these readjustments the average salaries for 1923 are—

Post-office clerks, $1,751, increase of $919 since 1909, or 110 per cent.

Post-office carriers, $1,752.83, increase of $862 since 1907, or 96 per cent.

Railway postal clerks, $2,107, increase of $946 since 1907, or 81 per cent.

Railway postal clerks, including travel allowance, $2,292, increase of $1,131 since 1907, or 97 per cent.

Rural carriers, $1,849.52, increase of $1,140 since 1907, or 160 per cent.

The average for all salaries of clerks now receiving from $1,140 to $2,040 per annum in the clerical, administrative, and fiscal services in all the departments in Washington will be approximately $1,554 on July 1, 1924, under the provisions of the classification act of 1923. It is thus seen that the lowest average of the salaries of the postal employees in the field service is nearly $200 more than the average for employees in the Government departments in Washington.

At the request of the committee which considered this legislation the Post Office Department made a special investigation of the range of salaries paid to persons employed in business institutions throughout the country and reported the results. These investigations covered representative cities ranging in population from 2,000 to over 5,000,000. It was found that in all cases of employees of a similar character the average salaries paid were much lower than those paid in the Postal Service.

The conditions under which employment is undertaken in the Postal Service and those under which it is undertaken in business are not altogether alike. The scale of salaries in the Postal Service should be sufficiently high to attract those who will make it a life work. This can not be done without providing for a salary high enough to enable the employee to take upon himself the obligations of citizenship and his place in society and render satisfactory service to the Government. Therefore it is just to pay to postal employees a scale of wages that is somewhat higher than the scale paid to employees in the business world.

I am informed there is generally no difficulty in maintaining lists of eligibles to fill vacancies. There are certain localities where difficulty exists, these localities being almost without exception large cities and industrial communities affected in the one case by high costs of living due to metropolitan conditions, and in the other case by the higher wage scale and living costs. But there are approximately 6,000 eligibles on the civil-service list at the present time to fill vacancies in the Railway Mail Service, and there were 25,000 applicants for the examination held throughout the country by the Civil Service Commission on May 3.

This bill increases the salaries of all postmasters excepting those at offices of the first class. It increases the salaries of supervisory officers in post offices, post-office inspectors,

and the officers of the Railway Mail Service $300 each, and in some instances more. It increases the salaries of clerks and carriers $300 each and of rural carriers on the average $293 for each carrier on a standard route. These increases apply alike to all classes of post offices. They ignore the fact that there is a wide difference in the cost of living in the larger cities and industrial centers as compared with the smaller cities and towns. If there is real need for revision of salaries in the Postal Service, it is to provide a wage differential for those employees serving in post offices located in the large cities and industrial centers. There is no justification for increasing salaries to apply to all offices when the need for such increases does not apply to a large number of the offices. Aside from this, no provision is made in this bill for raising the money which would be required to meet the additional expenditures which it proposes. Under its provisions we would be required to take an additional amount of approximately $08,000,000 per year from the moneys paid by the taxpayers and pass it on to the employees of the Postal Service. Certainly the interests of the people demand that any legislation increasing the cost of the Postal Service should give consideration to the raising of the moneys necessary to defray the additional cost.

For the fiscal year 1923 the postal revenues were $32,000,000 less than the cost of the service for that year. This deficit had to be met from the moneys paid by the taxpayers. We should not add to the amount of the postal deficit, as is proposed by this bill, but should attempt as a sound business principle to have the users of the mails approximately pay the cost of the service. The law gives the Postmaster General the power, with the approval of the Interstate Commerce Commission, to increase parcel-post rates. Even if the proposed increase of $68,000,000 contemplated by this bill was justified, it would not only be unfair to the users of the parcel post to recoup the whole amount in that manner, but it would be wholly impracticable to secure it from the parcel-post business without destroying that service. The farmers, who are the largest users of parcel post, are not in a position to contribute a large sum to the postal employees.

The Post Office Department is now engaged by direction of Congress in a cost ascertainment for which half a million dollars was appropriated. This inquiry has been prosecuted with diligence and is nearing completion. When the results of this inquiry are available they will form the basis for an intelligent consideration by the Postmaster General and by Congress of all questions relating to the adequacy of postage rates. They will afford a proper basis for consideration of the relation of the cost of the Postal Service and the revenues derived therefrom. The time has arrived to consider putting the Postal Service on a sound business basis, so far as expenditures and revenues are concerned. It is apparent that the matter of increasing the salaries of postal employees should be considered in connection with the ways and means whereby the postal revenues may be correspondingly increased, not apart therefrom. This report will be available when the Congress convenes in December, and this matter can then be considered.

If that provision stood alone, I should approve that part of the bill relating to campaign funds.

CALVIN COOLIDGE.

THE WHITE HOUSE, *June 7, 1924.*

REMISSION OF CUSTOMS DUTIES ON GOVERNMENT PROPERTY

Mr. KING obtained the floor.

Mr. SMOOT. Mr. President, will my colleague yield to enable me to report a House bill?

Mr. KING. If I do not lose the floor.

Mr. SMOOT. If there is the least objection to it, I will withdraw it.

Mr. KING. If it is privileged, I yield.

Mr. SMOOT. Mr. President, last evening the House passed House bill 9111, a bill directing the remission of customs duties on certain property of the United States imported by the War Department. The War Department has imported $616,696,731 of war material into the United States. In order to give the customs officials legal authority for free entry of all dutiable supplies so returned, I ask that this bill, passed by the House yesterday, be considered and passed here.

Mr. KING. Mr. President, if I do not lose the floor, I yield.

The PRESIDENT pro tempore. The Chair was about to state the question when the Senator from Utah arose. The question is, Shall the bill pass, the objections of the President to the contrary notwithstanding?

Mr. KING. Mr. President——

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the senior Senator from Utah?

Mr. KING. I shall not yield for that purpose if it jeopardizes my right to hold the floor.

The PRESIDENT pro tempore. The Chair will hold that the Senator from Utah retains the floor.

Mr. KING. I have no objection, then.

The PRESIDENT pro tempore. The Chair hears no objection.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 9111) directing the remission of customs duties on certain property of the United States imported by the War Department, which was read, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury is authorized and directed to remit all unpaid customs duties on material belonging to the United States and heretofore imported into the United States by the War Department.

Mr. WALSH of Massachusetts. Mr. President, I should like to inquire what is the nature of the property that has been imported by the War Department, in a general way?

Mr. SMOOT. I will tell the Senator. From France, between November 11, 1918, and November 11, 1919, there were imported airplanes and spare parts, balloons and balloon supplies, aviators' clothing, hydrographic and photographic material, to the extent of $29,997,120.

Mr. WALSH of Massachusetts. Is it new material purchased abroad?

Mr. SMOOT. No.

Mr. WALSH of Massachusetts. It is material the Government has had in France and is bringing back?

Mr. SMOOT. That is exactly what it is.

Mr. WALSH of Massachusetts. So there is no new material involved?

Mr. SMOOT. Not a dollar's worth.

Mr. WALSH of Massachusetts. I have no objection.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ORDER OF BUSINESS

The PRESIDENT pro tempore. The Chair desires to say, without taking the Senator from Utah off the floor, that it is within the power of the Senate, if it so desires, to fix some other time for the consideration of the veto message.

Mr. KING. I do not yield for that purpose.

Mr. President, a few days ago, as I was proceeding to state, the Senate passed——

Mr. BURSUM. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from New Mexico?

Mr. KING. I yield for a question, if I do not jeopardize my standing.

Mr. BURSUM. Will the Senator yield to permit me to take up a conference report?

Mr. KING. Mr. President, is that privileged?

Mr. BURSUM. Yes.

Mr. KING. Will the conference report have a privileged status?

The PRESIDENT pro tempore. The conference report is privileged for the purpose of presenting it.

Mr. McKELLAR. Mr. President, if the Senator yields the floor for that purpose, it will take him off the floor.

Mr. KING. Then, if that is true, I should not care to yield for that purpose.

Mr. McKELLAR. That is what it will do.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. BURSUM. Did I understand the Senator to yield or not to yield?

Mr. KING. I was advised, in response to what the Senator said, that if I should yield I would lose the right to the floor upon the conclusion of the consideration of that report, and in view of that fact I can not yield. I regret it, because I should be glad to yield.

The PRESIDENT pro tempore. The Chair did not hold that.

Mr. KING. I beg the Chair's pardon.

The PRESIDENT pro tempore. The Senator from Tennessee held that.

Mr. KING. May I inquire of the Chair, because I feel that conference reports are entitled to consideration, whether I will jeopardize my right to resume the floor if I yield for the consideration of a conference report?

The PRESIDENT pro tempore. The Chair is of the opinion that the veto message is the question before the Senate until

it is otherwise disposed of, and that the Senator would not lose his right to the floor by yielding for the purpose of considering the conference report, assuming it is done by unanimous consent.

Mr. McKELLAR. If it takes unanimous consent, I object.

The PRESIDENT pro tempore. It does not take unanimous consent to present the report. It requires the action of the Senate to proceed to the consideration of the report.

Mr. ROBINSON and Mr. BURSUM addressed the Chair.

The PRESIDENT pro tempore. The Senator from Arkansas.

Mr. KING. I yield to the Senator from Arkansas for a question.

Mr. ROBINSON. The Senator from Tennessee [Mr. McKELLAR] indicated a few moments ago that he desired to request consideration of unobjected bills upon the calendar under Rule VIII for a period of two hours. I am wondering if an arrangement of that kind can be effected. I am not submitting any request for unanimous consent. I understand he intends to do so.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. ROBINSON. Would the Senator from Utah object to an arrangement by which the Senate could proceed, after the consideration of the conference report, to the consideration of unobjected bills on the calendar under Rule VIII for a period of two hours? I have no right to submit the request in the Senator's time unless he yields for that purpose.

Mr. KING. I should be very happy to, with the consent of the Senator from Maine, but I feel under moral obligations to carry out a promise which I made, so I can not, without his consent.

Mr. NORRIS. May I interrupt the Senator?

Mr. KING. I yield to the Senator for a question.

Mr. NORRIS. I wanted to ask the Senator if he would not be willing to yield so that we could have morning business? We adjourned last night, and there are a few reports of committees ready for submission. I know I am interested in one from the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. ROBINSON. I suggest——

Mr. KING. I yield to the Senator from Arkansas for a question.

Mr. ROBINSON. That we can have morning business disposed of without regard to the desire of the Senator who has the floor.

Mr. NORRIS. I do not want to take the Senator off his feet.

Mr. ROBINSON. The Senator would not want to interfere with the morning business?

Mr. KING. No.

Mr. NORRIS. I would rather have an understanding in regard to it.

Mr. KING. Let me say to the Senate, in all candor, that a bill was passed the other day, the naval bill, authorizing the expenditure of a very large sum of money. It was passed at a time when, in my judgment, it should not have been passed. There was no opportunity given for several of us who desire to debate it to present our views. The Senator from Idaho [Mr. BORAH] was here on guard—if I may use the expression—and I left the Chamber only for a moment, with the understanding that the Senator from Idaho would remain here——

Mr. ASHURST. Will the Senator yield to me at that juncture?

Mr. KING. Let me complete the sentence. I understood the Senator from Idaho would remain here, for the purpose of objecting to the passage of the bill at that time, or obtaining sufficient time for reasonable debate. The Senator from Idaho asked the leader upon the other side, the Senator from Kansas [Mr. CURTIS], whether anything would be taken up after the conclusion of the bill then under consideration, and I am advised by the Senator from Idaho that the information was conveyed to him that the Senate would proceed immediately to the consideration of executive business.

Mr. BORAH. Just a moment.

Mr. KING. I yield.

Mr. BORAH. The situation, as I understood it, was this, that the naval bill was to be made the unfinished business, and then, after it was made the unfinished business, we were to take up executive business.

Mr. KING. I am glad to be corrected. At any rate, the Senator from Idaho received such assurances that he felt perfectly at ease, and left the Chamber. I returned to the Chamber within five or six minutes and discovered that the bill had been passed without a moment's consideration. Perhaps its title was read.

Mr. HALE. Mr. President——

Mr. KING. I thereupon moved to reconsider the vote by which the bill had passed, and the motion for reconsideration is pending.

I stated to the Senator from Maine, as he had a right, of course, to have the motion for reconsideration disposed of at an early date, that I would seek recognition this morning, and that if I should be recognized I would proceed to a discussion of that bill and such other discussion as I might feel disposed to indulge in. I have in good faith sought recognition——

Mr. ROBINSON. I inquire of the Senator from Utah if he would just as leave proceed after morning business has been disposed of?

Mr. KING. I would be very glad to.

Mr. ROBINSON. I call for the regular order.

Mr. KING. It would accommodate me very much, for the reason that a very important committee is now waiting for me; but I can not do it, under the promise I made to the Senator from Maine, unless he will release me from that promise, and if he will assent to an arrangement by which we may proceed to the consideration of unobjected bills during the morning hour, or look after the business of the morning hour, and that I can take the floor then, I shall be very glad to accede to the request of the Senator from Arkansas.

Mr. HALE. Mr. President, I think, in view of what has been said about the bill for the construction of new cruisers and for other purposes, to which the Senator has alluded, I will make an explanation about how the bill happened to go through without debate. Early last week I secured a special order whereby that bill took its place upon the calendar——

Mr. KING. Does the Senator ask me to yield?

Mr. HALE. I ask the Senator to yield.

Mr. KING. I can not yield. The Senator can make his explanation in his own time.

Mr. NORRIS. I rise to a point of order.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. ROBINSON. I call for the regular order.

Mr. NORRIS. I want to call the attention of the Chair to the fact that the Senator from Arkansas has demanded the regular order.

The PRESIDENT pro tempore. The regular order at the present moment is the consideration of the President's veto message.

Mr. NORRIS. The regular order is morning business, Mr. President.

Mr. ROBINSON. It is the disposition of the morning business. The Senate adjourned last evening, and the regular order is the morning business. I make a point of order that the regular order of business is the morning business of the Senate, under the rules of the Senate.

The PRESIDENT pro tempore. Does the Senator from Arkansas remember the clause in the Constitution which makes it the duty of Congress to proceed to the consideration of the message, unless—although the Constitution does not so declare—the Senate or the House of Representatives shall otherwise dispose of the matter? The Chair recognizes that it is within the power of the Senate to refer the message, or to postpone its consideration to another time, but the Chair has no option in regard to what he must do if there is no other disposition of the matter.

Mr. STERLING. Mr. President——

Mr. KING. I have the floor.

Mr. STERLING. Will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Utah yield?

Mr. KING. For a question. May I say that I shall not yield if in any manner my right to maintain the floor is jeopardized. I shall be happy to yield whenever I can do so, with that reservation.

Mr. STERLING. I do not believe it would take the floor from the Senator; at least, I would like to have an understanding that it does not take the Senator from the floor. But, Mr. President, I wanted to make a motion relative to the veto message of the President on the postal salaries bill. I make that motion. If the Senator from Utah will yield for that purpose.

Mr. KING. A parliamentary inquiry, in my own time. If I yield for the purpose of permitting the Senator from South Dakota to move to refer this message to the appropriate committee, do I lose my right to retain the floor after the disposition of that motion?

The PRESIDENT pro tempore. The Chair is of opinion that the Senator would not lose his right to retain the floor, but it would be subject to a demand for the regular order.

Mr. KING. May I inquire of the Senator from South Dakota whether the motion which he would like to make, and which I have yielded for him to make, will lead to any debate?

Mr. STERLING. I think not. I do not think it will. At least, I shall not want to debate the motion, and I hardly think it will lead to debate. It may.

Mr. KING. I dislike to make these qualifications, but I feel compelled to. If there will be no debate, if the motion will go pro forma, and the message be referred to the appropriate committee, and I do not lose my right to retain the floor, I shall be glad to yield for that purpose.

Mr. WALSH of Massachusetts. Mr. President——

Mr. LODGE. The regular order has been demanded.

Mr. WALSH of Massachusetts. I do not think any Senator can agree that there will be no debate on an important matter.

Mr. STERLING. Mr. President——

Mr. KING. Mr. President, I am afraid I shall have to decline to yield.

Mr. STERLING. The subject of the President's veto——

Mr. KING. I yield for a question.

Mr. STERLING. The postal salaries bill is before the Senate, as I understand it, the President of the Senate being about to submit to a vote of the Senate the question as to whether the bill should pass or not, the President's veto to the contrary notwithstanding. My motion is—and I make it now—that the veto message of the President on the postal salaries bill——

Mr. KING. I did not yield for that purpose.

Mr. STERLING. Be referred to the Committee on Post Offices and Post Roads.

The PRESIDENT pro tempore. The Senator refuses to yield for that purpose.

Mr. HARRISON. Before the Senator takes his seat——

The PRESIDENT pro tempore The Senate will be in order.

Mr. ROBINSON. Mr. President——

The PRESIDENT pro tempore. The Senator from Arkansas.

Mr. KING. I yield to the Senator from Arkansas for a question.

Mr. ROBINSON. Mr. President, I have demanded the regular order and suggested to the Chair that the regular order is the consideration of morning business. There is nothing in the Constitution that prescribes the time or manner in which either House of Congress shall proceed to the consideration of a veto message.

Mr. KING. Will the Senator pardon me just a moment? I presume the Senator from Arkansas is rising to a parliamentary inquiry, and that, of course, would not take me from the floor, and with that understanding, I yield.

Mr. ROBINSON. I make the point of order that the regular order is the transaction of morning business under the rules of the Senate. There is nothing in the Constitution that contravenes that position. The practice of the Senate and of the House of Representatives is to proceed to the consideration of executive messages at the pleasure of the respective bodies. The Constitution does not require that upon the presentation of a veto message the same shall be immediately considered, and the practice has never been to do that. A veto message may be deferred, and under the rules of the Senate the proper procedure is the consideration of morning business, and in that contention the Senator from Massachusetts agrees with me absolutely.

Mr. NORRIS. Mr. President, on that point I would like to read——

Mr. KING. I yield——

Mr. NORRIS. An extract from the Constitution.

Mr. KING. For a parliamentary question.

Mr. NORRIS. It bears on the parliamentary situation.

Mr. KING. Yes.

Mr. NORRIS. The language I am about to read is in section 7, Article I, of the Constitution, and speaking of the duty of the President in signing a bill or returning it with his objections, this language is used:

> If he approve he shall sign it, but if not he shall return it, with his objections, to that House in which it shall have originated, who shall enter the objections at large on their Journal and proceed to reconsider it.

It seems to me technically right to say, under the Constitution, that we have no right to consider it except by unanimous consent until these objections of the President have been entered on the Journal.

Mr. ROBINSON. Clearly that is true.

Mr. NORRIS. That has not yet been done.

Mr. ROBINSON. We could not even consider it now if the Senate desired to do so, upon objection. A motion to proceed to the consideration of the Executive message would be defeated upon a point of order that the objections have not been entered upon the Journal, because the Constitution itself requires that the message shall not be considered until the objections shall have been entered on the Journal, and that has not been done. It could not have been done, because the message has just reached the Senate.

Mr. NORRIS. It has not even been printed.

The regular order of business is the morning business of the Senate, and I make the point of order and demand the regular order, which is that the Senate proceed to morning business. When the clerk shall have informed the Chair that the objections of the President have been entered in full on the Journal, then it will be in order for some Senator to move to consideration of the Executive veto message, but not until that has been done, under the express terms of the Constitution.

Mr. STERLING and Mr. KING addressed the Chair.

The PRESIDENT pro tempore. The Chair is inclined to believe that the point of order now made is well taken and that the bill shall not be reconsidered until the objections of the President shall have been entered on the Journal.

Mr. KING and Mr. STERLING addressed the Chair.

The PRESIDENT pro tempore. Will Senators allow the Chair to rule?

Mr. KING. With very great deference, of course.

The PRESIDENT pro tempore. Therefore the veto message is not before the Senate at this time. On the demand for the regular order, the Chair holds that the regular order is the presentation of petitions and memorials.

Mr. KING and Mr. STERLING addressed the Chair.

The PRESIDENT pro tempore. The Senator from Utah is recognized.

Mr. KING. I presume at the close of the morning hour I will be entitled to consideration at the hands of the distinguished Presiding Officer?

The PRESIDENT pro tempore. The Chair pledges nothing to the Senator from Utah upon that point. The presentation of petitions and memorials is in order.

Mr. STERLING. Mr. President, I desire to withdraw for the present the motion made a moment ago.

Mr. ROBINSON. I demand the regular order.

The PRESIDENT pro tempore. The Chair has called for the regular order.

Mr. ROBINSON. Very well. I suggest that it be enforced.

The PRESIDENT pro tempore. The presentation of petitions and memorials is in order. There being none, reports of committees are in order.

### DISTRICT COURT CLERKS' FEES

Mr. BRANDEGEE. From the Committee on the Judiciary I report back favorably, without amendment, three House bills, and I call the attention of the Senator from Pennsylvania [Mr. PEPPER] to one of them. I desire to state that the committee has previously reported identically the same bills that are now upon the Senate Calendar. These bills came over from the House as passed by the House, and the committee has been polled and authorized their report, because they have already reported the same bills. The Senator from Pennsylvania desires to make a motion.

Mr. PEPPER. After the bills have been reported——

The PRESIDENT pro tempore (rapping for order). The Senate must be in order. Proceedings can not go on until the Senate is in order. Will Senators who are on their feet take their seats and will the bystanders take the seats provided for them? The Senate must be in order.

Mr. PEPPER. After the bills have been reported I shall ask the indulgence of the Senate to make a very brief statement in explanation of them.

The PRESIDENT pro tempore. Is there objection to a statement being made by the Senator from Pennsylvania?

Mr. ROBINSON. What is the request?

Mr. FLETCHER. Has there been unanimous consent granted for consideration of the report?

Mr. BRANDEGEE. I reported the bill from the Committee on the Judiciary.

Mr. ROBINSON. And now is it proposed to get unanimous consent to consider three of them at once?

Mr. BRANDEGEE. No. If the Senator will allow me, they are very short bills that have been passed by the House and have been previously reported to the Senate by the Judiciary Committee, and it was thought that the Senate should pass the House bills. It ought to take only a moment.

Mr. ROBINSON. It is a question of unanimous consent before either the Senate or the House bills can be considered?

Mr. BRANDEGEE. Oh, certainly.

Mr. PEPPER. I merely did not wish to interrupt the process of reporting the bill. I am going to make a request for unanimous consent when it has been reported.

The PRESIDENT pro tempore. The Clerk will state the title of the first bill.

The READING CLERK. A bill (H. R. 5420) to provide fees to be charged by clerks of the district courts of the United States.

Mr. KING. Mr. President, I think that should go to the calendar.

Mr. PEPPER. I ask unanimous consent for the immediate consideration of the measure, and crave the indulgence of the Senator from Utah, if he has the floor, to make this brief statement respecting it.

The PRESIDENT pro tempore. The Senator from Pennsylvania has the floor.

Mr. PEPPER. A series of bills relating to practice in the offices of clerks of the United States courts throughout the country were introduced into both Houses at the request of the American Bar Association. The bills were referred in both Houses to the Judiciary Committee, in both Houses were reported out unanimously, and three of those bills have now passed the House, and are the three which have just been referred to by the Senator from Connecticut.

Mr. ROBINSON. Mr. President, may I ask the Senator a question?

Mr. PEPPER. I yield to the Senator from Arkansas.

Mr. ROBINSON. Why were they embraced within three bills instead of one bill?

Mr. PEPPER. Each of the bills relate to a distinct and specific subject matter.

Mr. ROBINSON. Let us take them one at a time.

Mr. PEPPER. That is what I am proposing to do. Only one of the bills has been reported, and it is to that one that I am addressing myself.

Mr. SHIELDS. Mr. President, is this the bill that proposes to give the Supreme Court power to make rules for legal proceedings at law as they have now made them in equity?

Mr. PEPPER. Not at all, Mr. President. The bill relates merely to a matter affecting the convenience of practitioners in courts of the United States, substituting a different arrangement of fee bills for that which now exists, simplifying the accounting, and making certain what the charges are that the clerks are to make to suitors in United States courts.

Mr. SHIELDS. I object to the consideration of the bill. Let the bill go over. There are several bills that have been reported on that subject from the American Bar Association, and I shall object to all of them.

The PRESIDENT pro tempore. Debate at this time is not permissible. Is there objection to the request of the Senator from Pennsylvania?

Mr. ROBINSON. The Senator from Tennessee objects to all the bills.

Mr. SHIELDS. I object to the consideration of the bill.

The PRESIDENT pro tempore. Objection is made, and the regular order will be resumed. Are there further reports of the committees?

REPORTS OF COMMITTEES

Mr. BRANDEGEE, from the Committee on the Judiciary, to which were referred the following bills, reported them severally without amendment:

A bill (H. R. 5423) to amend section 2 of the act of August 1, 1888 (25 Stat. L. p. 357); and

A bill (H. R. 5425) to provide for the disposition of moneys paid to or received by any official as a bribe, which may be used as evidence, in any case growing out of any such transaction.

Mr. SMITH, from the Committee on Interstate Commerce, to which was referred the bill (S. 3394) to amend section 26 of the interstate commerce act, as amended, reported it with amendments.

Mr. CAPPER, from the Committee on Claims, to which was referred the resolution (S. Res. 227) to authorize an adjustment of the claim of the city of New York for expenses incurred on behalf of the United States during the Civil War, reported it with an amendment.

Mr. KEYES, from the Committee to Audit and Control the Contingent Expenses, to which were referred the following resolutions, reported them each without amendment:

A resolution (S. Res. 244) continuing until the end of the Sixty-eighth Congress the employment of an assistant clerk to the Committee on the District of Columbia; and

A resolution (S. Res. 250) authorizing payment to Emma B. Woods, widow of the late Elliott Woods.

ENROLLED BILLS PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on June 6, 1924, that committee presented to the President of the United States an enrolled bill and a joint resolution of the following titles:

S. 966. An act for the continuance of construction work on the San Carlos Federal irrigation project in Arizona, and for other purposes; and

S. J. Res. 142. Joint resolution providing for the United States Government to have representation at the celebration of the centennial of the first meeting of the Legislative Council of the Territory of Florida.

REPORTS OF COMMITTEE ON CONTINGENT EXPENSES

Mr. KEYES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment Senate Resolution 248, submitted by the Senator from Wisconsin [Mr. LA FOLLETTE]; Senate Resolution 250, submitted by the Senator from Wyoming [Mr. WARREN]; Senate Resolution 244, submitted by the Senator from Delaware [Mr. BALL]; Senate Resolution 251, submitted by the Senator from Nebraska [Mr. NORRIS]. I also report back favorably with an amendment Senate Resolution 241 submitted by the Senator from Oklahoma [Mr. HARRELD], and Senate Resolution 249, submitted by the Senator from South Dakota [Mr. NORBECK], also with an amendment.

The PRESIDENT pro tempore. The resolutions will go to the calendar.

TRI-COUNTY SUPPLEMENTAL WATER PROJECT, NEBRASKA

Mr. NORRIS. Mr. President, I ask unanimous consent for the immediate consideration of the one resolution just reported as submitted by me, Senate Resolution 251. It will not do any good if it goes to the calendar, as will be seen when the resolution is read. To accomplish anything at all it must be passed now.

Mr. KING. Let the resolution be read.

The PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The principal clerk read the resolution (S. Res. 251), submitted yesterday by Mr. NORRIS, as follows:

Whereas in the Sixty-seventh Congress a Senate joint resolution (S. J. Res. 215) was approved September 22, 1922, as follows:

"*Resolved, etc.*, That the Secretary of the Interior, upon the payment to him in advance of the necessary funds to defray the expenses thereof, be, and he is hereby, authorized to make an additional investigation of the tricounty project in Nebraska, comprising the counties of Gosper, Phelps, and Kearney, in said State, and to extend said investigation into Adams County, Nebr., with a view of ascertaining whether it is practicable to convey for irrigation purposes flood waters from the Platte River onto lands in said counties";

And—

Whereas in accordance with such resolution a survey of said tricounty project in Nebraska has been made by the Bureau of Reclamation, and the expenses of such survey and investigation amounting to more than $15,000 have been paid for by the State of Nebraska and the citizens living in the vicinity of said project: Now, therefore, be it

*Resolved*, That the Committee on Irrigation and Reclamation be authorized to appoint a subcommittee to visit the tricounty project in Nebraska during the recess of Congress and report to the full committee on the practicability of said project and the advisability of installing the same. There is hereby appropriated out of the contingent fund of the Senate the sum of $300 for the purpose of defraying the expenses of said investigation.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered by unanimous consent and agreed to.

Mr. NORRIS. Before we leave the subject, I ask unanimous consent to insert in the RECORD as a part of my remarks, so that Senators can read it, a report on the project made by Professor Burr, of the Nebraska State University.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

TRICOUNTY SUPPLEMENTAL WATER PROJECT

(By Prof. W. W. Burr of Nebraska University)

This report summarizes briefly some of the agricultural aspects, concerning the feasibility of supplemental irrigation in the area now generally known as the Tricounty Project in Central Nebraska. It does not consider any engineering features of the project, which involve the type, manner, and cost of construction of laterals, canals, and storage. Naturally the feasibility of the entire project depends upon the delivery of water to the land at reasonable cost.

The distinctive feature of this project is that it lies well within the subhumid area where the rainfall is almost, but not quite, sufficient for the satisfactory production of crops. There is needed a supplementing supply of water to insure more certain and profitable production. The early contemplation of this project was to meet the deficiency of rainfall entirely through the storage of water in the subsoil. This project is, therefore, a departure from the usual custom of establishing irrigation projects under recognized arid conditions and it takes into consideration the possibilities of subsoil storage of water. Certain questions concerning the feasibility of the project have arisen. These questions are, first: The average deficiency of rainfall during the growing season; second, whether or not the subsoil will hold sufficient water to make up the rainfall deficiency; third, what increase in crop production may be expected from supplemental irrigation. This brief report will be an answer to these questions. More detailed information concerning soils, climate, crop yields, and the value of supplemental water is found in a complete report written by Mr. A. Lincoln Fellows, of the United States Department of Agriculture.

Location of project: This project is located in south-central Nebraska, comprising portions of Adams, Kearney, Phelps, and Gosper Counties. It lies between north latitudes 40° 20″ and 40° 40″, and west longitudes 88° 15″ and 99° 35″. It is bounded on the north by the breaks of the Platte River which are irregular, more or less sandy and unirrigable. On the south and west it is bounded by highly dissected and eroded portions of the plain, locally known as Canyon Lands. On the east it expands into a comparatively level plain of rather heavy textured soil. It is approximately 65 miles in length, east to west, and from 10 to 20 miles in width and comprises some 500,000 acres of irrigable land.

Topography: The project lies on an extensive upland prairie table, the surface of which is flat to slightly undulating; natural drainage is fairly well established in the eastern portion of the area but in the western portion the drainage is into depressional areas or basins which as yet have not established complete drainage outlet to the rivers.

Elevation: The elevation is from 1,900 feet above sea level in the eastern portion of the area to 2,600 feet above sea level in the western portion of the area, the slope to the east being approximately 8 feet per mile, with a less abrupt slope southward toward the Republican River valley.

CLIMATE

The project lies in what is known as the subhumid area between the humid and the arid districts. Of the several climatic factors that influence crop production the rainfall alone throughout this area makes crop production hazardous. Drought, resulting either from an insufficient total supply of rainfall or from a very unfavorable distribution of the rainfall that does come is of frequent occurrence. These periods of drought, coupled with the loss of a considerable portion of the virgin fertility of the soil, combine to give quite generally low yields of crops. The crop record for the past 20 years shows that in not more than one year out of five are profitable crops produced.

The temperature ranges from a mean of 24.4° for January to a mean of 75.9° for July, with rare extremes as low as 40° below and 110° above. The growing season, or frost-free period, is sufficient for the production of all crops common to the general territory. The relative humidity is a little lower than in eastern Nebraska, which tends to decrease somewhat the efficiency of a given amount of rain. It is only during periods of drought and high winds that the temperature, wind velocity, and relative humidity become injurious to crop production. During such periods they combine to greatly increase the rate of transpiration and the consequent demand of the crop for water. If the soil is lacking in moisture injury results. The amount of damage depends upon the dryness of the soil and length of time such unfavorable conditions obtain.

Precipitation: Rainfall is the one great limiting factor to crop production within the area. Not only is the total amount generally insufficient for good crop yields, but the distribution is uncertain and frequently very unfavorable. Droughts of greater or lesser severity are frequent, occurring almost every year, and in the main, during the past 20 years, have resulted in unprofitably low yields. While the rainfall is probably as favorable as formerly, there has been a gradual loss of organic matter from the cultivated soil, which has made the rainfall less efficient and has resulted in a gradual decline in crop yields. The difficulty of putting the land to grass or legumes under a limited rainfall makes the maintenance of the organic content of the soil almost impossible.

INADEQUACY OF PRESENT RAINFALL

The mean annual rainfall at Holdrege, Minden, and Hastings Government weather stations are 23.35, 24.05, and 25.42 inches, respectively, and average 24.27 inches for the three stations. The average annual precipitation of the three stations has varied in the 20 years, 1904 to 1923, from a minimum of 18.27 in 1921 to a maximum of 40.46 inches in 1915. In 20 years 14 years have been below normal, averaging — inches. The 6 years above normal have averaged — inches. The variation in average annual rainfall at the three stations is shown in Figure I.

The rainfall in the area is of the continental type, the periods of minimum and maximum rain being in winter and summer, respectively. Figure II shows the distribution of the average rainfall at the three stations by months, — inches of rainfall during the six summer months, April 1 to September 30. May and June are, on the average, the wettest months.

In order to show the adequacy or inadequacy of a 24-inch annual rainfall, more than two-thirds of which falls during the growing season, it is necessary to take a number of things into consideration, in particular, the nature of the rainfall and the frequency and severity of rainless periods.

NATURE OF THE RAINFALL

To determine the nature of the rainfall rains have been divided into four classes, viz: (1) 0–24 inches, light showers, invariably valueless; (2) 0.25–0.49 inches, medium showers, generally valueless, especially when falling as an isolated rain between April 1 and October 31; (3) 0.50–0.99 inches, light rains; (4) 1 inch and over. The two latter classes of rains have more or less value, depending upon their frequency, and together make up the effective precipitation of the region.

Chart G [omitted in RECORD] shows the distribution of the four classes of rains in winter and summer at Holdrege, based on 20 years' records. The months included in the winter period are October to March, inclusive, and the months included in the summer are April to September, inclusive. At Holdrege 78.6 of the total precipitation comes during the six summer months; 13.60 inches of the total 23.35 inches falls in rains of over 0.50 inch during the summer. About half the years are above the average and half below.

FREQUENCY OF THE DROUGHT PERIODS

One of the peculiarities of the section of the Great Plains in which this project is located is the frequent occurrence of prolonged dry periods, during which little or no rain falls. These periods are usually terminated by a succession of heavy rains, which make an average of the rainfall by months over a period of years appear favorable to the country, whereas many a single season may have been disastrous in one way or another.

The periods during which crops are most affected by shortage of moisture may be described as follows:

1. April 1 to May 15. High winds which drift the loose, dry soil and uproot small grains occur frequently and often are responsible for reduced yields of wheat, even when succeeding moisture conditions are highly favorable. The germination and early growth of oats is more or less seriously affected by shortage of rain during this period. Unless the soil be well filled with moisture, a period of 30 days at this season, during which little or no rain falls, may ruin all prospects for a good crop of wheat or oats. Occasionally such periods are made more serious by the winter being unusually open and dry.

2. May 15 to July 1. Brisk winds which increase the evaporating powers of the air are frequent. Occasionally early June is excessively hot, which causes wheat and oats to "fire" while in the bloom or milk stage, unless the soil is adequately filled with water. During this period wheat and oats are making their heaviest draft on soil moisture. Excessive dryness of the surface soil at this period is unfavorable for germination and early growth of corn. Unless a soil be filled with moisture to a depth of 4 feet or more, a period of 30 days with little or no rainfall coming at this season may be disastrous for the wheat and oat crop.

3. July 1 to August 21. High temperatures reaching 100° to 108° can be expected during this period. Hot winds coming around August 1 may do serious damage to corn when it is tasseling or silking. During this period corn is transpiring water often at the rate of a quarter inch of rainfall daily. A period of 30 days during which little or no rain falls coming at this season may ruin a corn crop, unless the soil be well filled with water to the full depth of root penetration.

4. August 21 to October 31. During the first half of the season the land is being prepared for winter wheat. A rainless period at this time seriously interferes with tillage operations and leads to delayed work and poor seed-bed condition. Seeding, which should normally be over by October 1, must occasionally be postponed until adequate rains come to insure its germination and growth. It is highly important that the soil be filled with water to a depth of 3 feet or more if wheat is to enter the winter with good prospects and escape the hazards of winds in early April. A period of 30 days either in the first or the last part of this season during which little or no rains fall is often a serious handicap in the succeeding year's wheat crop.

Periods of 30 days or more coming between April 1 and October 31 and during which no rain at all falls are not common in this section, but periods of 30 days or more during which no effective rain falls occur in about one year in two. Periods of 30 days or more during

which less than 1 inch of effective rain falls are very common. There has not been a single year in the last 20 years at either Hastings, Minden, or Holdrege in which such dry periods have not occurred from one to four times between the dates of April 1 and October 31.

Tables 1, 2, and 3 show the frequency of dry periods at Hastings, Minden, and Holdrege. A dry period is considered as being a period of 30 days or longer during which less than 1 inch of effective rain has fallen. By effective rain is meant any rain of over 0.30 inch or rains of over 0.25 inch coming on consecutive days. The experience of workers in the Great Plains has been that daily precipitation of less than 0.30 inch is generally valueless from the standpoint of breaking a drought. At Hastings in the last 20 years 42 dry periods have occurred, averaging 46 days each and during which only 0.56 inch effective precipitation occurred. At Minden 44 such periods have occurred, averaging 44 days each, with 0.41 inch effective rains. At Holdrege 48 dry periods have occurred, averaging 48 days each, with 0.47 inch of effective rainfall.

The distribution of dry periods is shown in Charts 4 and 5 [omitted in RECORD]; these charts also show graphically the yield of corn and wheat during the same years. The seriousness of the dry period of over 40 days will depend upon conditions of moisture preceding the drought and when the dry period begins and ends. However, when such dry periods come as frequently as they do in central Nebraska it is probable that damage results almost every year.

TABLE NO. 1.—*Frequency of dry periods at Hastings*

| Year | Period | Length (days) | Total rainfall (inches) | Effective rainfall | |
|---|---|---|---|---|---|
| | | | | Inches | Date |
| 1904 | Apr. 26–May 31 | 36 | 1.64 | 0.85 | May 4 |
| | July 13–Sept. 12 | 62 | 2.42 | .64 | Aug. 29 |
| 1905 | June 24–July 25 | 42 | 1.76 | .52 | July 1 |
| | July 30–Sept. 5 | 38 | 2.01 | .74 | Aug. 22 |
| 1906 | July 27–Sept. 11 | 47 | 2.22 | .94 | Aug. 4 |
| | Sept. 16–Oct. 20 | 35 | .42 | 0 | |
| 1907 | Aug. 29–Sept. 29 | 31 | 1.58 | .86 | Sept. 27 |
| | Oct. 2–Oct. 31 | 30 | .15 | 0 | |
| 1908 | Apr. 1–May 3 | 33 | 1.44 | .95 | Apr. 17 |
| | Aug. 20–Sept. 25 | 37 | .55 | 0 | |
| 1909 | Apr. 1–June 6 | 67 | 1.18 | 0 | |
| | June 10–July 9 | 30 | 1.94 | .83 | July 5 |
| 1910 | May 8–June 7 | 31 | 1.29 | 0 | |
| | Aug. 18–Sept. 29 | 34 | .76 | 0 | |
| | Sept. 28–Oct. 31 | 34 | 1.33 | .98 | Oct. 3 |
| 1911 | Apr. 1–July 5 | 96 | 3.27 | 1.03 | May 21 |
| | Sept. 22–Oct. 31 | 40 | 1.84 | .87 | Oct. 5 |
| 1912 | July 2–Aug. 15 | 45 | 1.67 | .75 | July 18 |
| 1913 | July 3–Oct. 31 | 121 | 3.80 | .95 | Sept. 24 |
| 1914 | Apr. 1–May 1 | 31 | .88 | .70 | Apr. 27 |
| | July 5–Aug. 11 | 38 | 1.20 | .90 | July 28 |
| | Sept. 15–Oct. 31 | 46 | 1.42 | .78 | Oct. 24 |
| 1915 | Sept. 30–Oct. 31 | 32 | .22 | 0 | |
| 1916 | June 24–Aug. 9 | 147 | 1.32 | .60 | July 19 |
| | Aug. 16–Sept. 16 | 32 | 1.27 | .65 | Aug. 30 |
| | Sept. 17–Oct. 31 | 45 | 1.43 | .90 | Oct. 21 |
| 1917 | June 29–Sept. 6 | 70 | 2.12 | .50 | Aug. 7 |
| | Sept. 26–Oct. 31 | 36 | .18 | 0 | |
| 1918 | Apr. 16–May 30 | 44 | 1.90 | .55 | May 24 |
| | July 1–Aug. 6 | 37 | 1.10 | .55 | July 17 |
| | Aug. 7–Oct. 18 | 73 | 2.55 | .57 | Aug. 7 |
| 1919 | July 15–Sept. 16 | 64 | 1.02 | .55 | July 20 |
| 1920 | Apr. 20–May 30 | 31 | 1.26 | 0 | |
| | Sept. 1–Oct. 15 | 45 | 1.45 | .83 | Sept. 4 |
| 1921 | May 1–May 30 | 30 | 1.10 | 0 | |
| | June 2–July 17 | 46 | 2.65 | .95 | July 4 |
| | Aug. 12–Oct. 31 | 80 | 2.66 | .55 | Sept. 19 |
| 1922 | June 1–July 21 | 51 | 1.93 | .80 | July 7 |
| | July 28–Sept. 17 | 52 | 1.36 | .63 | Aug. 22 |
| | Sept. 18–Oct. 29 | 42 | .99 | .75 | Sept. 18 |
| 1923 | Aug. 10–Sept. 15 | 37 | 1.09 | .80 | Aug. 26 |
| | Sept. 30–Oct. 31 | 32 | 1.00 | 0 | |
| | Average 42 dry periods in 20 years | 46 | 1.51 | .56 | |

TABLE NO. 2.—*Frequency of dry periods at Minden*

| Year | Period | Length (days) | Total rainfall (inches) | Effective rainfall | |
|---|---|---|---|---|---|
| | | | | Inches | Date |
| 1904 | May 6–June 14 | 40 | 1.51 | 0 | |
| | Aug. 30–Sept. 29 | 30 | .70 | 0 | |
| 1905 | Sept. 19–Oct. 31 | 43 | .84 | 0 | |
| 1906 | Mar. 1–June 23 | 54 | 1.56 | 0 | |
| | June 25–July 25 | 31 | 1.67 | 0.56 | June 30 |
| | Aug. 11–Sept. 11 | 32 | .01 | 0 | |
| | Sept. 16–Oct. 20 | 36 | .04 | 0 | |
| 1907 | Apr. 7–May 22 | 36 | 1.59 | .69 | Apr. 25 |
| | July 19–Aug. 27 | 40 | .67 | 0 | |
| | Aug. 30–Sept. 29 | 30 | 1.17 | .64 | Sept. 27 |
| | Oct. 1–Oct. 31 | 31 | .84 | .74 | Oct. 3 |
| 1908 | Apr. 1–May 3 | 33 | .30 | 0 | |
| | Sept. 1–Oct. 3 | 33 | .98 | .54 | Sept. 26 |
| 1909 | Apr. 1–May 23 | 53 | 1.22 | 0 | |
| | July 13–Aug. 11 | 30 | 1.12 | .72 | July 24 |
| 1910 | Apr. 1–May 4 | 34 | 1.43 | .83 | Apr. 14 |
| | Mar. 7–June 6 | 31 | 1.53 | .83 | May 26 |
| | June 26–July 31 | 36 | 1.47 | .87 | July 11 |
| 1910 | Aug. 18–Sept. 22 | 36 | 0.65 | 0.52 | Sept. 4 |
| 1911 | Apr. 11–May 30 | 49 | 1.53 | .50 | May 3 |
| | May 22–July 14 | 54 | 2.37 | .81 | June 24 |
| 1912 | Apr. 29–June 7 | 40 | .81 | 0 | |
| | July 5–Aug. 12 | 39 | 2.16 | .76 | July 18 |
| | Aug. 17–Oct. 8 | 53 | 1.78 | .71 | Sept. 10 |
| 1913 | Apr. 26–June 8 | 64 | 1.78 | .50 | June 3 |
| | July 1–Sept. 8 | 70 | 1.69 | .52 | July 27 |
| | Sept. 11–Oct. 31 | 51 | 1.38 | .91 | Sept. 25 |
| 1914 | July 24–Aug. 22 | 30 | 1.33 | .87 | Aug. 19 |
| | Aug. 28–Oct. 31 | 65 | 2.23 | .60 | Sept. 9 |
| 1915 | Sept. 30–Oct. 31 | 30 | .47 | 0 | |
| 1916 | June 26–July 30 | 35 | .82 | .82 | July 18 |
| | Aug. 31–Oct. 31 | 62 | 1.73 | .71 | Sept. 5 |
| 1917 | June 28–Sept. 4 | 38 | 2.25 | .94 | Aug. 6 |
| | Sept. 25–Oct. 31 | 37 | .32 | 0 | |
| 1918 | Apr. 16–May 30 | 45 | 1.55 | 0 | |
| | Aug. 14–Oct. 25 | 73 | 2.21 | .63 | Sept. 3 |
| 1919 | Aug. 11–Sept. 16 | 37 | .70 | .70 | Aug. 28 |
| 1920 | May 21–June 24 | 35 | 1.30 | 0 | |
| | Sept. 24–Oct. 30 | 37 | .78 | .50 | Oct. 21 |
| 1921 | June 10–July 27 | 48 | .58 | 0 | |
| | Aug. 17–Oct. 31 | 76 | 2.69 | .95 | Sept. 18 |
| 1922 | July 25–Oct. 29 | 97 | 1.03 | 0 | |
| 1923 | Aug. 10–Sept. 15 | 37 | .15 | 0 | |
| | Sept. 29–Oct. 31 | 33 | 1.26 | 0 | |
| | Average 44 dry periods in 20 years | 44 | 1.25 | .41 | |

TABLE NO. 3.—*Frequency of dry periods at Holdrege.*

| Year | Period | Length (days) | Total rainfall (inches) | Effective rainfall | |
|---|---|---|---|---|---|
| | | | | Inches | Date |
| 1904 | Apr. 1–May 3 | 33 | 1.93 | 1.00 | Apr. 24 |
| | Aug. 10–Sept. 27 | 49 | .95 | .69 | Aug. 29 |
| 1905 | Aug. 2–Sept. 4 | 34 | 1.41 | .89 | Aug. 6 |
| | Sept. 7–Oct. 31 | 55 | 1.69 | .90 | Sept. 10 |
| 1906 | May 26–July 17 | 53 | 1.53 | .52 | July 9 |
| | Aug. 7–Sept. 10 | 35 | .90 | .80 | Aug. 24 |
| 1907 | Apr. 1–May 22 | 52 | 2.29 | .70 | May 3 |
| | July 19–Aug. 26 | 39 | .52 | 0 | |
| | Oct. 1–Oct. 31 | 31 | .67 | 0 | |
| 1908 | Apr. 1–May 3 | 33 | .75 | 0 | |
| | Aug. 29–Oct. 4 | 66 | .77 | .52 | Sept. 26 |
| 1909 | Apr. 1–May 23 | 53 | 1.11 | 0 | |
| | June 4–July 3 | 30 | 1.49 | 0 | |
| | Aug. 2–Oct. 8 | 68 | 2.26 | .80 | Sept. 2 |
| 1910 | Apr. 1–May 25 | 55 | 1.51 | .72 | May 5 |
| | May 28–July 2 | 36 | 1.49 | .62 | June 8 |
| | Aug. 18–Sept. 21 | 35 | .41 | 0 | |
| 1911 | Apr. 1–May 20 | 50 | 1.81 | .59 | May 3 |
| | June 6–July 8 | 33 | .99 | .65 | June 26 |
| | Aug. 22–Oct. 4 | 44 | 1.59 | .52 | Sept. 21 |
| 1912 | Apr. 1–June 6 | 67 | 2.30 | .95 | Apr. 21 |
| | June 13–July 17 | 34 | 1.05 | .54 | July 2 |
| | Aug. 23–Oct. 31 | 70 | 2.24 | .68 | Sept. 10 |
| 1913 | May 3–June 23 | 52 | 1.60 | .56 | June 3 |
| | July 1–Sept. 1 | 63 | 1.61 | .70 | Aug. 10 |
| | Sept. 4–Oct. 31 | 58 | 1.69 | .71 | Sept. 28 |
| 1914 | Apr. 1–May 29 | 59 | 1.26 | .70 | Apr. 27 |
| | July 7–Aug. 20 | 45 | 1.39 | .50 | July 20 |
| | Aug. 29–Oct. 10 | 43 | 1.99 | .93 | Sept. 14 |
| 1915 | Sept. 27–Oct. 31 | 35 | .55 | 0 | |
| 1916 | Sept. 1–Oct. 31 | 61 | 1.30 | .60 | Oct. 19 |
| 1917 | June 1–Aug. 25 | 86 | 2.61 | .85 | June 27 |
| | Sept. 26–Oct. 31 | 36 | .42 | 0 | |
| 1918 | Apr. 1–May 29 | 59 | 1.37 | .77 | Apr. 15 |
| | June 1–July 16 | 46 | .71 | .59 | June 29 |
| | Aug. 15–Sept. 30 | 47 | 1.30 | .70 | Sept. 3 |
| 1919 | July 22–Oct. 7 | 78 | 2.33 | .93 | Sept. 18 |
| 1920 | Apr. 29–June 30 | 64 | 1.96 | .67 | June 26 |
| | July 1–Aug. 27 | 58 | 1.83 | .50 | July 6 |
| | Sept. 1–Sept. 30 | 30 | .07 | 0 | |
| 1921 | June 10–July 22 | 43 | .94 | 0 | |
| | Aug. 1–Sept. 6 | 37 | 1.17 | 0 | |
| | Sept. 20–Oct. 31 | 42 | .35 | 0 | |
| 1922 | May 24–June 23 | 31 | .66 | 0 | |
| | July 25–Oct. 31 | 100 | 2.10 | .68 | Aug. 22 |
| 1923 | June 30–Aug. 2 | 34 | 1.97 | 0 | |
| | Aug. 9–Sept. 15 | 38 | .14 | 0 | |
| | Sept. 29–Oct. 28 | 30 | 1.96 | .57 | Sept. 27 |
| | Average 48 dry periods | 48 | 1.34 | .47 | |

INADEQUACY OF RAINFALL FOR CORN PRODUCTION

That a period of drought coming between July 1 and August 21 may ruin a corn crop is well known to all farmers in central Nebraska. That such a disaster can be averted or at least mitigated to a considerable extent by adequate moisture up to July 1 is not so well understood.

If the subsoil is well filled with water on July 1, as would be the case if rainfall during the preceding spring and fall had been heavy, a good crop of corn can usually be expected. Only most extreme drought coming at the most critical state in the plant's development can bring about serious damage. Table No. 4 shows the correlation of

the effective rainfall which has gone to produce the corn crops with yield in Adams and Phelps Counties since 1905, the data being arranged in descending order of yields, not chronologically. The same data are shown graphically in chart. It is obvious that the effective rainfall during fall and spring up to July 1 is what determines the yield of corn. The only exceptions have been the years 1907, 1913, and 1918, when with adequate moisture on the soil for a good crop, a seriously reduced yield was caused by extremely dry and hot weather in July and August.

TABLE NO. 4.—*Correlation of the yield of corn with effective rainfall in Adams and Phelps Counties, Nebr.*

[Effective rainfall=total rains of over 0.50 inch during the months of September, October, November, April, May, June, and July]

| Year | | Yield per acre | Effective rainfall up to July 1 | July rainfall |
|---|---|---|---|---|
| Adams County | Phelps County | | | |
| | | *Bushels* | *Inches* | *Inches* |
| | 1905 | 42.3 | 24.76 | 4.86 |
| | 1906 | 42.2 | 13.29 | 3.91 |
| 1905 | | 38.3 | 20.98 | 2.16 |
| | 1915 | 36.0 | 19.20 | 6.65 |
| Average | | 39.7 | 19.56 | 4.40 |
| 1915 | | 35.1 | 17.45 | 4.80 |
| 1908 | | 34.0 | 12.54 | 4.95 |
| 1920 | | 33.0 | 19.85 | 2.83 |
| 1919 | | 33.0 | 13.87 | 1.02 |
| Average | | 33.8 | 15.93 | 3.40 |
| | 1919 | 33.0 | 10.87 | 3.60 |
| 1906 | | 31.7 | 14.39 | 2.84 |
| | 1923 | 31.0 | 14.79 | 0 |
| 1923 | | 29.0 | 14.61 | 1.77 |
| Average | | 31.2 | 13.67 | 2.05 |
| 1919 | | 27.0 | 11.49 | 3.60 |
| | 1920 | 25.0 | 6.16 | .50 |
| 1916 | | 24.9 | 9.21 | .60 |
| 1914 | | 24.1 | 10.14 | 1.73 |
| Average | | 25.4 | 9.23 | 1.61 |
| | 1916 | 23.9 | 10.18 | 2.32 |
| 1917 | | 22.0 | 9.90 | .50 |
| 1912 | | 21.2 | 11.57 | 1.65 |
| 1911 | | 20.7 | 3.68 | 5.34 |
| 1921 | | 20.0 | 8.28 | 2.95 |
| | 1908 | 17.5 | 9.64 | 3.36 |
| | 1917 | 17.0 | 7.31 | 0 |
| | 1911 | 16.6 | 6.40 | 3.62 |
| Average | | 19.9 | 8.37 | 2.47 |
| 1909 | | 15.2 | 3.89 | 2.82 |
| 1922 | | 15.0 | 5.47 | 1.64 |
| | 1910 | 15.0 | 5.22 | 2.19 |
| | 1912 | 15.0 | 4.91 | 2.05 |
| | 1909 | 13.3 | 2.50 | 2.86 |
| | 1922 | 13.0 | 9.40 | 1.71 |
| | 1914 | 12.3 | 4.96 | 2.05 |
| | 1921 | 12.0 | 6.49 | 2.61 |
| Average | | 13.8 | 5.32 | 2.24 |
| | 1907 | 17.0 | 16.84 | 1.95 |
| 1907 | | 14.2 | 11.14 | 1.10 |
| | 1918 | 16.0 | 8.13 | 4.50 |
| 1918 | | 8.0 | 10.04 | .55 |
| 1913 | | 3.6 | 10.99 | 0 |
| | 1913 | .5 | 8.35 | .95 |
| Average 16 years | | 24.7 | 10.72 | 2.61 |
| Average 20 years | | 23.2 | 10.75 | 2.31 |

VALUE OF SUPPLEMENTAL WATER

Supplemental irrigation contemplates the application to the soil of sufficient water to make up the difference between the crop requirements and the rainfall. The water may be applied either before the crop is seeded and held in storage in the subsoil, or as a direct application to the growing crop. The fact that a deficiency of rainfall can in a large measure be met by water stored in the soil is generally recognized. The experience of farmers in the Great Plains has been that in those years when they had a considerable amount of water in the soil at seeding time, either as carry over from the previous year or from early spring rains, they were much more certain of satisfactory yields than in the years when the seeding period found the entire soil dry. In the latter case the crop is entirely dependent upon opportune rains, while a reserve supply of water tends to carry the crops through the dry period. For several years farmers near Lexington, Nebr., have been practicing supplemental irrigation and report greatly increased yields of crops from the practice.

The value of water stored in the soil has also been demonstrated by many experiment stations. At North Platte Experiment Station it has been found that an abundance of water in the subsoil is a great protection to the crop against drought, the protection being in almost exact proportion to the total available soil water within reach of the crop. This was found particularly true for the small grains. In the drier years, during the 16 years that the station has been under operation, the water stored by summer tillage has more than doubled the yield of winter wheat, as compared to winter wheat following small grain. Several years during this time only 2 or 3 feet of soil had been filled with water. It is not claimed that water in storage in the soil will completely produce a crop, but with considerable water in the subsoil there are very few years when there is not sufficient rainfall to produce quite satisfactory crops. Mr. Zook, in Nebraska Experiment Station Bulletin 192, says: "Average yields per acre of all crops were higher on fallow than under any system of continuous cropping. Yields of grain on fallow were frequently more than double those of grain after grain. Of crops grown on fallow the largest gains were made by winter wheat and the smallest by corn."

In circular No. 72, of the Kansas State Agricultural College, Mr. George F. Knapp reports: "Experiments at the Garden City Branch Experiment Station, covering a period of five years, have shown that sufficient water can be stored in the soil by winter irrigation alone to produce good crops of corn, kafir, milo, and certain other row crops. The soil on which these experiments were made is a deep silt loam, representative of most of the upland in the western part of the State. Good yields have been obtained each year with all crops grown on the winter irrigated land. At the same time, with the exception of the wet season of 1915, unirrigated land produced practically nothing." Abundant evidence as to the value of water either stored or applied direct to the crop might be presented but it seems hardly necessary to do it in view of the evidence already offered and the fact that it is now so generally recognized that water is the limiting factor in crop production in the area known as the Great Plains.

In an exhaustive study along this line Mr. Fellows concludes that sufficient water stored in the subsoil will probably almost double the yield of crops now obtained throughout this project. There will be years, as there has been in the past, when rainfall will be largely sufficient, but those years are of infrequent occurrence. It is entirely probable that the above estimate is quite correct. Mr. Fellows concludes further that even greater yields might be obtained if, in addition to the stored water, there might be water available to put on the lands at any time when it is needed. At any rate, experience has shown that a deficiency of rainfall can, in a large measure, be made up by water in storage.

SOILS OF THE AREA

The questions now come: (1) Are the soils of the area suitable for irrigation? (2) Do they have sufficient water capacity to hold the water required to supplement the rainfall? (3) Do they have an inherent fertility that warrants an irrigation project to supply additional water?

Character of the soils: The soils of the proposed irrigation area are all of loessial formation. The loess material below the line of soil development is of general uniform composition and texture and extends to a depth of 100 feet or more without any fault such as rock strata, hardpan, or gravel seams. There is nothing in the soil profile to interfere with the water penetration and with its recovery through the development of plant roots. The soils in the virgin state were fertile prairie soils, rich in both organic and inorganic elements of plant food. During the period that they have been under cultivation the organic and nitrogen content have been materially reduced. There is no evidence and little probability that alkali will ever become a problem in this area even under irrigation.

The rate at which a soil will absorb water is of practical importance under irrigation. It has a direct bearing on the possibility of spreading water over the land. Determinations on this point throughout the project showed that all the soils were able to take water at a rate entirely satisfactory for irrigation purposes. The surface soils are generally friable and easily tilled, and experience has shown that even in their present state of fertility they are capable of producing satisfactory crops when they have sufficient moisture available and climatic conditions are not too unfavorable. Considering all the various factors the soils of the area are apparently entirely suitable for irrigation farming.

Water capacity: The soils of the area have a uniformly high-water holding capacity. Field experiments show that they will hold on the average 22.86 inches of water in the upper 6 feet of soil. Of this amount more than half—in fact, 12.28 inches—would be available for use of the crops. This is a high available water capacity.

It means that more than 2 inches of available water can be stored in each foot section of the soil, and that it is possible to carry in the soil a total of 12 inches of water within the root zone of most of the farm crops. This amount of water would probably be all that is needed to supplement the rainfall and would entirely take care of all small grain crops. While it will go a long way toward insuring a corn crop,

experience seem to indicate that corn will respond to additional summer irrigation. The water capacity of the soil both in total and available water is shown in Table 5 and Chart 1.

The feeding depth of crop plants: It will be noted that the water-carrying capacity of the soil is determined for a 6-foot column of soil. This was done in order to include the root zone for the common farm crops. Water stored below the root zone is not available to the crops, as capillarity is negligible except when there is free water. Most of the farm crops feed deeper than is ordinarily supposed, and are able to recover any available water within the limit of their root zone providing it is needed. Where sufficient water is not obtained by the plant near the surface most agricultural plants will root more deeply, providing they can find available water in the subsoil. Investigations by Miller, Weaver, Burr, and others show that the 6-foot depth represents the practical feeding zone of most of the farm crops in this section and on this type of soil with the exception of alfalfa, which feeds more deeply. If the lower subsoil is dry, so that the plants can obtain no water from that region, the roots will not be extended into it. As an average for five years' observations at North Platte of the crops grown on summer tilled land which had moisture stored in the lower subsoil spring wheat, oats, barley, and corn developed their root system to a depth of from 5 to 6 feet, while winter wheat fed approximately 1 foot deeper into the soil.

TABLE NO. 5.—*Field carrying capacity and available water capacity of upper 6 feet of soil at various points in area*

| Soil | Sample | Moisture equivalent | Field carrying capacity | Hygroscopic coefficient | Field carrying capacity | Available water capacity |
|---|---|---|---|---|---|---|
| | | *Per cent* | *Per cent* | *Per cent* | *Inches* | *Inches* |
| Grundy | Hastings, Colo. | 27.5 | 24.4 | 12.0 | 21.84 | 11.10 |
| | Ingleside | 27.8 | 24.5 | 11.9 | 21.90 | 11.10 |
| | A | 27.2 | 24.8 | 11.7 | 22.36 | 11.75 |
| | B | 27.7 | 25.2 | 12.0 | 22.62 | 11.85 |
| | Q | 26.7 | 24.3 | 11.8 | 21.81 | 11.22 |
| | A I | 27.2 | 24.8 | 11.0 | 22.36 | 12.38 |
| Average | | 27.4 | 24.7 | 11.7 | 22.12 | 11.57 |
| Holdrege | Norman | 27.7 | 26.4 | 11.5 | 25.68 | 14.52 |
| | Holdrege | 26.9 | 24.4 | 10.8 | 24.24 | 13.50 |
| | Swedish Mission | 26.1 | 23.5 | 9.7 | 23.34 | 13.50 |
| | Bertrand | 24.4 | 23.0 | 11.0 | 22.86 | 11.82 |
| | D | 27.2 | 24.8 | 11.7 | 24.49 | 12.94 |
| | E | 28.3 | 25.8 | 12.1 | 25.48 | 13.53 |
| | F | 28.0 | 25.5 | 12.2 | 25.18 | 13.14 |
| | K | 26.3 | 23.9 | 11.1 | 23.60 | 12.64 |
| | L | 24.9 | 22.7 | 10.6 | 22.41 | 11.95 |
| | M | 25.3 | 23.0 | 10.4 | 22.71 | 12.44 |
| | A II | 25.7 | 23.4 | 10.3 | 23.10 | 12.94 |
| Average | | 26.4 | 24.2 | 11.0 | 24.00 | 12.98 |
| Colby | Kenesaw | 24.4 | 22.2 | 9.2 | 21.54 | 12.54 |
| | C | 29.1 | 26.5 | 12.4 | 26.17 | 13.92 |
| | G | 19.9 | 18.1 | 8.5 | 17.87 | 9.48 |
| | H | 23.7 | 21.6 | 9.8 | 21.32 | 11.65 |
| | N | 22.1 | 20.1 | 9.2 | 19.85 | 10.76 |
| Average | | 23.8 | 21.7 | 9.8 | 21.33 | 11.67 |
| Wabash | I | 26.5 | 24.1 | 10.6 | 21.63 | 12.12 |
| | J | 25.2 | 22.9 | 11.6 | 20.56 | 10.15 |
| | O | 31.7 | 28.8 | 13.6 | 25.87 | 13.65 |
| | P | 29.2 | 26.6 | 12.4 | 23.89 | 12.75 |
| Average | | 28.2 | 25.6 | 12.1 | 22.99 | 12.17 |
| Grand average | | 26.4 | 24.6 | 11.1 | 22.86 | 12.28 |

The feeding depth of winter wheat is shown graphically in the accompanying chart [omitted in RECORD]. While it is seldom that the soil will be filled with water to a depth of 6 feet, either by irrigation or by summer fallow, yet it shows the possibility for getting a large reserve of moisture in the subsoil within reach of the plant roots.

Loss in the winter carry-over of water: The question will doubtless arise that if water is applied in the fall, will it not be lost through evaporation or by percolation beyond the feeding depth of the plant roots during the winter months? There will be some loss through evaporation but none through percolation to lower depths. Percolation does not take place except when there is free water, which is only present when the amount is greater than the field carrying capacity of the soil. The loss through direct evaporation may be as high as 3 or 4 per cent, or even higher for the first foot section of soil, but there is very little loss below the first foot. It is well recognized that during the winter months the rate of evaporation is relatively low and that the loss is not great. This fact is borne out by consideration of both charts [omitted in RECORD], which show the soil well filled with water at the time of the fall sampling, and show further that there has been very little loss up to the sampling of April 21, the following year. Chart [omitted in RECORD] is a composite of five years' results, taking the last sampling in the fall as showing the maximum accumulation of water by summer tillage. Out of the five years, three show a loss of 2 to 4 per cent in the first foot and two show a small loss in the second foot. In two of the five years spring rains before the sampling date completely covered up the loss. The answer to the question is therefore that there will be very little loss during the winter, the greatest loss being in the first foot section. Water can be applied to the land and carried through the winter if desirable.

When we consider the large amount of available water that these soils will hold, the comparatively small loss in carrying stored water through the winter, and the possibility of the plants to recover water to a considerable depth in this region it can be safely said that the soils of this area do have sufficient water capacity to hold the water required to supplement the rainfall. It may not be the best practice to apply it all at once and carry it as storage water, except perhaps for the small grains, but if 12 inches of water represents the water required to supplement the rainfall it can in a large measure be carried in the soil.

Fertility: In the virgin state the soils of this area were very fertile, rich in both organic and inorganic elements of fertility, and capable of producing high yields. Under cultivation there has been a gradual decrease in the organic content of the soil. Many farmers with long experience in this section report a steady decrease from the maximum yields obtained when the land was new, and also that it requires more work than formerly. The decreased yield and the fact that the land is harder to handle is due quite entirely to the decrease of the organic content of the soil. The soils still contain sufficient phosphoric acid and potash for many years to come. The lime content, especially in the subsoil, is comparatively high, and liming is not necessary for the successful production of legumes. While maximum yields can hardly be expected without building up the organic content of the soils, the soil is still sufficiently fertile to produce good yields of all crops grown when there is sufficient water available. The inherent fertility of the soil is high, but proper rotation of crops and the growing of legumes are very difficult to obtain under a limited rainfall. With a supplemental supply of water satisfactory yields can be maintained.

SUPPLEMENTAL EVIDENCE

The land under the proposed project is now and has been for many years under private ownership. The farmers are already on the land, which is held in units mainly ranging from 160 acres up. Probably 90 per cent of the land is under cultivation. It is generally quite well improved as to buildings, fences, etc. The farmers have the horses and machinery necessary for farming the land under the present system. There is already invested in this area a tremendous amount of capital, largely resting with the farm owners.

The area has splendid transportation facilities both as to railroads and highways. There is a highway on almost every section line, generally kept in fairly satisfactory condition. Shipping points are close, no farm having more than a few miles to deliver its products to a loading point. The area lies relatively close to several important primary markets. It is within 200 miles of Omaha; within 700 miles of Chicago; and within less than 400 miles of St. Joe and Kansas City. These primary markets afford a ready outlet for all agricultural products.

The question may arise as to what will be the effect of irrigation on the permanency of the agriculture of this area. The effect, of course, is problematic, depending largely upon the degree of intensity of the agriculture that would follow irrigation. It is safe to assume, however, that a more permanent and profitable form of diversified agriculture would follow irrigation than is possible without it.

It was mentioned above that the organic content of the soil is being depleted and that there is a consequent decline in yields. Organic matter, while not itself a plant food, is essential to proper soil conditions. A sufficient supply of organic matter makes the soil more receptive of water from rains and makes all tillage operations easier. It is the greatest factor in the fertility and management of the soil. The lower yields and increased labor coincident with the depletion of the organic content of the soil have not only made farming less profitable but are having a discouraging effect upon the farmers. Under present conditions the situation will grow worse. Soil maintenance under limited rainfall is more difficult than in humid or irrigated sections. Getting stands of grass or legumes is frequently impossible because of drought. The keeping of more livestock is curtailed by the problems of dependable pastures and adequate feed supplies. While there is no question as to the permanency of some form of agriculture in this section, it is evident that a far greater development can be brought about with additional water.

W. W. BURR.

ORDER OF BUSINESS

Mr. BURSUM. Mr. President, I move that the Senate proceed to the consideration of the conference report upon House bill 6941, and I move that the conference report be agreed to.

Mr. McKELLAR. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. McKELLAR. Is that motion in order at this time? If not, I demand the regular order.

The PRESIDENT pro tempore. The Chair is of opinion that after 1 o'clock a motion of that kind can be made. That is the understanding of the Chair with regard to the rule.

Mr. ROBINSON. We were proceeding with the disposition of morning business.

Mr. REED of Pennsylvania. Mr. President, will the Senator withhold the motion?

Mr. ROBINSON. If not, let us vote it down.

Mr. BURSUM. I would like to get a chance to hear what is being said.

Mr. ROBINSON. I suggest that the Senator withhold his motion until morning business has been completed.

Mr. BURSUM. I will withhold the motion for the present.

The PRESIDENT pro tempore. The motion of the Senator from New Mexico must be disposed of.

Mr. LA FOLLETTE. He has withdrawn it. The Chair did not hear the withdrawal of the motion.

The PRESIDENT pro tempore. Does the Senator from New Mexico withdraw his motion?

Mr. BURSUM. On request, I will withhold the motion until after morning business has been declared finished.

ALIENS IN THE UNITED STATES

The PRESIDENT pro tempore. Are there further reports of committees?

Mr. REED of Pennsylvania. From the Committee on Immigration, I report back favorably with an amendment House Joint Resolution 283, to permit to remain within the United States certain aliens in excess of quotas fixed under authority of the immigration act of May 19, 1921, and I ask unanimous consent for its immediate consideration.

Mr. BURSUM. I object.

Mr. REED of Pennsylvania. I hope the Senator will not object.

Mr. BURSUM. The understanding was that we were to proceed with morning business.

Mr. REED of Pennsylvania. That is what we are doing. This will not take two minutes of explanation.

Mr. BURSUM. What is the joint resolution?

Mr. REED of Pennsylvania. It is a joint resolution permitting the retention in the United States of those aliens who came in under the ruling of the department.

Mr. BURSUM. I have no objection to that. I withdraw my objection.

Mr. REED of Pennsylvania. It applies to approximately 8,800 aliens who are now here and about 500 who are on the ocean. The committee were unanimously in favor of it.

The PRESIDENT pro tempore. Is there objection to the present consideration of the House joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which had been reported from the Committee on Immigration with an amendment to strike out all after the resolving clause, and to insert:

That the following aliens arriving in excess of quotas fixed under authority of the act entitled "An act to limit the immigration of aliens into the United States," approved May 19, 1921, as amended and extended, may, if otherwise admissible and if not subject to deportation for other causes, be permitted to enter and remain in the United States without regard to the provisions of such act of May 19, 1921, as amended and extended:

(1) Aliens heretofore admitted in excess of quota and charged to the quota of a later month;

(2) Aliens heretofore admitted under a construction of such act of May 19, 1921, required by court decision;

(3) Aliens arriving in the United States after May 26, and before July 1, 1924, who departed for the United States from the last port outside the United States or outside foreign contiguous territory on or before May 26, 1924, believing in good faith that they would be admitted pursuant to a construction of such act of May 19, 1921, required by court decision; and

(4) Aliens heretofore temporarily admitted under bond to relieve cases of extreme hardship.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended and the amendment was concurred in.

Mr. GEORGE. Mr. President, I should like to make an inquiry of the Senator from Pennsylvania. I favor the resolution as amended, but I desire to ask if this amendment will charge the number of those coming over under the nisi prius court's decision to future quotas? I understand that to be the case.

Mr. REED of Pennsylvania. The Senate committee amendment makes the joint resolution much stricter than it was when it passed the other House.

Mr. GEORGE. But does it add to the quota?

Mr. REED of Pennsylvania. It does not charge these immigrants against the quota of next year, and all of the quotas for the present year are exhausted now; there are no remaining quotas for this year except from one or two countries.

Mr. GEORGE. It will not reduce the quota for next year?

Mr. REED of Pennsylvania. No. The admission of these persons this year will not affect the quota for next year in any way.

Mr. ROBINSON. Mr. President, will the Senator from Pennsylvania yield for a question?

Mr. REED of Pennsylvania. Yes.

Mr. ROBINSON. I have heard a statement to the effect that the legal result of the passage of this joint resolution will be to confirm the right to remain in the United States of all immigrants who are here, even including those who came in violation of the law; I mean through fraudulent arrangements.

Mr. REED of Pennsylvania. No, Mr. President; that is not true, especially in view of the manner in which the committee has proposed to amend the joint resolution. We have taken care of the cases to which the Senator from Arkansas refers. We were afraid of that.

Mr. ROBINSON. So that only those who come within the ruling in the Gottlieb case will be permitted to remain?

Mr. REED of Pennsylvania. Those who came in good faith, believing that under the court decisions they were entitled to enter the United States, will be permitted to remain.

Mr. ROBINSON. Very well. Under that statement of facts I make no objection to the joint resolution.

The PRESIDENT pro tempore. The joint resolution is in the Senate and is open to amendment.

Mr. HEFLIN. Mr. President, for many years I have been an ardent advocate of restricted immigration. I hold that the manner in which immigrants have been illegally slipped into the United States during the last three years is a disgrace to this Nation. Immigration agents have made money; they have grown rich selling passports into the United States. Some of the newspapers of the country have bitterly assailed those crooked agents. We passed a law here not long ago cutting down the number of immigrants that might come into our country. You were filling this land with Bolsheviks, with anarchists, with kidnapers, and with people who are the deadly enemies of the American form of government. The sentiment of four-fifths of the American people is against loose immigration laws and strongly in favor of restricted immigration.

Mr. President, where the wives of men who are already American citizens and their children desire to come to our shores, I know it makes a sympathetic appeal to us; but I believe that this is a fixed-up job on the American Nation. I think that the immigrant agents held those immigrants back and slipped in their full quota, relying upon the sympathy and big-heartedness of our people to let these 14,000 additional immigrants come in. Is this law to be enforced or is it not to be enforced? That is the question which now confronts us.

Mr. President, it must be that the immigration agents have been apprehended by somebody who has been watching or we never would have heard of these 14,000 persons; they would have been slipped in as hundreds of thousands of others have been, with the agents holding their hands behind them, growing fat and rich upon bartering the birthright of the American boy and girl. Here there comes in the closing hours of the session a pitiful appeal to our generosity and our big-heartedness to open the door and let 14,000 immigrants come in, with the story that they are the wives and children of citizens who are already here. What are these citizens doing here, leaving their wives and children at home? Why did they not bring them in when their quotas were not exhausted?

Mr. President, it looks to me as though a trick had been played upon us. The agents go over there and bring in 10,000 males, and then, after they are in and the quota is exhausted by those coming in, it is said, "Well, these men's wives and children ought to come in." We are all touched by such an appeal. I want those wives to be with their husbands and the children to be with their parents, for them to be all together; but I am calling the attention of the Congress and of the country to the fact that we are confronted by a situation which we have got to watch.

Mr. REED of Pennsylvania. Mr. President, will the Senator from Alabama yield to me for a parliamentary inquiry?

Mr. HEFLIN. I yield.

Mr. REED of Pennsylvania. I should like to inquire whether debate at the present time is under the five-minute rule under Rule VIII?

The PRESIDENT pro tempore. It is not. We are not considering the calendar under Rule VIII.

Mr. HEFLIN. Mr. President, just another word, for I do not desire to detain the Senate. I want Senators who claim to be in favor of restricted immigration to quit bringing these matters into this body. I am going to fight for restricted immigration. If I had it in my power, I would close the doors of my country for 12 months at least, and it might be for from 3 to 5 years, until this Government has an accounting of those already here. We have got all sorts of groups in this country, who are bringing all kinds of poisonous doctrines into the household of sovereign States. I for one am opposed to it, and I wished to say this much to the Senate on this question.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time.

The PRESIDENT pro tempore. The question is, Shall the joint resolution pass?

Mr. HEFLIN and Mr. ASHURST asked for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDENT pro tempore. The question is, Shall the joint resolution pass?

Mr. HOWELL. Mr. President——

Mr. ASHURST. I asked for the yeas and nays.

The PRESIDENT pro tempore. The demand for the yeas and nays was not sufficiently seconded.

Mr. HOWELL. Mr. President——

The PRESIDENT pro tempore. The time for debate on the joint resolution has passed.

Mr. ASHURST. A question of order. Under the Senate rules a bill must be read three times and on different days. I demand that this bill have its third and last reading on another day than to-day. That is our rule.

Mr. REED of Pennsylvania. The yeas and nays, Mr. President.

Mr. ASHURST. The bill must be read three times.

Mr. REED of Pennsylvania. Mr. President, a point of order. I submit that the joint resolution has been read the third time and is now on its final passage.

Mr. ASHURST. Then I withdraw the point. The Senator is a lawyer and knows that under our rules a bill must be read three times on different days, if such demand is made.

Mr. REED of Pennsylvania. It has been read three times.

The PRESIDENT pro tempore. The point of order is overruled. The yeas and nays are demanded. Are they seconded?

Mr. HOWELL. Mr. President——

The PRESIDENT pro tempore. The demand for the yeas and nays is sufficiently seconded, and the Secretary will call the roll.

Mr. HOWELL. Mr. President, is there to be no opportunity to debate the joint resolution?

The PRESIDENT pro tempore. The time for debate on this joint resolution has passed. The Secretary will call the roll.

The principal clerk proceeded to call the roll.

Mr. PHIPPS (when his name was called). I have a pair with the junior Senator from South Carolina [Mr. DIAL], which I transfer to the senior Senator from New Jersey [Mr. EDGE] and vote "yea."

The roll call was concluded.

Mr. WARREN (after having voted in the affirmative). I am paired with the Senator from North Carolina [Mr. OVERMAN], who does not appear to be here at the moment. I am informed, however, that if that Senator were present he would vote as I have voted, and therefore I will allow my vote to stand.

Mr. HARRISON. I am paired with the Senator from Vermont [Mr. GREENE] and withhold my vote.

Mr. ROBINSON. I desire to announce that the Senator from Rhode Island [Mr. GERRY] is necessarily absent. If present, he would vote "yea."

The result was announced—yeas 66, nays 15, as follows:

YEAS—66

| | | | |
|---|---|---|---|
| Adams | Colt | Fletcher | King |
| Ball | Copeland | Glass | Ladd |
| Bayard | Cummins | Gooding | La Follette |
| Borah | Curtis | Hale | Lodge |
| Brandegee | Dale | Harreld | McKinley |
| Brookhart | Dill | Johnson, Calif. | McLean |
| Broussard | Edwards | Johnson, Minn. | McNary |
| Bruce | Ernst | Jones, N. Mex. | Moses |
| Bursum | Fernald | Jones, Wash. | Norbeck |
| Cameron | Ferris | Kendrick | Norris |
| Capper | Fess | Keyes | Oddie |
| Pepper | Robinson | Stanfield | Walsh, Mont. |
| Phipps | Shipstead | Sterling | Warren |
| Pittman | Shortridge | Swanson | Wheeler |
| Ransdell | Simmons | Underwood | Willis |
| Reed, Mo. | Smoot | Wadsworth | |
| Reed, Pa. | Spencer | Walsh, Mass. | |

NAYS—15

| | | | |
|---|---|---|---|
| Ashurst | Harris | Mayfield | Smith |
| Caraway | Heflin | Neely | Stephens |
| Frazier | Howell | Sheppard | Trammell |
| George | McKellar | Shields | |

NOT VOTING—15

| | | | |
|---|---|---|---|
| Couzens | Gerry | McCormick | Stanley |
| Dial | Greene | Overman | Watson |
| Edge | Harrison | Owen | Weller |
| Elkins | Lenroot | Ralston | |

So the joint resolution was passed.

Mr. HARRIS. Mr. President, some days ago I wrote to the Secretary of Labor asking him to give me a comparative statement of the number of aliens admitted under the present quota and those who would be admitted under the new quota. I ask unanimous consent to place his reply in the RECORD. His report shows an unusually large number admitted from Canada and Mexico. The Senate voted down my amendment placing Canada and Mexico under the quota so as to limit the number coming from those countries.

The PRESIDENT pro tempore. Without objection the letter of the Secretary of Labor will be printed in the RECORD.

The letter referred to is as follows:

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
*Washington, June 6, 1924.*

Hon. WILLIAM J. HARRIS,
*United States Senate, Washington, D. C.*

MY DEAR SENATOR: This will acknowledge your letter of the 6th, requesting information concerning aliens admitted to the United States during certain periods, and asking my views on the effect of the immigration act of 1924. In my reply, for your convenience I am restating the questions and following each with the answer in the order presented.

"1. How many aliens were admitted to the United States during the first year prior to the enactment of the first quota law on May 19, 1921?"

During the fiscal year ended June 30, 1921, 978,163 were admitted to the United States.

"2. How many were admitted in each of the years following the enactment of the quota law?"

During the fiscal year ended June 30, 1922, the first full year of operation of the 1921 act, there were admitted 432,505. During the fiscal year ended June 30, 1923, there were admitted 673,406, while during the first nine months of the present year the total had reached 719,152.

"3. Except for a few restrictions the quota acts have not applied to the Dominion of Canada and Mexico. How many aliens not charged to a quota were admitted from the Dominion of Canada under that act?"

Nonquota immigrants from Canada, admitted during the fiscal year ended June 30, 1922, numbered 48,372. During the fiscal year ended June 30, 1923, 112,651. During the first nine months of the present fiscal year, 1924, 141,135 have been admitted. To show the character of this Canadian immigration, I analyze below the figures for 1923. The admissions are divided into 39,295 English, 30,438 French, 17,045 Scotch, 12,000 Irish, 4,486 Hebrews, and smaller numbers of other peoples, chiefly of European origin.

"4. How many nonquota aliens were admitted from the Republic of Mexico during the same periods?"

Nonquota aliens admitted from Mexico during the fiscal year ended June 30, 1922, numbered 32,916. This number was increased during the year ended June 30, 1923, to 77,231. During the first nine months of the present fiscal year, 1924, this number had increased to 77,981.

"5. How many 'quota' aliens have been admitted each year from Canada since the passage of the quota act?"

"Quota" immigrants from Canada and Mexico are those who had not acquired the necessary period of residence in those countries to acquire a status of nonquota. During the year ended June 30, 1922, the number of quota immigrants from Canada amounted to only 7,721. During the fiscal year ended June 30, 1923, 11,425 of this class were admitted, and during the first nine months of 1924, 12,116.

"6. How many 'quota' aliens have been admitted each year from the Republic of Mexico since the passage of the quota act?"

During the fiscal year ended June 30, 1922, "quota" aliens from Mexico numbered 136; during the fiscal year ended June 30, 1923, 628; and during the first nine months of the present fiscal year, 1,019.

The totals of quota and nonquota immigrants admitted from Canada and Mexico for the same periods are therefore—

*Canada*

| | |
|---|---|
| Fiscal year ended June 30, 1922 | 56,093 |
| Fiscal year ended June 30, 1923 | 124,076 |
| First nine months, 1924 | 153,251 |

*Mexico*

| | |
|---|---|
| Fiscal year ended June 30, 1922 | 33,052 |
| Fiscal year ended June 30, 1923 | 77,859 |
| First nine months, 1924 | 79,000 |

"7. It is reported that a great many aliens have obtained entry into the United States surreptitiously from Canada and Mexico. What is your estimate of the number who have thus illegally gained entry? You will recall I offered an amendment to bring Mexicans and Canadians under the quota law."

From the very nature of this illegal traffic, we can have no accurate statistics. The number gaining surreptitious entry from Canada is no doubt smaller than in the case of the Mexican border. Numerical estimates on surreptitious entries run from 100 to 1,000 daily.

"8. Can this smuggling be stopped; and if so, how?"

This is a big question. I am one of those who believe that nothing is impossible, and that this applies just as much to the smuggling game as any other. Congress has recently given us a million dollars for border patrol, and undoubtedly our efforts are going to be much more effective by reason of that appropriation; but I am of the opinion that even with the added patrol this traffic will not be completely eliminated.

However much we may reduce these surreptitious entries from contiguous territory, our efforts would not in any way decrease the number of Mexicans or Canadians who would or could enter through regular channels. To the limit of its ability the Immigration Service has sought out and reported those unlawfully here, and prosecutions have been instituted and in a great many cases convictions have been obtained against those responsible for and participating in the illegal entry of aliens, but such activity can never take the place of a law restricting the number which may be admitted by inspectors. That can only be done by an amendment to the law such as you offered, bringing Mexico and Canada under the provisions of the quota law. The number of lawful admissions will increase rather than decrease with the tightening of the border and the increasing demand for common labor, which can not be supplied from Europe.

So far as I know, there is but one way in which we can cope with this smuggling situation, and that is by an annual enrollment of all aliens in the United States. I propose this mehod for two reasons—first, as a protection and assistance to the alien who honestly and conscientiously seeks to comply with our laws and fit him for the duties and responsibilities of citizenship; and, second, to clear the way for the elimination of the foreigner who is here in defiance of our laws. Only by knowing who is here and gaining some information concerning them can we hope to have a final check upon this traffic.

"9. How many alien seamen have gained entry into the United States through desertion since the passage of the quota law of 1921?"

During the fiscal year ended June 30, 1922, 5,879; during the fiscal year ended June 30, 1923, 23,194; during the first nine months of the fiscal year 1924, 26,680.

"10. How many quota aliens are admissible under the limitation act of 1924?"

The report of the Committee on Immigration and Naturalization of the House of Representatives estimates the number at 161,184.

"11. What is your estimate of the number of nonquota aliens that will be admitted under the act of 1924?"

This number is estimated at 200,000.

"12. Approximately how many aliens will enter each year from Central and South America under subdivision (c) of section 11 of the immigration act of 1924?"

From Central America, 2,000; from South America, 8,000.

"13. State whether or not in your opinion a greater or lesser number of Japanese will gain admission to the United States under the immigration act of 1924 than gained admission under the gentlemen's agreement."

The exclusion section was undoubtedly intended by Congress to mean total exclusion; but if construed in connection with the interpretation to be placed upon other provisions of the act I can not state what will be its actual effectiveness as an exclusion measure. The department does not have a copy of the gentlemen's agreement, and I am not familiar with the treaty relating to commerce and navigation now in effect between the United States and the Japanese Government. As you know, the smuggling of orientals into the United States, both by land and by water, in itself presents a serious problem. The exclusion provisions of the immigration act of 1924 will not curtail that traffic. It can only be curbed by resort to the method I have indicated in answer to your question No. 8.

"14. State whether or not in your opinion a greater or lesser number of alien seamen will gain admission through desertion than gained admission under the quota act of May 19, 1921."

Since the enactment of the quota law of May 19, 1921, experience and official records show that desertion of alien seamen has increased rapidly. The immigration act of 1924 in no manner changes the status of seamen. It leaves the door wide open for their entrance, and the bureau and the department are left without any means of combating the practice.

"15. Do you consider the immigration act of 1924 an improvement over the quota act of May 19, 1921?

While the immigration act of 1924 is not all that I would like to see in a permanent restrictive immigration law, it is a decided improvement over the old quota act because it permits of a partial examination of immigrants abroad, eliminates a great deal of uncertainty as to the condition of quotas because of assignment at foreign ports rather than at the port of entry, and more adequately handles the cases of separated families. The increased penalty placed upon steamship companies for bringing inadmissible aliens will also assist in the enforcement of the law.

"16. What defects have you noted in the immigration act of 1924 which should be remedied by additional legislation?"

My principal criticism of the immigration act of 1924 is its inelasticity to meet the varying needs of American industry, and while restricting the importation of labor from Europe, places no ban upon competition from Mexican labor, which may be admitted in unlimited number. If, within the quota given to European countries, some means were provided to select the types and classes meeting the certain industrial and agricultural needs arising from time to time, it seems to me that we would have a much better law. For instance, under this act 50 per cent or more of the quota could be street peddlers or small tradesmen, of which we have an ample supply, while an acute shortage might be registered in the steel industry, slate quarries, or tin mills. Obviously, a confirmed street salesman will not make a section hand. In my recommendations for legislation I suggested a method of importing skilled and unskilled labor for any industry when labor of like kind could not be found unemployed in the United States. If some such system were devised and kept within the limits prescribed by Congress, I think we would have a policy more in line with our needs. I also believe that it is a decided mistake to discriminate against European labor in favor of Mexican, and for that reason I am in hearty accord with the amendment to bring the Western Hemisphere as well as the Eastern under the provisions of the quota law.

Cordially yours, JAMES J. DAVIS.

## BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 3486) to authorize the Secretary of State to enlarge the site and erect buildings thereon for the use of the diplomatic and consular establishments of the United States in Tokyo, Japan; to the Committee on Foreign Relations.

By Mr. WADSWORTH:

A bill (S. 3487) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. DALE:

A bill (S. 3488) granting an increase of pension to Ellen A. Sawyer (with accompanying papers); to the Committee on Pensions.

By Mr. DALE (for Mr. GREENE):

A bill (S. 3489) providing reimbursement to J. M. Lacalle for services as instructor at the United States Naval Academy, Annapolis, Md., from October 1, 1914, to October 19, 1914; to the Committee on Claims.

By Mr. WALSH of Massachusetts:

A bill (S. 3490) making an appropriation for the United States Tariff Commission; to the Committee on Appropriations.

By Mr. COPELAND:

A bill (S. 3491) for the relief of Martin Brauer; to the Committee on Claims.

By Mr. SHIELDS:

A bill (S. 3492) to amend the World War veterans' act, 1924, consolidating, codifying, revising, and reenacting the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act; to the Committee on Finance.

## INVESTIGATION OF ADMINISTRATION OF THE PUBLIC DOMAIN

Mr. STANFIELD submitted the following resolution (S. Res. 257), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That a special committee of five Senators, to be appointed by the President of the Senate pro tempore, is authorized and directed to conduct an investigation with respect to the laws relating to the public domain administered by the Department of Agriculture or by the Department of the Interior and all departmental rules, regulations,

and practices thereunder. The committee shall, as soon as practicable, report its findings to the Senate with such recommendations, including recommendations for legislation, as it deems proper.

SEC. 2. For the purposes of this resolution the committee is authorized to meet at such times and places during the sessions and recesses of the Sixty-eighth Congress, to employ such experts and clerical and other assistants, to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee. The cost of the stenographic service to report the proceedings shall not be in excess of 25 cents per 100 words. The expenses of such investigation shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

EXPENDITURES IN THE PRESIDENTIAL CAMPAIGN

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent for the present consideration of Senate Resolution 248, reported from the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDENT pro tempore. The Senator from Wisconsin asks unanimous consent for the present consideration of Senate Resolution 248. Is there objection?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDENT pro tempore. Does the Senator desire it to be read?

Mr. LA FOLLETTE. Mr. President, I wish to amend it in one respect.

On page 2, line 13, after the word "chairman," I wish to perfect the resolution by inserting the words "or any member," so that the provision as amended would read:

Subpœnas for witnesses shall be issued under the signature of the chairman or any member of the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The question now is upon agreeing to the resolution as amended.

Mr. LENROOT. Let it be read, Mr. President.

The PRESIDENT pro tempore. The Secretary will read the resolution.

The resolution as amended was read, as follows:

*Resolved*, That a special committee of five Senators be elected forthwith to investigate and report to the Senate on December 5, 1924, the campaign expenditures made by or on behalf of, or in support of, or in opposition to, any and all candidates for President and Vice President and presidential electors; the names of the persons, firms, or corporations contributing to the said candidate or candidates or their party committee or committees, or any other agency, the amounts contributed, pledged, loaned, or otherwise made available for use, the method of expenditure of said sums, and all the facts in relation thereto, not only as to the subscriptions of money and the expenditures thereof but as to the use of any other means of influence, including the promise of patronage, and all other facts in relation thereto that would not only be of public interest but would aid the Congress in any necessary remedial legislation.

That said committee is hereby empowered to sit and act during the adjournment of Congress at such time and place as it may deem necessary; to require by subpœna, or otherwise, the attendance of witnesses, the production of books, papers, and documents; to employ stenographers at a cost of not exceeding 25 cents per hundred words. The chairman of the committee, or any member thereof, may administer oaths to witnesses. Subpœnas for witnesses shall be issued under the signature of the chairman or any member of the committee. Every person who, having been summoned as a witness by authority of said committee, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

The expenses thereof shall be paid from the contingent fund of the Senate on vouchers ordered by said committee, signed by the chairman thereof, and approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDENT pro tempore. The question is upon agreeing to the resolution as amended.

The resolution as amended was agreed to.

Mr. LODGE. Mr. President, under the provision in the resolution I offer the following list of names for the members of the committee of five to serve under the resolution; and on that, under the resolution, we are to take a vote.

The PRESIDENT pro tempore. The Secretary will read the list of names submitted by the Senator from Massachusetts.

The principal clerk read as follows:

Senator BORAH, chairman; Senator JONES of Washington; Senator SHIPSTEAD, of Minnesota; Senator CARAWAY, of Arkansas; and Senator BAYARD, of Delaware.

The PRESIDENT pro tempore. The question is upon the election of these five Senators as members of the committee. [Putting the question.] The ayes have it, and the committee is duly elected.

Mr. REED of Missouri. Mr. President, I ask unanimous consent to amend the resolution just passed by including candidates for the Senate. It can be done by unanimous consent.

The PRESIDENT pro tempore. The Secretary will state the amendment proposed by the Senator from Missouri. The Chair is of the opinion that the vote by which the resolution was adopted must be reconsidered.

Mr. REED of Missouri. I think almost anything can be done by unanimous consent, and I ask unanimous consent for the reconsideration of the vote and for the insertion of the amendment.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Missouri? The Chair hears none, and the vote is reconsidered.

Mr. REED of Missouri. I now ask unanimous consent to insert, after the word "electors," in line 6, the words "and Senators of the United States Senate."

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. After the word "electors," in line 6, it is proposed to insert "and Senators of the United States Senate."

Mr. OVERMAN. Let us have the resolution read as it would read if amended.

The PRESIDENT pro tempore. The Secretary will read that portion of the resolution proposed to be amended.

The reading clerk read as follows:

or in support of, or in opposition to, any and all candidates for President and Vice President and presidential electors and Senators of the United States Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The resolution as amended was agreed to.

HEARINGS BEFORE COMMITTEE ON INDIAN AFFAIRS

Mr. HARRELD. Mr. President, I ask unanimous consent to take up Senate Resolution 241. If it is not agreed to at this time, it will be worthless. I ask to have it read.

The PRESIDENT pro tempore. The Senator from Oklahoma asks unanimous consent for the present consideration of Senate Resolution 241.

Mr. OVERMAN. What is the resolution?

Mr. HARRELD. Senate Resolution 241. It has just been reported by the Committee to Audit and Control the Contingent Expenses of the Senate, and unless it is passed to-day it is absolutely worthless and useless. I should like to have it considered at this time.

Mr. OVERMAN. Let it be read.

The PRESIDENT pro tempore. The resolution will be read.

The principal clerk read Senate Resolution 241, submitted by Mr. HARRELD May 28, 1924, as follows:

*Resolved*, That Senate Resolution 112, agreed to January 7, 1924, authorizing the Committee on Indian Affairs or any subcommittee thereof during the Sixty-eighth Congress to hold and report hearings upon any subject which may come before said committee, be, and hereby is, amended to enable said committee or any subcommittee thereof to hold such hearings at such times and places as may be considered necessary by the committee or its subcommittee, the expenses incident thereto to be paid out of the contingent fund of the Senate.

Mr. OVERMAN. Mr. President, the contingent fund of the Senate is over $300,000 more than it has been in past years. I am not going to object to the resolution, but I just want to inform the Senate that in every deficiency bill that comes here we have to make a $100,000 appropriation here, $50,000 there, $150,000 here, for the contingent fund; and therefore we ought to be very careful what we do about appropriating for junketing committees to go all over this country.

The PRESIDING OFFICER (Mr. MOSES in the chair). Is there objection to the present consideration of the resolution? The Chair hears none. The amendments of the committee will be stated.

The PRINCIPAL CLERK. On page 1, line 6, after the word "enable," it is proposed to strike out "said committee or any"

and insert "a," and at the end of line 6 to strike out "to" and to insert "consisting of not more than three members to."

The amendments were agreed to.

The resolution as amended was agreed to, as follows:

*Resolved*, That Senate Resolution 112, agreed to January 7, 1924, authorizing the Committee on Indian Affairs or any subcommittee thereof during the Sixty-eighth Congress to hold and report hearings upon any subject which may come before said committee, be, and hereby is, amended to enable a subcommittee thereof consisting of not more than three members to hold such hearings at such times and places as may be considered necessary by the committee or its subcommittee; the expenses incident thereto to be paid out of the contingent fund of the Senate.

Mr. WALSH of Massachusetts. I ask for the regular order.

Mr. NORBECK. Mr. President——

The PRESIDING OFFICER. The regular order is demanded. Reports of committees are in order.

PRICES OF FARM PRODUCTS

Mr. NORBECK. Mr. President, the Committee to Audit and Control the Contingent Expenses of the Senate has just reported on Senate Resolution 249. That permits an investigation by the Committee on Agriculture and Forestry during the recess as to the losses to the farmers in the price of wheat on account of Government interference through price fixing. It permits the committee to hold hearings in Washington or elsewhere.

It was talked over in the committee, and it was agreed that there would be no expensive investigation; that there might be a few hearings prior to the convening of Congress, but a great deal of the information would be secured from the department here later. The resolution provides for a report on the 1st of January, or before.

This is the only thing along the line of looking after the wheat situation, except the so-called Bursum bill, which is pending here. That is a measure really providing for reimbursing the farmers $50,000,000, which the Government took away from them in prices. It provides for a bonus of 35 cents a bushel on the export of wheat, in the belief that it will put the domestic price up some 25 to 35 cents per bushel. It is too late to get that bill through. The parliamentary situation does not permit that. Therefore, I just want to give notice that when some House bill comes up we from the Northwest have agreed that we will offer that proposition as a rider or an amendment to that bill. It is estimated that the cost for one year would be approximately $50,000,000. A suggestion has been made that it should also include corn, and the export on corn being very small, and the bonus proposed being 15 cents a bushel, it is estimated that it will cost something like $4,000,000.

I ask unanimous consent that Senate Resolution 249 be considered.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the resolving clause and to insert a substitute, so as to make the resolution read:

Whereas the Government of the United States during the World War generally maintained a policy of noninterference with the prices of staple commodities; and

Whereas this policy resulted in the prices of most commodities soaring to entirely new and unheard-of price levels; and

Whereas the Government did not follow its policy of noninterference in regard to wheat; but, on the other hand, by various means, did depress the price of wheat until it was finally fixed at $2.20 per bushel; and

Whereas such price was much below the prevailing market price at the time it was fixed: Now, therefore, be it

*Resolved*, That the Senate Committee on Agriculture and Forestry, or any subcommittee thereof, be and is authorized and directed to hold hearings in Washington and elsewhere to investigate the amount of losses that were sustained by the wheat growers of the United States during the period of governmental interference with and regulation of the price of wheat, and make report to Congress not later than January 1, 1925.

Said Committee on Agriculture and Forestry, or any subcommittee thereof, is authorized to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on this subject before said committee, all expenses incurred in furtherance of the purpose hereof to be paid out of the contingent fund of the Senate.

The amendment was agreed to.

The resolution as amended was agreed to.

TRANSPORTATION OF COTTON

Mr. SMITH. Mr. President, yesterday a resolution (S. Res. 252) offered by me was passed, the resolution being in reference to investigating certain alleged infractions of the antitrust law. Inadvertently I left out a part which should have been incorporated. I ask unanimous consent that the vote by which the resolution was agreed to be reconsidered and that I be allowed to substitute the resolution which I send to the desk.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Chair lays before the Senate the resolution in modified form.

The modified resolution (S. Res. 252) was read, considered, and agreed to, as follows:

That for the purpose of providing the Congress with information to serve as a basis for such legislation as may in its opinion be found necessary for the regulation of the shipment or sale of cotton in interstate and foreign commerce and to investigate and report the facts relating to any alleged violations of the antitrust acts by any corporation, the Federal Trade Commission is authorized and directed to investigate (in pursuance of the powers conferred upon it by subdivision (d) of section 6 of the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, as amended, and in pursuance of any other power conferred upon it by such act) the facts relating to alleged shipments and sales in interstate or foreign commerce by cotton factors or shippers of cotton held by them as security for advances or otherwise, and to report to the Senate, not later than December 1, 1924, its findings thereon, together with such recommendations as it may deem advisable.

LEASES UPON NAVAL OIL RESERVES

Mr. WALSH of Montana. Mr. President, yesterday I entered a motion that the Senate adopt the report presented by the Committee on Public Lands investigating the naval oil leases. I merely desire to say in this connection that it seems quite unnecessary to review the facts recited in the report as they are substantially the same as they were given by me to the Senate some two months ago, save for the facts developed in relation to naval reserve No. 2, of no very great importance.

The committee has informed the Senate generally concerning these disclosures, and I feel entirely justified in saying that the report is substantially as the facts have been given to the Senate heretofore.

I feel that before the session expires the Senate ought to express either its approval or disapproval of the work of the committee.

The PRESIDING OFFICER. The question is upon agreeing to the motion entered yesterday by the Senator from Montana and now called up.

Mr. SPENCER. Mr. President, I very much regret this situation. In that report there is no recommendation which requires action. The motion is for the Senate to adopt a report which, of course, the Senate has not read, for it was filed only yesterday, to adopt a report from a committee five members of which have begged for an opportunity to investigate the facts of the report.

If any action were required now, I should make no opposition to the motion. If there were any recommendation that required any action, it would be another question. We are called upon to pass upon the report and adopt it when the five members of the committee which had the matter under investigation are not sufficiently familiar with the report to pass upon it, and of course no Member of the Senate has had an opportunity to read it.

I can not let that report be adopted without some fair expression of the reasons which even upon a casual examination lead me to think it ought to be further considered, and I beg the Senate to believe me when I say that I regret the situation exceedingly, for in the necessity of the case it will take much time to go over the facts which I must present to the Senate.

I begged that it might be deferred. I am met with a condition which I deplore, and which I could not prevent, and therefore I must take up the report with the Senate.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Kansas?

Mr. SPENCER. I yield.

Mr. CURTIS. In view of the statement of the Senator from Missouri, I want to ask if the report could not go over? This is the last day of the session, and there are a good many measures coming up. Besides, I wanted to get an hour, if I could, for the consideration of unobjected bills on the calendar.

Mr. WALSH of Montana. Mr. President, I have a number of bills on the calendar in which I am very deeply interested, but this comes up in its regular order. I can see no reason why it should not be disposed of. I do not think there is any occasion for any protracted discussion. The Senator from Missouri is at perfect liberty at any time to submit a report of his own. He might at any time have prepared a report of his own. The hearings were discontinued quite a while ago. The report has been in his hands for three days. It seems to me by this time that he ought to have been in shape to submit to the Senate any observations he may care to make in respect to it.

Mr. SPENCER. Mr. President, I am sure the Senator will recognize the fairness of the statement when I say that three days, in the present condition of business in the Senate, is no time for consideration. If I stood alone—because I have not been long upon that committee, and because I recognize the ability of the Senator from Montana on that committee—I should not be here taking this position, but when five members of that committee, including the senior Senator from Utah [Mr. SMOOT], who was formerly the chairman, begged the Senator from Montana to defer the report, which requires no immediate action, I can not let it go in without a fair statement of the reasons why I do not agree to that report.

PAYMENT OF TAXES TO STEVENS AND FERRY COUNTIES, WASH.

Mr. DILL. Mr. President, will the Senator yield?

Mr. SPENCER. I yield.

Mr. DILL. Before the Senator takes up that matter, would he yield to me for a moment to have passed a little bill to pay taxes to two counties in my State?

The PRESIDING OFFICER. Does the Senator from Missouri yield?

Mr. DILL. If it will lead to any debate, I will withdraw it.

Mr. SPENCER. I yield with pleasure, if I do not lose my right to the floor.

The PRESIDING OFFICER. The Chair can not guarantee that.

Mr. SPENCER. Then I must go on. I would yield to the Senator in a moment. Or, I will say now, I ask for unanimous consent to allow me to yield to the Senator to have his measure acted upon, to resume the floor at the conclusion of the consideration of his bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Washington is recognized.

Mr. DILL. I ask unanimous consent for the immediate consideration of House bill 1414, to authorize the payment of certain taxes to Stevens and Ferry Counties, in the State of Washington, and for other purposes.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The reading clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Interior be, and he is hereby, authorized and directed to pay to Stevens and Ferry Counties, in the State of Washington, as taxes claimed by said counties under section 2 of the act of July 1, 1892, relating to the payment of local taxes on allotted Colville Indian lands, the following sums, to wit: To Stevens County, $44,309.67; to Ferry County, $71.458: *Provided*, That there may be deducted from said amounts by the Secretary of the Interior such sum or sums as he may find have been paid to said counties for Indian tuition; also the excess, if any, where the rate based on the value of Indian allotments may be found to be in excess of the rate on taxable land.

SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, $115,767.67, or so much thereof as may be necessary, for the payment of said sums to said counties, as provided in the foregoing section.

Mr. WALSH of Montana. Mr. President——

Mr. DILL. This bill has passed the Senate twice. It came over from the House. These counties have been waiting many years for this money, and I hope the Senator will not object.

Mr. WALSH of Montana. I do not care to object, and I would not object to it, but I notice other Senators standing here with bills in their hands ready to make similar requests?

Mr. DILL. I think the Senator might give notice that he will not yield to any others.

Mr. WALSH of Montana. I do not object.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BICENTENNIAL CELEBRATION OF BIRTH OF GEORGE WASHINGTON

Mr. FESS. Mr. President.

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Ohio?

Mr. SPENCER. Mr. President, I ask unanimous consent that after I have yielded to the Senator from Ohio I may resume the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Ohio is recognized.

Mr. SPENCER. I yield to the Senator from Ohio.

Mr. FESS. I ask that the Chair lay before the Senate Senate Joint Resolution 85, authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington.

Mr. PITTMAN. I would have to object to that unless it is understood that the pending motion is simply temporarily laid aside for this purpose.

The PRESIDING OFFICER. The unanimous-consent agreement, as the Chair understands it, was that the Senator from Missouri was to yield to the Senator from Ohio, and then the Senator from Missouri was entitled to resume the floor and continue discussion of the motion entered by the Senator from Montana.

Mr. PITTMAN. And that proceeding does not displace that motion?

The PRESIDING OFFICER. Under the Chair's understanding of the unanimous-consent agreement, what may be regarded as the unfinished business before the Senate is the motion of the Senator from Montana.

Mr. PITTMAN. Very well.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 85) authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington, which were:

To strike out the preamble.

On page 2, lines 8 and 9, to strike out "the President pro tempore" and insert "Presiding Officer."

On page 3, to strike out all after "to" where it appears the first time in line 15, down to and including "participation" in line 16, and to insert "communicate with governments of such nations."

On page 4, line 8, after the word "duties," insert a comma and "out of the amount appropriated."

On page 4, strike out all after "enacted" in line 11 down to and including "approved" in line 12.

Mr. FESS. I move that the Senate concur in the House amendments.

The motion was agreed to.

Mr. WARREN. I will ask the Senator from Missouri if he will yield to me a moment without taking him from the floor.

Mr. SPENCER. I ask unanimous consent that when I shall have yielded to the Senator from Wyoming I may resume the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri? The Chair hears none. The Senator from Wyoming is recognized.

MRS. EMMA B. WOODS

Mr. WARREN. I ask for the present consideration of Senate Resolution 250, reported this morning from the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

There being no objection, the resolution was read, considered by unanimous consent, and agreed to, as follows:

*Resolved*, That the Secretary of the Senate is authorized and directed to pay out of the contingent fund of the Senate the sum of $6,000 to Mrs. Emma B. Woods, widow of the late Elliott Woods, Architect of the Capitol, said sum being the amount of one year's salary received by him at the time of his death.

REARRANGEMENT OF SENATE CHAMBER

Mr. COPELAND and others addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Missouri yield; and if so, to whom?

Mr. SPENCER. I ask unanimous consent that after I have yielded to the Senator from New York [Mr. COPELAND] I may resume the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri?

Mr. NEELY. Mr. President, I shall have to object after this. I shall object to any more unanimous-consent requests, because the Senator from Missouri will in that way be able to keep the floor all afternoon.

Mr. COPELAND. I ask that the Senator from West Virginia withhold his objection until I have made a statement. I have a resolution which, unless it is passed to-day, will be of no value.

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New York?

Mr. SPENCER. I understand the objection of the Senator from West Virginia was that after this unanimous consent he would object, but not to this one.

Mr. NEELY. Yes; I said after this.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Missouri? The Chair hears none, and under the unanimous-consent agreement the Senator from New York is recognized.

Mr. JONES of Washington. Mr. President, I hope the Senator from West Virginia will not make that statement too positive until he may know the circumstances involved with reference to other cases.

Mr. NEELY. We will cross that bridge when we come to it.

Mr. JONES of Washington. I thought the Senator was closing the bridge.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. COPELAND. I ask unanimous consent for the present consideration of Senate Resolution 231, relating to the ventilation of the Senate Chamber.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

Mr. BORAH. As I understand it, the resolution is to bring the Senate in touch with the outside world?

Mr. COPELAND. That is included as a possibility.

There being no objection, the resolution was considered by unanimous consent and was agreed to, as follows:

*Resolved*, That the Architect of the Capitol be authorized and directed, under the supervision of the Senate Committee on Rules, to consult with architects of repute and expert in ventilation and acoustics with a view to improving the living conditions of the Senate Chamber, and giving attention to rearrangement and reconstruction, including a plan to place the Chamber in direct contact with the outer wall or walls of the building, and to report with plans to the President pro tempore of the Senate on the first Monday of December, 1924. The expenses hereunder, not to exceed the sum of $10,000, shall be paid out of the contingent fund of the Senate.

### IMPORTATION OF CRUDE OPIUM

Mr. SMOOT. Mr. President, will the Senator from Missouri yield to me?

Mr. SPENCER. I ask unanimous consent that when I shall have yielded to the Senator from Utah I may be allowed to resume the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri? The Chair hears none, and under the unanimous-consent agreement the Senator from Utah is recognized.

Mr. SMOOT. The bill (H. R. 7079) prohibiting the importation of crude opium for the purpose of manufacturing heroin is the bill which I ask unanimous consent to have considered at this time. There is a convention to be held in Europe within a very short time, and it is necessary that we pass the bill before that convention if we are going to have any effect in the convention as a Nation.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That subdivision (b) of section 2 of the act entitled "An act to prohibit the importation and the use of opium for other than medicinal purposes," approved February 9, 1909, as amended, is amended by striking out the period at the end of the first sentence and inserting in lieu thereof a comma and the following: "but no crude opium may be imported or brought in for the purpose of manufacturing heroin."

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

### CLAIMS OF COWLITZ INDIANS

The PRESIDING OFFICER. The Senator from Missouri will proceed.

Mr. JONES of Washington. Mr. President, will the Senator from Missouri yield to me?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Washington?

Mr. SPENCER. I ask unanimous consent that when I have yielded to the Senator from Washington I may be allowed to resume the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and under the unanimous-consent agreement the Senator from Washington is recognized.

Mr. JONES of Washington. The bill (H. R. 71) is a bill authorizing the Cowlitz Indians to take certain of their claims to the Court of Claims. The bill has passed the Senate several times, and has now passed the House. It is in the ordinary form, referring the matter to the Court of Claims.

Mr. OVERMAN. Does the bill provide for judgment?

Mr. JONES of Washington. It does provide for judgment, but I am willing to modify it if the Senator insists upon it. It passed the House in that form, and I hope the Senator will not object.

Mr. OVERMAN. Hereafter I wish to suggest to Senators that all bills referring matters to the Court of Claims leave out the words "proceed to judgment." They have no jurors in that court. Just let the matter be referred to the court and let the court state the facts and report them to Congress.

Mr. JONES of Washington. I am willing to modify it to that extent.

Mr. FLETCHER. I think it is in the usual form.

Mr. OVERMAN. But many bills pass without that provision.

Mr. JONES of Washington. I am willing to strike out those words.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 71) authorizing the Cowlitz Tribe of Indians, residing in the State of Washington, to submit claims to the Court of Claims.

The PRESIDING OFFICER. The Clerk will state the amendment proposed by the Senator from Washington.

The READING CLERK. On page 1, line 10, strike out "to render final judgment" and insert "report to Congress," and on page 2, line 3, after "premises," insert the words "and report the same to Congress," so as to make the bill read:

*Be it enacted, etc.*, That all claims of whatsoever nature, both legal and equitable, which the Cowlitz Tribe of Indians, residing in the State of Washington, may have against the United States shall be submitted to the Court of Claims, with the right of appeal by either party to the Supreme Court of the United States for determination; and jurisdiction is hereby conferred upon the Court of Claims to hear and determine any and all such claims and report to Congress thereon.

The Court of Claims shall have authority to determine and adjudge the rights, both legal and equitable, of the said Cowlitz Tribe and of the United States in the premises, and report the same to Congress, notwithstanding lapse of time or statutes of limitations, and any payment including gratuities which the United States may have made to the said Indians shall not be pleaded as an estoppel, but may be pleaded as an offset in any suit or action, and the United States shall be allowed credit for all sums, if any, paid or expended for the said tribe. Any other band or tribe of Indians the court may deem necessary to a final determination of any suit or suits brought hereunder may be joined therein as the court may order. The suit or suits instituted hereunder shall be begun within five years after the date of the passage of this act by the Cowlitz Tribe of Indians as parties plaintiff and the United States as the party defendant. The petition or petitions may be verified by the attorney or attorneys employed in said claims by the Cowlitz Tribe upon information and belief as to the facts therein alleged, and no other verification shall be necessary: *Provided*, That upon the final determination of such suit or suits the Court of Claims shall have jurisdiction to fix and determine a reasonable fee, not to exceed 10 per cent of the recovery, and in no event to amount in the aggregate to more than $25,000, together with all necessary and proper expenses incurred in preparation and prosecution of the suit, to be paid to the attorney or attorneys employed by the said Cowlitz Tribe of Indians under contract approved as required by existing law, and such fee shall be included in the decree and shall be paid out of any sum or sums found due said tribe.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill bill to be read a third time.

The bill was read the third time and passed.

### L. A. SCOTT

The PRESIDING OFFICER. The Senator from Missouri will proceed.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Florida?

Mr. SPENCER. I ask unanimous consent that when I shall have yielded to the Senator from Florida I may be allowed to resume the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri?

Mr. WADSWORTH. Reserving the right to object, my curiosity at last has been aroused. We are calling the calendar? If so, I wish to ask the Senator from Missouri to yield to me for the consideration of three or four bills that are on the calendar.

Mr. FLETCHER. We are not calling the calendar.

Mr. WADSWORTH. We ought to give an hour or two of the time of the Senate to the consideration of bills on the calendar instead of proceeding in this way.

The PRESIDING OFFICER. The Chair will suggest to the Senator from New York that under the present procedure, if continued, the calendar will be completed in a short time.

Mr. WADSWORTH. I have no objection. I merely want to understand the situation.

Mr. FLETCHER. The bill could have been passed while we have been having this discussion.

Mr. WADSWORTH. We had better understand how we are doing this, because I expect to participate if it is continued.

The PRESIDING OFFICER. The Senator from Missouri has proposed a unanimous consent request that after yielding to the Senator from Florida he be permitted to continue his remarks. Is there objection? The Chair hears none, and the Senator from Florida is recognized.

Mr. FLETCHER. I ask unanimous consent for the present consideration of the bill (H. R. 3537) for the relief of L. A. Scott. A similar bill has passed the Senate two or three times, and this bill has now passed the House.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay the sum of $3,578.62 out of any money in the Treasury not otherwise appropriated to L. A. Scott as compensation for and in full satisfaction of any claim for damages as a result of a collision between the mine planter *Maj. Albert G. Jenkins* and the American schooner *Golden State* at Pensacola, Fla.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. The Senator from Missouri will continue his remarks.

NORTHWEST TERRITORY GRANTS

Mr. NEELY and Mr. SIMMONS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Missouri yield; and if so, to whom?

Mr. SPENCER. I ask unanimous consent that after I shall have yielded to the Senator from West Virginia [Mr. NEELY] I may be allowed to resume the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri? The Chair hears none, and under the unanimous-consent agreement the Senator from West Virginia is recognized.

Mr. NEELY. I ask unanimous consent to have printed in the RECORD an article appearing in the West Virginia Bar, relating to the claims of West Virginia against the Federal Government growing out of the northwest territory grants.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN IMPORTANT MESSAGE TO THE BAR OF WEST VIRGINIA—SENATOR CHILTON PRESENTS AN ILLUMINATING EXPOSITION OF THE CLAIM OF THIS STATE BASED UPON THE CESSION OF THE NORTHWEST TERRITORY

*To the Bar:*

For the purpose of bringing an important legal and public matter to the attention of the lawyers, as well as the people of West Virginia, I am asking you to do me the favor of publishing some notes of facts and authorities upon the claim of West Virginia against the National Government. As you are no doubt aware, in April, 1912, I introduced a bill in the Senate of the United States, the object of which was to give the consent of the United States to the bringing of a suit by West Virginia or any of the thirteen original States, to settle the trust, which, in my judgment, was created by the cession of the Northwest Territory to the old Confederation and which was accepted by the Continental Congress on March 1, 1784. This bill was approved by the Senate Judiciary Committee of two Congresses. It was passed by the Senate in the Sixty-fourth Congress, and was reported favorably by the Judiciary Committee of the House shortly before the expiration of my term as Senator.

The essential facts upon which this claim is based are set forth in the address which I had the honor to make in the Senate of the United States, on April 10, 1912. There are two barriers of a general nature to overcome before this claim can be brought out into the light of day and decided upon its merits. One is that, so to speak, it is covered with the dust of ages. The other is that lawyers and the people generally have not taken the time to study its merits. I fully realized at the time I brought the matter to the attention of the United States Senate that, in a way, I was challenging accepted history. Virginia has been held up by her own people and the people of the country as a great benefactor for having made the sacrifice of giving to the Nation the vast territory northwest of the Ohio River, comprising the States of Ohio, Illinois, Wisconsin, Michigan, and a part of Minnesota, to the National Government. Thus it is written down in history. And since it is now proposed to show to the country that such is not the exact truth, we must surmount, not only the plea of long acquiescence, but also hundreds of historical encomiums on the munificence of the mother State, extending from 1784 until a few years ago. None of the praise given Virginia for her munificence, in the hour of national peril and necessity, need be withdrawn. She gave with a bountiful hand, but history has, in its enthusiasm for a patriotic act, exaggerated, as usually is the case. I venture to say that if the bar of West Virginia, and the reading people of the State, will give but a few hours time to a study of the facts as they are, they will agree with me that our case is so strong and clear that it will survive both the inaccuracies of history and everything that can possibly be construed into acquiescence, on our part, in the assumed attitude of the Government.

In pressing this claim, as I have done on more than one occasion in the Senate, before the Committee on the Judiciary and before its subcommittees, to which this measure was referred, I have been confronted with the query: "Why do not the people of West Virginia take more interest in the claim and press it?" I was relieved somewhat by the resolution of the legislature of 1913, calling upon Senators and Representatives in Congress from this State to urge upon Congress, legislation which would enable West Virginia to be heard. The Legislature of Virginia has also passed resolutions of the same purport. However, it is plain that, as yet, there is not behind the movement that earnestness of conviction which is necessary to success. This is not said in a sense of complaining, because it is quite natural. It is not to be expected that many of our people have given that study and thought to the subject necessary to overcome impressions of accepted history; and it is to the credit of the people that they demand more than mere assertion before pressing a claim against their Government. I have an abiding conviction that when the whole State of West Virginia shall understand this case as it is, they will see to it that it shall be pressed upon Congress. It is in the earnest hope that the bar, the press, and the people may study this question, and be convinced of the justice of our claim, as I am, that I want to present, in your columns, the facts, and some of the arguments, in favor of the claim.

We must bear in mind always that the present Constitution of the United States was not ratified by sufficient States to make it effective until 1789. Before that we had a Confederation of the States, which was a very weak organization in which the Federal authority could not compel the States to pay taxes, nor do anything else. Up to 1781 Maryland had not joined the Confederation, so that instead of it being a federation of 13 States, it was a federation of only 12 States. In 1779 Maryland passed resolutions laying before the Continental Congress the reasons why she did not join the federation. These reasons were, speaking generally, that some of the States, including Virginia, had claims to western lands, and, Maryland argued, that in case the Colonies or States should gain their independence by the Revolutionary War, then being fought, those States could sell their lands in the West, thereby lessening their taxes, and thereby attracting population from the States not so favorably situated.

The Continental Congress then passed the following resolution:

> "*Resolved*, That copies of the several papers referred to the committee be transmitted, with a copy of the report, to the legislatures of the several States, and that it be earnestly recommended to those who have claims to the western country to pass such laws and give their Delegates in Congress such powers as may effectually remove the only obstacle to a final ratification of the Articles of Confederation; and that the Legislature of Maryland be earnestly requested to authorize the Delegates in Congress to subscribe the said article."

Note, in passing, that the western land situation was "the only obstacle to the final ratification of the Articles of Confederation" and that the Continental Congress was urging Maryland to ratify the articles, and thus complete the Confederation.

After this, to wit, in January, 1781, Virginia passed a resolution of her legislature, setting forth the terms upon which she would convey to the Federation her northwestern lands. In that resolution it was provided that the territory should be laid out and formed into States not less than 100, nor more than 150 miles square, and that the States should be distinct republican States, and admitted as members of the Federal Union. It provided, further, that the expenses incurred by Virginia in subduing the British posts and maintaining forts and garrisons and acquiring the territory, should be reimbursed by the United States; that the French and Canadian inhabitants, who professed themselves citizens of Virginia, should be protected in their holdings, and that a quantity of land, not exceeding 150,000 acres, should be allowed to Gen. George Rodgers Clark, and to his officers and soldiers, and thereafter it contained the following clause:

> "That all the land within the territory so ceded to the United States and not reserved or appropriated to any of the before-mentioned purposes, or disposed of in bounties to the officers and soldiers of the American Army, shall be considered as a common fund for the use and benefit of such of the United States as have become or shall become members of the Confederation, or Federal Alliance, of the said States, Virginia inclusive, according to their usual respective proportions in the general charge and expenditure, and shall be faithfully and bona fide disposed of for that purpose and for no other use or purpose whatsoever."

Immediately after this resolution of the Legislature of Virginia was passed—that is, in March, 1781—Maryland ratified the Federal compact, and from that time there was a Confederation of the thirteen original States. The bounty of Virginia had been sufficient to complete the Federal compact. All that the Continental Congress had asked her to do was "to remove the only obstacle to a final ratification of confederation" so as to bring Maryland into the Union. Virginia did it; and even before the cession was formally made, Maryland, relying upon the honor of Virginia to act in accordance with the resolutions of her legislature, and upon Congress to accept the trust, ratified and signed the Federal compact.

On March 1, 1784, Thomas Jefferson, Samuel Hardy, Arthur Lee, and James Monroe, Delegates from Virginia to the Continental Congress, presented the deed of cession to the Congress, in which deed the resolutions of January, 1781, were set forth at length, including the trust clause quoted above. Thereupon, Mr. Howell, of Rhode Island, presented a series of resolutions accepting the deed and the same was "enrolled among the acts of the United States in Congress assembled." As a matter of fact, before the final resolution was passed, a motion was made to accept the deed without the conditions named by Virginia, but that motion was laid on the table, and then the resolution of Mr. Howell prevailed. This action is contemporaneous with, in fact a part of, the history of the grant and its acceptance, which almost conclusively proves that Virginia, as well as the Congress, set some store upon the "conditions and stipulations" of the deed as Chief Justice Marshall afterwards designated this trust clause.

After this the United States decided to make five States out of the territory, and recognizing the conditions of the deed of cession, on July 7, 1786, it made application to the State of Virginia for its consent to change the conditions, so far as it related to the limits of new States; and on December 30, 1788, the General Assembly of the State of Virginia made the modification requested by Congress. See Journal of Congress, July 7, 1788; Hennings Statutes of Virginia, volume 12, page 780. This is mentioned here to show that the fact that the grant was not absolute was recognized by the Confederation. If the deed were absolute, what had Virginia to do with the situation afterwards? The necessity to obtain Virginia's consent arose out of the "conditions and stipulations" of the deed of cession; that same deed contained "conditions and stipulations" as specific as were those relating to the political status.

In 1789 the present Constitution of the United States was adopted. It is provided in that instrument that when adopted by nine of the States it should become effective as to the nine adopting it, and the ninth State ratified it in that year.

The Constitution, Article IV, section 3, provided that—

> "The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States; and nothing in this Constitution shall be so construed as to prejudice any claims of the United States or of any particular State."

The deed of cession gave the power to the Continental Congress to dispose of the land. It says that the property "shall be faithfully and bona fide disposed of," etc. But recognizing that it was necessary that there should be delegated to the new Government the power to dispose of the public domain, Article IV, section 3, was inserted. But can we not see the hand of the Virginian in the second clause, so modifying the general power of disposing of the public domain as to make it clear that the claim "of any particular State" should not be prejudiced by that general grant of power? What claim of any "particular State" could there have been except the claim arising from the grant or grants of western lands? Why should this clause guarding the "claim of any particular State" be inserted in the section dealing with the public domain except to protect the States under the western land grant?

Again, by accepting the grant, the old Confederation was made a trustee under the terms of the trust set out in the grant. Therefore, Article VI of the Constitution provides:

> "All debts contracted and engagements entered into before the adoption of this Constitution shall be as valid against the United States under this Constitution as under the Confederation."

The effect of this provision is that when the acts of the Confederation made it a trustee, the new United States became likewise a trustee. Note the words again, "all debts contracted and engagements entered into," etc. The framers of the Constitution were not satisfied to protect "contracts." It might be doubtful that the acceptance of the trust was a contract on the part of the Confederation, since the latter probably had no power to enter into such a contract. But it had, nevertheless, engaged to do so. The Confederation had an "engagement" to act as trustee, and that "engagement" was recognized in the new Constitution. There are many other material facts and details of this momentous transaction, all of which, so far as I have been able to construe them, speak for the contention of Virginia and West Virginia rather than against it, and I do not take the space to recite them here. If this movement shall ever develop into a litigation, no doubt the industrious lawyers will bring them out and analyze and mass them upon the one side or the other of the controversy. But no one will ever find any release or waiver by Virginia of the trust contained in the original grant and in the resolutions of 1781.

I now desire to call attention to the terms of that trust. First, let us inquire what land was embraced in it: for besides the political considerations of the grant, Virginia conveyed the fee of the land. The trust provides that "all the land within the territory so ceded and not reserved or appropriated," etc., "shall be considered as a common fund," etc. This is clear, because immediately preceding this clause of the deed of cession it explicitly states what land should be reserved. In administering the trust the United States had no trouble in specifying the reserved lands, and it promptly and without trouble took possession of all of the land not so reserved or appropriated in the grant. This brings us to the other terms of the trust, as follows: "Shall be considered as a common fund for the use and benefit of such of the United States as have become or shall become members of the Confederation, or Federal Alliance, of the said States, Virginia inclusive," etc. It is my contention and claim that this clause meant that the thirteen original States should be the beneficiaries, and not the forty-eight States which constitute the Union, nor the entity, the United States, as afterwards organized; and that for the following reasons: First, the States were to participate "according to their usual respective proportions in the general charge and expenditure." The only States which could have paid, or did, in fact, pay anything into the general charge and expenditure, were the thirteen original States which formed the Confederation, which continued in the Federation until the new Constitution was adopted, carried on the Revolutionary War, and brought it to a successful conclusion. There is nothing uncertain about this description, because by Article VIII of the Confederation the expenses of the war were paid out of a common fund "supplied in proportion to the value of the land in each State." This provision of the Articles of Confederation was carried into effect by the appointment of commissioners to value the land in each State, and upon this basis of valuation each State paid into the common fund. Not a single one of the 35 States which have been admitted into the Union since the Constitution was adopted could come in as answering the descriptive terms "according to the usual respective proportions in the general charge and expenditure," nor could any one of them claim they "had become members of the Confederation or Federal Alliance."

At the time Virginia passed her resolution, and at the time the deed of cession was made and accepted, there were no entities or organization of States except the thirteen original States.

The reason why Virginia described them as States which "have become, or shall become, members, etc.," was that Maryland had not at that time joined the confederation, and the very purpose of Virginia in making the grant, as I have shown, was to induce Maryland to become a member of the confederation. If Maryland had not joined the confederation she could not have participated. It seems impossible to escape this conclusion, when the history of the transaction is taken into consideration. How can it be controverted that the 35 States, which then had no political or other existence, and did not pay, and could not have paid, anything into the "general charge and expenditure," were not meant to be embraced as beneficiaries in the trust. Secondly, bear in mind the words, "Virginia inclusive" in the trust clause. Virginia intended to make it plain that she, the grantor, should be included among the beneficiaries of the trust. The Constitution could have been ratified by 9 States, and it was among the possibilities that Virginia would not ratify it. Indeed, it was ratified by only 10 majority in the Virginia convention. It might have happened that 9 States would have adopted the new Constitution and

that Virginia would have failed or refused to do so, and that then the 9 adopting it would have formed the present United States Government. In that event, those who may claim that the adoption of the Constitution wiped out all that happened before, or that the condition of the grant embraced the States which were afterwards admitted into the present United States, would put Virginia in the strange attitude of creating a trust, in which the trustee would have the right to ignore, not only the essential conditions of the trust, but also leave out Virginia as a beneficiary. By the words, "Virginia inclusive" the intent to make the beneficiaries separate States and not the general entity of the Union as it might thereafter develop, becomes clear. It so happened that Virginia did ratify the Constitution, but we must look upon this trust and construe it so as to make it consistent with the ratification or failure of ratification by Virginia. If Virginia had failed to ratify the Constitution, certainly the 9 States could not have dissolved the old confederation, converting a trust intended for the 13 States into a trust for the benefit of the 9 States ratifying, leaving Virginia entirely out. It is clear to me that this trust, or what is the same thing, "the use and benefit of this land," was intended for the 12 States which had ratified the old confederation, and for Maryland, if she did thereafter come in, which she did, and that Virginia and the old confederation thoroughly understood that the bounty of Virginia extended to the 13 colonies or States with whom she had been associated during the Revolutionary War, and each was to participate in the "use and benefits" in the proportion that it had contributed to the expenses. Thus there was created a trust wherein the property is described, the trustee is named, the beneficiaries designated with accuracy, so that a clerk with a pencil can in a short time ascertain from public records the exact interest which each beneficiary has in the trust. With that intention, Virginia provided that this trust fund or property "shall be faithfully and bona fide disposed of for that purpose, and for no other purpose whatsoever." What defense could the defaulting or delinquent trustee make under such an instrument in a court of equity were the beneficiaries and trustee individuals instead of sovereign States?

West Virginia claims that the United States has not been faithful to that trust. This territory embraced, as nearly as can be ascertained, the following acreage:

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|---|---|
| In Ohio | 25, 576, 960 |
| In Indiana | 21, 937, 760 |
| In Illinois | 35, 465, 093 |
| In Wisconsin | 34, 511, 360 |
| In Michigan | 36, 128, 640 |
| In Minnesota, east of Mississippi River | 16, 588, 800 |
| Total | 170, 208, 613 |

This land has been granted to States for local uses, to individuals, to colleges and schools, and the rest of it has been sold and the money covered into the Treasury of the United States, and even this latter, instead of being paid to each of the thirteen original States in the proportion that they severally paid into the "general charge and expenditure" during the time of the confederation, has been expended for governmental purposes on the general account of the United States Government.

There is no contention that the land can be recovered, because the right to dispose of the land was specifically vested in the trustee by the deed of cession, and section 3 of article 4, as we have shown, also gives the Congress that power. It need not be inquired into now as to how this power granted by the Constitution would have affected the situation if the original deed had not granted the power. Inasmuch as both the deed and the Constitution gave the power to Congress to sell the trust subject, no one of the beneficiaries can complain that the property was sold. But the beneficiaries can complain that the trustee gave away the trust subject and converted the proceeds of the land sold to purposes other than those specified in the trust.

If the above propositions are correct, the United States stands in the position of a delinquent trustee, which is one of the most unenviable positions which an individual, a corporation, or a municipality can occupy. The old confederation had taken into her hands a sacred trust. The reasons which moved Virginia to part with her land were that the original Federal compact, formed to prosecute the Revolutionary War, could not be completed without a sacrifice on Virginia's part. Besides, the Federal Government at that time was without funds and without much credit. Virginia placed a vast domain of over 170,000,000 acres of land into the hands of the then Federal Government, which at once gave it credit and standing and removed causes of dissension among the thirteen original States. Virginia was willing that her 12 sister States should participate with her in this "common fund," and she, therefore, guarded the grant so that these 12 sister States should each participate with her, each to have the same proportion in the proceeds of the land that it had contributed to the "general charge and expenditure." But Virginia never contemplated that 9 States, or 13 States, either with her or without her, could thereafter form a government, put into the Constitution of the new Government a clause making the new Government a trustee, as was the old confederation, and convert the deed of trust into an absolute deed in fee simple to any Government of the United States which might thereafter develop. She did not contemplate that there would be 35 States formed from the territory conveyed as from territory purchased from Spain and France, and from territory acquired by war or treaty, and that these 35 States, who had no existence and were not in contemplation when the original deed was made, and which could not, and did not, pay anything into the "general charge and expenditure" for prosecuting the Revolutionary War, should be the beneficiaries the same as those it had so specifically described in the original deed. It is not right, legally or morally, for the present National Government to take any position which will do violence to the self-evident intention of the parties to this transaction in 1784.

One word regarding Virginia's title. It is sufficient to state that under the deed the United States acquired possession and has conveyed title to the land embraced in the deed. It does not now lie in the mouth of the United States to say that the grantor in the deed of trust did not have title to the land, as an excuse or defense for not paying over the money in her hands as trustee derived from its sale. No claim is being made by any grantee. The United States has never been called upon to repay a dollar which she received for the sale of any of these lands. Her title, derived from Virginia, has been sanctioned by the Supreme Court of the United States (Graham's Receiver *v.* McIntosh, 8 Wheat. 543). By the way, in this case Chief Justice Marshall recognized that the deed from Virginia to the confederation was made upon "certain stipulations and conditions," and that is all that West Virginia claims now. But whatever may be said about the claims of New York, Connecticut, Massachusetts, or other States to the Northwest Territory, Virginia had the oldest title and asserted it. By her energy, and with her arms and means, she conquered the Northwest Territory, and converted her paper title into an actual possession. Virginia arms, under George Rogers Clark, Lord Dunmore, Gen. Andrew Lewis, and others, settled by conquest the question of the paper title; and with her deed in 1784, Virginia gave actual possession, as well as the right of possession, to the then existing Federal Government.

If it should ever be decided that after the United States, as a trustee, had taken actual possession of the trust subject and had disposed of it and converted it into money without the title which she conveyed being challenged by a single grantee, she can herself raise the question of title, it may be safely said that Virginia will have no trouble in demonstrating that her grant from England was prior in time to all other claimants, and that she added to her superior paper title and energetic and successful fight for possession. The lawyers can hardly imagine that such a monstrous proposition of law will ever be urged.

Of course, the rights of West Virginia are based upon her partnership with Virginia up to the separation in 1863. It could hardly be possible that the considerations which have been gone over in the Virginia debt suit could fail to lead to the conclusion that West Virginia is entitled to a just and equitable proportion of all of the assets of Virginia up to the time that the new State was formed. I know of no opposition in Virginia now to this basis of settlement, so far as this claim is concerned. The two Senators from Virginia stated, at the time my bill was introduced in the Senate, that Virginia conceded that West Virginia would be entitled to her proportion of whatever might be recovered from the Federal Government. I am sure that upon that point there will be no serious dispute.

I have always entertained grave doubt as to whether or not this suit could be brought in the Court of Claims. I had not examined the question with much care when I introduced the first bill. My theory then was that legislation would be required to give the consent of the Federal Government to its being sued.

I confess that a more recent investigation of the subject has left some doubt in my mind as to whether a suit can be brought now in the Court of Claims. In the case of the United States *v.* Louisiana (123 U. S. 32) it is held that the Court of Claims has jurisdiction of an action brought by a State against the United States for a demand arising upon an act of Congress. Before that time it had been contended that the clause of the Constitution giving the Supreme Court original jurisdiction in a suit in which a State was a party would prevent a State from suing in the Court of Claims. The case quoted settles that question, but it leaves open two points: First, whether or not this is a demand arising upon an act of Congress; and, second, when the statute of limitations of six years would begin to run, if it could run at all in favor of a trustee under the circumstances in this case. I will not discuss these two points, because I think the better way is to get authority from Congress to bring the suit in the Supreme Court of the United States and settle the question once and for all. But it might be well for those in authority to look into this question of the right to sue in the Court of Claims and the advisability of doing so. That is not a matter for me to decide, but it would seem to me that the right to do so would be very doubtful.

The purpose of the bill which I have introduced is to give the consent of the Federal Government to a suit. It does not ask for any money settlement by the Federal Government; it does not ask Congress to commit itself to anything, except to the proposition that the Federal Government can not afford to occupy the relation of a defaulting or delinquent trustee, especially where the beneficiaries are sovereign States. West Virginia can well urge, and I fell convinced that Virginia will second her every move in this direction, that the United States can not afford to deny to a sovereign State the right to litigate so important a matter. Indeed, it would seem to me that the Federal Government ought not to deny to a State the right to sue in the Federal court on any matter. But when it comes to a case wherein it is claimed that the Federal Government is a defaulting, delinquent, or negligent trustee, and that she is taking the benefit of a defect in the Constitution to withhold from States money or property which was placed in her hands for a purpose as sacred as the consummation of the original Federal compact and the successful prosecution of the Revolutionary War, the citizens of the country should hang their heads in shame till a settlement be made. The right to sue in the Court of Claims has already been given to Indians, Indian tribes, corporations, and individuals. Liberal with all private interests, why should the Government be a hard taskmaster with the sovereign States which gave it birth? Some court, some tribunal, must sooner or later do justice in this important matter, and it has seemed to me that now is the time for the legal profession to give the matter consideration, and for the people to consider the question fully and carefully; and, unless the judgment of the State is against my contention, let us press this claim with the vigor and determination which we have shown in other matters where the rights of all are involved.

We have been forced to submit to the decision of the Supreme Court of the United States in a case wherein a judgment for over $12,000,000 has been rendered against us. Whatever we may do or say, however much we may believe that no such judgment should have been rendered, it is on record against us as the judgment of the highest court in the land, and to us that means the highest court on earth. In our uncertainty and doubt over this unfortunate situation in which we have been placed we find that the Federal Government owes us on a solemn contract the proceeds of an inheritance reserved to us by our forefathers of Virginia, possibly written by the hand of the great Jefferson, as he was one of the delegates who presented the deed. Shall we give it up? Shall we ignore a claim which seems so just and the evidence of which is so clear? Shall we sit by and do nothing? Or shall we grasp this opportunity like young, vigorous West Virginians are accustomed to do in everything, and by compelling power of a united, determined effort make the Halls of Congress ring with the demand for justice. With such a cause we can not and will not fail if we do our full duty.

CHARLESTON, W. VA., *July 23, 1915.*

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. SIMMONS and Mr. BRUCE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Missouri yield; and if so, to whom?

Mr. SPENCER. I ask unanimous consent that when I shall have yielded to the Senator from North Carolina I may be allowed to resume the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from North Carolina is recognized.

MEMORIAL ADDRESSES ON THE LATE HON. CLAUDE KITCHIN

Mr. SIMMONS. Mr. President, I ask unanimous consent to have printed in the RECORD a brief statement by myself with reference to the life and public services of the Hon. CLAUDE KITCHIN, late minority leader of the House of Representatives. Memorial services were held in the House for the late Mr. KITCHIN and the volume embracing the speeches of Mr. KITCHIN'S colleagues on that occasion will shortly be printed. I wish my brief statement to appear in that volume. Mr. KITCHIN was one of the greatest parliamentary leaders and debaters of the present day.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SIMMONS. Mr. President, I can not permit this session of Congress to close without paying a personal tribute to the great party and parliamentary leader of the body at the other end of the Capitol who has lately passed to the Great Beyond. The House has already held memorial services in honor of Mr. KITCHIN and his colleagues in that body have spoken in just and deserved eulogy of his life and his high public service.

The old practice of holding memorial services in the Senate for Members of the House, however distinguished, has fallen into disuse. The position which CLAUDE KITCHIN attained and occupied in the Republic was so eminent and unusual, however, that it would not be fitting for the Senate to adjourn without further notice of his death than the resolutions of sorrow and condolence that have already been unanimously adopted in this Chamber.

CLAUDE KITCHIN was twelve consecutive times elected a Representative in Congress from the second congressional district of North Carolina. He entered the House at the early age of 31 years and his conspicuous ability and devotion to his country did not have to wait long for proper recognition. It is not too much to say that Mr. KITCHIN was the greatest debater and floor leader that the Democratic Party has had in the House of Representatives in this generation. I do not think that in the forum of debate he had any superior in his day in the United States. His work in committee and in the councils of his party was equally able and useful.

For nearly a decade prior to the time he was stricken on the floor of the House, our relations were peculiarly intimate and constant. Under the two terms of the Wilson administration Mr. KITCHIN was, during the greater part of the time, chairman of the Ways and Means Committee of the House and I was chairman of the Committee on Finance of the Senate, these two committees having direct charge and jurisdiction over financial, tariff, and internal revenue legislation of the Congress. In those hard and strenuous days and nights of the World War I had opportunity extraordinary to learn the quality of the steel and the character with which CLAUDE KITCHIN was fashioned. Although just a few years before, Mr. KITCHIN had opposed my reelection to the United States Senate, advocating instead the election of his brother, ex-Governor William W. Kitchin, who was one of the candidates opposing me and who himself had served many years in the House, the late House minority leader (then the majority leader) and I became the closest of friends in our work during the war.

For years before CLAUDE KITCHIN'S death, I do not think I had a more devoted or unselfish friend than he. I was proud of his friendship and I shall take joy from the memory of it as long as I live. One of the last letters that I received from him—it was written by his own hand—assured me that if I should have opposition for re-election to the Senate this year for my fifth term, he would, if humanly possible, arise from his sick bed and take the stump for me in the campaign. I fully reciprocated his affection, and the illness that struck him down in the prime of superb manhood and at the height of his power and usefulness brought deep personal grief to me, not only because of my affection for him but because I realized the severe loss that the country suffered in being deprived of CLAUDE KITCHIN'S services.

His gallant spirit was undaunted to the day of his death, and he never gave up. His love for his country reached the flood-tide, even as disease laid its hand heavily and more heavily upon his body. He never abated his intense interest in legislation and the government of his country. I have in my files letters from him, written with trembling hand, to show that even as he walked down into the Valley of the Shadow of Death his thoughts and solicitude were only for his country and his family and not at all for himself.

Mr. KITCHIN sprang from a brave and manly race. Both himself and his brother ex-Governor Kitchin were almost perfect specimens of the finest physical, intellectual, and moral manhood. For two hundred years, every drop of their blood had been American blood and North Carolina blood. Their father served in Congress before them. Their mother was a member of the distinguished Arrington family that had also given Representatives in Congress to the State.

CLAUDE KITCHIN'S home life was ideal. He was devoted to his wife and children and they were devoted to him. His private life was as pure as that of the purest woman. His life and career can not fail to be an inspiration for all time to the youth of the State that he loved and served so well.

Browning must have had in mind one such as CLAUDE KITCHIN when he wrote:

> One who never turned his back, but marched breast forward,
> Never doubted clouds would break,
> Never dreamed though right were worsted, wrong would triumph,
> Held we fall to rise, are baffled to fight better,
> Sleep to wake.

On May 31, 1923, in his home district, where he was loved as probably no man had been loved before, the knightly spirit of the great Democratic leader of the House of Representatives passed to the Master. He died as he lived, loving his friends, his family, his country, and his God—and quite unafraid.

I stood beside his grave and saw loving hands commit his body to his native soil, every inch of which he had loved with a holy love, while a vast multitude of North Carolinians stood

by, overcome with sorrow, and dazed with the realization that they would see him and have him for their leader and champion no more.

And now—

The storm of life has softened to a breeze
That gently woos the lilies on his grave;
No more of shipwreck, or of angry seas;
God give him rest—rest for the true and brave.

Mr. OVERMAN. Mr. President, I understood there were to be memorial services for CLAUDE KITCHIN in the Senate. I understand from the statement just made by my colleague that that is not going to be done. I therefore ask a similar privilege to that just rendered to my colleague, and ask the same order.

The PRESIDING OFFICER. Without objection permission is granted to the junior Senator from North Carolina as requested.

Mr. OVERMAN. CLAUDE KITCHIN was indeed a great man. His career was comparatively a short one, but like a star of the first magnitude he gradually rose higher and brighter in the political firmament until he could be seen and admired by all. Unfortunately his brilliant career was cut short before it had reached its zenith and his death caused the entire country to mourn. His fame, deservedly great, was not inclosed by the boundaries of his own State or section, and when the sad news of his death was spread over the country by the press it was given the place of honor in all of the papers of the country and carried in big headlines which told the people of the passing of one of their really great leaders.

Few North Carolinians ever shed more luster and glory upon their native State than did Mr. KITCHIN. It was shortly after he entered the House of Representatives that he impressed his colleagues and his countrymen with his great abilities and common sense and they knew at once that a new leader had come among them. In the last 60 years the House has had some great parliamentary leaders. Sam Randall, of Pennsylvania; Tom Reed, of Maine; James D. Richardson, of Tennessee; Champ Clark, of Missouri; and Joe Cannon, of Illinois, are some of the greatest. CLAUDE KITCHIN was the equal of any of these and in some respects their superior, especially in a running debate. When he drew his keen Damascus blade all with whom he contended went down thoroughly discomfited before his able reasoning, his shining wit, and his biting sarcasm, but because the contest was always pitched by Mr. KITCHIN upon such fair and friendly grounds none of the victims of his power ever went down with the sting which usually accompanies defeat. He was loved and admired both by his friends and opponents. He was recognized as a statesman of sublime courage, which was perhaps his chief characteristic. Other noble qualities which he possessed in a remarkable degree were his ringing sincerity, a strong love of truth and fair play, and an utter hatred of all sham, deceit, and hypocrisy. He was a militant "Son of Truth." Neither his friends nor his enemies could persuade him to depart from what he believed to be right in principle and morals. Once he saw the principle in a contest or question he would fight to the last ditch to establish it, and neither the thrill of winning a specious victory by compromise nor the enhancing of his reputation or popularity could move him from it.

The first time I ever met him was as a member of the platform committee of the State Democratic convention of 1900, both of us having had the honor of serving upon that committee, which was composed of some of the great leaders of the party, such as Gov. Thomas J. Jarvis, Josephus Daniels, Gov. R. A. Doughton, and James A. Lockhart. At that time the party was face to face with a crisis and the future success or failure of the party hung upon its action upon a certain resolution which had been presented to the convention by the leaders of the Populist Party. The resolution proposed that the Democrats fuse with the Populists in the coming campaign, and it was submitted to the platform committee for recommendation. Four years before the Populists had fused with the Republicans and they had carried the State by a very large majority, and consequently the temptation to fuse was great. When the resolution came before the committee Mr. KITCHIN, Mr. Lockhart, and myself fought it bitterly. The vote was very close when Gov. W. W. Kitchin, who was also a member of the committee and the only Democratic Member of Congress from North Carolina at that time, appealed to his brother to support the resolution, saying that W. J. Bryan, the Democratic presidential nominee, had written a letter advising such fusion, and that the failure to adopt the resolution would be a slap in the face of Mr. Bryan and would mean his (the governor's) defeat for Congress and the defeat of the party in the coming campaign in the State. But Mr. KITCHIN replied: "You are my brother, to whom I am devoted and whom I would be pleased to serve, but the integrity and success of the Democratic Party is nearer and dearer to me than your election to Congress and I can not go with you on the resolution." Then other outside and powerful influences were brought to bear upon him, but without avail. The resolution was defeated by a majority of one, CLAUDE KITCHIN casting his vote against it. Mr. KITCHIN was then a very young man, just beginning his political career, and I have never seen such sublime and heroic courage as was exhibited by him on that occasion, for when his youth, the time and place, and the influences brought to bear upon him are considered, it will be seen that such a vote could only have been given by a very strong and brave young man. The resolution was defeated by his vote and the result was the election of Charles B. Aycock as governor of the State, the reelection of his brother to Congress and a great Democratic victory, the disruption of his party avoided, and the preservation of its time-honored principles.

At another time in a great crisis was this wonderful courage and independence shown. The war resolution was before Congress, and both parties were almost unanimously in its favor and the public sentiment throughout the entire country and the people of his State and district were in favor of it, yet against the advice and appeals of his friends Mr. KITCHIN almost solitary and alone voted against it. He was honest. He sincerely believed that war between this country and Germany could be avoided; that it was unnecessary, and therefore he voted against it. But when war was declared, with all his energy and ability, he gave Woodrow Wilson and his administration his unbounded and patriotic support, leading his party and the Republicans as well in the support of all of the great war appropriations and all legislative matters recommended by the administration for the carrying on of the war to the end that we might achieve a glorious victory. He loved his country and his people, but never could he be swerved by party or personal considerations from doing that which his conscience told him was right and proper.

He was a great student and was thoroughly prepared whenever he undertook the discussion of a great question so that it was impossible to trap him or throw him off his base in debate. He always invited interruption, and was never so strong and invincible as when on his feet answering interrogatories.

Of high character, of unimpeachable integrity, of sublime courage, a great lover of truth, a splendid statesman, never deserting a friend nor striking an enemy while he was down, few greater men have lived in our day and generation.

Within the circle of his home he was ever blessed with the devotion of a noble wife and with the passionate love of his children, and he was never so happy as when surrounded by his wife and children in his beautiful home. His family worshiped him, his district and his State were proud of him and loved him, and the country at large felt the same pride and gave him the same confidence it always feels and gives a great public servant in whose courage and integrity it has complete confidence.

He was sick a long time, but he bore it all with the same courage and patience exhibited by him during his whole life. Finally weak, tired, and exhausted, he fell asleep. He so lived that when his summons came to join—

The innumerable caravan which moves
To that mysterious realm where each shall take
His chamber in the silent hall of death,
He went, not like the quarry slave at night
Scourged to his dungeon, but sustained and soothed
By an unfaltering trust, approaching his grave
Like one that draws the drapery of his couch
About him, and lies down to pleasant dreams.

## MEAT-PACKING INDUSTRY

Mr. BRUCE and Mr. FRAZIER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Missouri yield; and if so, to whom?

Mr. SPENCER. I ask unanimous consent that when I shall have yielded to the Senator from North Dakota [Mr. FRAZIER] I may be allowed to resume the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. FRAZIER. I ask unanimous consent to have printed in the RECORD a statement from the Farmers' National Council in regard to the effort to modify the setting aside of the

packers' agreement. The statement shows how the packers in the past have controlled the meat products to the injury of both the producers and the consumers.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota? The Chair hears none, and it is so ordered.

The statement is as follows:

[Farmers' National Council, Bliss Building, Washington, D. C., Hon. Herbert F. Baker, president; Mrs. George P. Hampton, treasurer; Benjamin C. Marsh, managing director]

WHY THE MEAT PACKERS FIGHT DESPERATELY TO HAVE CONSENT DECREE SET ASIDE

The Federal Trade Commission, in its report to the President on profiteering in 1918, said regarding the meat packers:

"Five meat packers, Armour, Swift, Morris, Wilson, and Cudahy, and their subsidiary and affiliated companies have monopolistic control of the meat industry and are reaching for like domination in other products. Their manipulations of the market embrace every device that is useful to them without regard to law. Their reward, expressed in terms of profit, reveals that four of these concerns have pocketed in 1915, 1916, and 1917, $140,000,000. However delicate a definition is framed for 'profiteering,' these packers have preyed upon the people unconscionably."

BIG FIVE MEAT PACKERS CONTROLLED FORTUNES OF COMPETITORS

The Federal Trade Commission reported to the President on the meat-packing industry:

"It appears that five great packing concerns of the country—Swift, Armour, Morris, Cudahy, and Wilson—have attained such a dominant position that they control at will the market in which they buy their supplies, the market in which they sell their products, and hold the fortunes of their competitors in their hands.

"Not only is the business of gathering, preparing, and selling meat products in their control but an almost countless number of by-product industries are similarly dominated; and not content with reaching out for mastery as to commodities which substitute for meat and its by-products, they have invaded allied industries and even unrelated ones.

"The combination has not stopped at the most minute integration but has gone on into a stage of conglomeration, so that unrelated heterogeneous enterprises are brought under control."

BIG FIVE MEAT PACKERS CONTROLLED 500 SUBSIDIARY CONCERNS

The commission stated:

"The menace of this concentrated control of the Nation's food is increased by the fact that these five corporations and their five hundred and odd subsidiary, controlled, and affiliated companies are bound together by joint ownership, agreements, understandings, communities of interest, and family relationships.

"The combination among the Big Five is not a casual agreement brought about by indirect and obscure methods, but a definite and positive conspiracy for the purpose of regulating purchases of livestock and controlling the price of meat, the terms of the conspiracy being found in certain documents which are in our possession."

HOW BIG FIVE USES POWER UNFAIRLY AND ILLEGALLY

The commission states:

"The power of the Big Five in the United States has been and is being unfairly and illegally used to—

"Manipulate livestock markets;

"Restrict interstate and international supplies of foods;

"Control the prices of dressed meats and other foods;

"Defraud both the producers of food and consumers;

"Crush effective competition;

"Secure special privileges from railroads, stockyard companies, and municipalities; and

"Profiteer.

"The packers' profits in 1917 were more than four times as great as in the average year before the European war, although their sales in dollars and cents at even the inflated prices of last year had barely doubled."

THE BIG FIVE MISSED NOTHING FROM HIDES TO CURLED HAIR

The commission's investigation showed:

"Control of the meat industry carries with it not only control of all kinds of fresh and preserved meats, but in addition a very great competitive advantage in more than a hundred products and by-products arising in connection with their preparation and manufacture, ranging in importance from hides and oleomargarine to sandpaper and curled hair. In all these lines the Big Five's percentage of control, as compared with other slaughterers, is greater even than the percentage of animals killed, because of the fact that many of the small packers are not equipped or have been unable to utilize their by-products."

The Big Five were strongly entrenching themselves in the following among hundreds of lines of unrelated business.

1. All possible substitutes for meat, such as "fish, poultry, eggs, milk, butter, cheese, and all kinds of vegetable-oil products, and have secured strategic points of collection, preparation, and distribution of these products."

2. Canned fruits, vegetables, etc.:

"Fruit and vegetable canning and preserving are remote from slaughtering and meat packing, but the big packers, through ownership of refrigerator car lines and their branch house system of distribution, possess special advantages for control of this field of industry. The Big Five's advantage in this field rests not so much on their ownership of canning factories, although in some branches their output amounts to more than a quarter of the total for the United States, as upon their rapidly growing control of the wholesale distribution of canned goods."

3. Staple groceries and vegetables—such as rice, sugar, potatoes, beans, and coffee, and they had "increased their sales at such a great rate that in certain of these lines they have become dominant factors."

4. Fertilizers, hides, leather, and wool: "The Big Five not only handle more than three-fourths of the hides and skins produced by interstate slaughterers but directly or through their subsidiaries, or through leases or contracts, tan a large part of the leather produced in the United States," the Trade Commission showed.

INSTRUMENTS OF CONTROL AND MONOPOLY

"These strategic positions, which serve not only to protect the controls which the big packers have already acquired but to insure their easy conquest of new fields are:

"Stockyards, with their collateral institutions, such as terminal roads, cattle-loan banks, and market papers.

"Private refrigerator-car lines for the transportation of all kinds of perishable foods.

"Cold-storage plants for the preservation of perishable foods.

"Branch-house system of wholesale distribution.

"Banks and real estate."

BIG FIVE PLAN TO CONTROL NATION'S FOOD SUPPLY SOON

"Last year (1917) the Big Five's combined sales totaled $2,127,245,000. At the present rate of expansion, within a few years the big packers would control the wholesale distribution of the Nation's food supply."

BIG FIVE GET EASY CREDIT THROUGH CONTROL OF BANKS

The Big Five meat packers were represented, the Federal Trade Commission reported, "on the board of directors through members of the individual families or through officers, directors, or confidential employees of the packing companies" in three banks in each of the cities: Boston; Kansas City, Mo.; Wichita, Kans.; and Omaha; 9 in New York; 25 in Chicago; 5 in St. Joseph, Mo.; 2 in each of the cities of South St. Paul and San Francisco; and 1 in Portland, Oreg.; Denver, Colo.; Fort Worth, Tex.; Oklahoma City; Sioux City, Iowa; and East St. Louis, Ill. All of these are important packing centers.

BIG FIVE WANT TO CUT MELLONS IN EVERY FIELD

In 1921 the gross income of corporations manufacturing food products, liquor, and tobacco was $8,269,546,864, of those manufacturing leather products $1,417,997,579—a total of nearly $10,000,000,000.

The packers' consent decree entered by the court in 1920 by agreement between the then Attorney General, A. Mitchell Palmer, and the meat packers, was largely due to the fear of the "Big Five" meat packers that Congress would enact legislation definitely keeping them out of these unrelated lines of business.

They had good reason to fear this. On May 26, 1903, the Supreme Court of the United States issued a permanent injunction against the big packers, ordering them to refrain from specified practices which were in violation of the antitrust law.

The Federal Trade Commission in its report on the meat-packing industry stated:

"But how little the big packers respected the courts of the Nation and feared its law is revealed by the fact, which has since come to light, that almost coincident with the application for an injunction the three largest—Armour, Swift, and Morris—secretly set to work to buy up many of their actual and potential competitors, with the object of forming a gigantic merger, monopolizing almost completely the entire meat industry."

BIG FIVE MEAT PACKERS FEARED INDICTMENTS

The Federal Trade Commission gives details of the meat packers' conspiracy and violation of the injunction and laws of the Nation.

The injunction forbade the meat packers to refrain from bidding against each other in the purchase of livestock or at the sale of livestock, or "by combination, conspiracy, or contract raising or lowering prices," but the meat packers violated nearly every provision of this injunction, so that in 1916 the representatives of several of these meat packers—R. C. McMannus, J. M. Chaplin, and R. D. White—wrote to their employers:

"If we are to avoid indictments, we must immediately decide upon such steps as will first bring better feeling, by showing a disposition to cooperate."

Another committee of packers' employees stated that year:

"As matters now stand criminal prosecutions are sure to follow."

In 1916 the Federal Trade Commission made its marvelous report on the entire meat-packing industry, the most complete exposé of big business methods and manipulations ever made by a government agency. The Nation was shocked by the revelations as it has been shocked by the current revelations about Teapot Dome, the Veterans' Bureau, the Shipping Board scandals, and the Department of Justice.

* * * * * * *

HOW THE BIG FIVE WROTE THE LAW TO CONTROL THEM, AND CONTROLLED THEIR "CONTROLLER"

The Big Five meat packers next proceeded to control the Senate and the House of Representatives of the United States in the writing of the so-called "packers and stockyards act of 1921," keeping all teeth out of it.

They defeated the effort of the progressive forces of the Nation to have the administration of the packers and stockyards act vested in the Federal Trade Commission, and put it under the Secretary of Agriculture, Mr. Wallace.

They next forced or persuaded Secretary Wallace to appoint two of their tools, Mr. Chester Morrill and Mr. Charles J. Brand, to enforce the act, and so they have controlled their controllers. They then "persuaded" Secretary Wallace not to compel them to install a uniform system of accounts; for that would have revealed their manipulations and profits. They pulled the wool over Secretary Wallace's eyes, till Armour and Morris were merged.

Over two years ago they made a big effort to have the consent decree set aside. They failed. The present is their second effort to get back into the trough with both feet.

The American people must not permit a nation-wide food trust.

BIG FIVE WIN POINT IN COURT DECISION

The decision of the Court of Appeals of the District of Columbia that the California Cooperative Canneries may intervene in action to set aside or modify the packers' consent decree appears to be a significant point in favor of the meat packers who projected the consent decree to prevent legislation to stop their monopolization of food distribution. The court asserts that a lower court would not be sustained in declaring the packers' combination illegal "if its effect is to safeguard one public interest by the destruction of another."

The circuit court of appeals recommends that the District of Columbia Supreme Court investigate whether the effect of the packers' consent decree has been to encourage a monopoly by the wholesale grocers. This is an implied criticism of the lower court for entering the packers' consent decree of former Attorney General Palmer for agreeing to the consent decree and of present Attorney General Stone for not proceeding against the wholesale grocers with sufficient vigor or at least investigating whether they are creating or threaten a monopoly.

The decision does not set the consent decree aside nor modify it; it does indicate a question in the mind of the court whether such action would not be wise. This decision makes clear, however, the imperative need of legislation to keep the meat packers out of unrelated lines of business, which will be sought in the next Congress. The possibility of a monopoly does not justify court protection of an established and growing monopoly, which the Federal Trade Commission's report on the meat-packing industry showed the Big Five packers to be even before the Armour-Morris merger. Definite congressional action, not the decision of a court, is the proper and orderly way to determine questions of such scope and importance.

ATTORNEY GENERAL SOUGHT TO END PACKERS' MONOPOLIES

In the Attorney General's petition for the entry of the packers' consent decree filed in the Supreme Court of the District of Columbia February 27, 1920, he stated:

"This petition is filed and these proceedings are instituted to put an end to any and all monopolies which the defendants may have created or obtained in the interstate trade or commerce of livestock, meat products, and substitute foods and to prevent the continuance of unlawful monopolies by the defendants, in the aforesaid trade or commerce in the products and commodities so described and to deprive said defendants of certain instrumentalities, facilities, and advantages by which they have been enabled theretofore to more effectively perfect their attempts to monopolize; to compel the defendants to desist from dealing in certain of the substitute foods and certain of the unrelated commodities; to limit in the manner hereinafter set forth the interests which the individual defendants may have in corporations handling certain substitute foods and unrelated commodities; and to dissolve any and all contracts, combinations, and conspiracies in restraint of trade or commerce between the several States, which contracts, combinations, or conspiracies are more fully hereinafter described, and to prevent said defendants from maintaining said contracts, combinations, or conspiracies with each other, or from entering into further contracts, combinations, or conspiracies with each other or with other persons."

BIG FIVE MEAT PACKERS HAD MACHINERY COVERING THE NATION

Discussing the machinery the Big Five meat packers had established to enable them to continue and expand their monopolization of food distribution throughout the United States, the Attorney General stated in this petition:

"The parent companies operated as of June, 1918, 1,297 route cars, which constituted 90 per cent of the total number operated in the packing industry. Said route cars reach and serve dealers in 37,176 towns and operate in 37 of the States of the United States.

"Autotrucks: This is a further development of the route-car plan. It had its origin in the development of the motor truck, and because of its freedom from railway limitations and schedules it is enabled to reach a wider radius and smaller towns than is the route car. The autotrucks have been adopted primarily by Armour & Co. as a supplement to the car routes. These autotrucks reach and serve a total of 20,836 towns throughout the United States."

CONTROL OF SUBSTITUTE FOODS

The Attorney General stated that (in default of adequate legislation) a decree of the court was necessary to prevent control of the Nation's food by the meat packers. He said:

"Having eliminated competition in the meat products, the defendants (the Big Five meat packers) next took cognisance of the competition which might be expected from what we here refer to as substitute foods," and stated:

"These attempts to monopolize have resulted in complete control in many of the substitute food lines. They have made substantial headway in others. The control is extensively and rapidly increasing. New fields are gradually being invaded, and unless prevented by a decree of this court the defendants will within the compass of a few years control the quantity and price of each article of food found on the American table."

BIG FIVE CONTROLLED NEARLY SIX HUNDRED CORPORATIONS

The Attorney General stated:

"The parent companies of the individual defendants (the Big Five) and their families maintain and control 574 corporations or concerns, including 131 trade names. They have a significant minority stock interest in 95 others and an interest of unknown extent in an additional 93. Thus the total number of concerns in which they have control or interest is some 762. In the years that are past the parent companies have acquired or organized many other concerns and have maintained them so long as they were useful for their purposes. When no longer useful these concerns so acquired or organized have been dissolved and their businesses have been merged into that of the parent companies or that of other subsidiaries. Such dissolved corporations and concerns are omitted in the above compilation except in those instances where their names have been continued as trade names. The total of 762, above stated, therefore, falls far short of representing the total number of concerns that corporate and individual defendants have acquired or have organized in furtherance of the general scheme and plan of action already explained."

CALIFORNIA COOPERATIVE CANNERIES DUMMY FOR ARMOUR & CO.

The fact that the California Cooperative Canneries is a dummy for or influenced by Armour & Co. is shown by the admission of Mr. Vernon Campbell, its vice president and general manager, before the Interdepartmental Committee, representing the Attorney General, and the Departments of Agriculture and Commerce, which held hearings in 1922 on Mr. Campbell's application for a modification of the packers' consent decree to permit Armour & Co. to continue the distribution of the canneries' fruit pack. Mr. Campbell admitted that Armour & Co. loaned his company $200,000, which was used to construct their first packing plant at San Jose, Calif., upon which Armour & Co. held the mortgage at that time. He further admitted that Mr. Armour had given him Mr. Armour's authority to offer Mr. Armour's indorsement for the notes of the California Cooperative Canneries, and that both Mr. Armour and Mr. Wilson (of Wilson & Co.) had told him "that they would not resist modification of the decree."

MR. CAMPBELL FOUND SUBSTITUTE DISTRIBUTOR

Mr. Campbell testified to this committee that in 1921—a full year after the consent decree went into effect—they had sold a larger per cent of their pack at that time than they had sold the preceding year at the same time, although claiming a smaller pack.

It was provided in Mr. Campbell's contract with Armour & Co. that the prices to be paid the canneries for its product should be the same as those fixed by the California Packing Co., and that such

products were resold by Armour & Co. at the usual market prices. If any saving was effected by Armour & Co. in such distribution, that saving was kept by Armour & Co. itself as additional profits and did not benefit the consumer.

STEPS THE BIG FIVE PACKERS HAVE FOLLOWED TO CREATE MONOPOLY

The Big Five meat packers—

1. Agreed to the packers' consent decree to prevent legislation being urged before Congress to keep them out of unrelated lines of business. Mr. Campbell said regarding the decree: "When I talked to Mr. White, vice president (now president) of Armour & Co., I asked him why they had signed such a foolish arrangement, and he said they were holding a gun at his head and he had to do something."

2. Killed any real and adequate packer-control legislation.

3. Secured control of the enforcement of the packers and stockyards act, and have made it largely a nullity, as producers know from prices they get and consumers from prices they pay.

4. Have succeeded in getting a dummy to be allowed to intervene to break down the packers' consent decree, while they can seem to be satisfied with it.

The PRESIDING OFFICER. The Senator from Missouri will proceed.

AMENDMENT OF THE CONSTITUTION

Mr. BRUCE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Maryland?

Mr. SPENCER. I ask unanimous consent that when I shall have yielded to the Senator from Maryland I may be allowed to resume my remarks.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri? The Chair hears none, and under the unanimous-consent agreement the Senator from Maryland is recognized.

Mr. BRUCE. I ask permission to have inserted in the RECORD an essay urging conventions in the matter of constitutional amendments, by Mr. George Stewart Brown.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maryland? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

[From the Baltimore Sun of May 22, 1924]

URGES CONVENTIONS FOR ALL AMENDMENTS—RECENT ACTS OF RATIFYING LEGISLATURES CITED TO SHOW NEED OF PEOPLE BEING CONSULTED ON CONSTITUTIONAL CHANGES

(By George Stewart Brown)

NEW YORK, May 21.—The people who have to live under constitutional changes have a right to be consulted in making those changes. If radical constitutional changes, however desirable they may seem to their advocates, are made without consulting the people, that is not only unfair and unjust to the people, but it is bound to result in irritation, confusion, and disrespect for our institutions.

John Marshall said in one of his most famous decisions:

> "The people made the Constitution, and the people can unmake it. It is the creature of their will. But this supreme and irresistible power to make or unmake resides only in the whole body of the people; not in any subdivision of them. The attempt of any of the parts to exercise it is usurpation and ought to be repelled by those to whom the people have delegated the power of repelling it."

After the experience of ratifications by legislatures in the case of the last two amendments no one can honestly claim that "legislatures" can be trusted to accurately record the will of the people of their States in ratifying Federal amendments.

A few glaring illustrations should be sufficient to demonstrate this to the most obtuse.

In Missouri and California the legislatures which voted to ratify the eighteenth amendment were elected at the same time that a popular referendum was had in those States on State prohibition. In both the people voted down prohibition by large majorities. Yet in the teeth of that popular decision the Missouri and California Legislatures ratified. No man can honestly claim that those legislatures had the moral right to thus falsely record the assent of the people of California and Missouri to the eighteenth amendment.

In our own State of Maryland we are all familiar with the fact that our legislature which voted to ratify was a hold-over legislature, elected before the amendment was proposed by Congress, upon entirely different issues, with absolutely no mention of national prohibition in the campaign. It is as plain as a pikestaff that our Maryland Legislature had no popular mandate and therefore no moral right to record the assent of the people of Maryland to the eighteenth amendment.

In Ohio the people of that State on referendum, by a close vote in one of the largest popular votes ever held in the State of Ohio, repudiated their own legislature's ratification of the eighteenth amendment itself. At the same time by a large majority they adhered to local prohibition. This showed that the people of Ohio had the sense to discriminate between local prohibition, remaining under their own control, and embodying a police law in practically irrepealable form into our charter of liberty known as the Federal Constitution.

This last illustration shows conclusively that ratifying legislatures in so-called dry States—and they were legion—had no right to assume that because their people had "local prohibition" they would necessarily approve degrading the Federal Constitution by inserting an irrepealable police law therein.

Those illustrations should be enough to convince any reasonable man that it is an outrage to submit Federal amendments to legislatures instead of to the people who must live under them.

The behavior of legislatures in voting upon the nineteenth amendment was even worse. There, out of the 38 legislatures counted as ratifying, one (Vermont) was elected by the vote of the women after the amendment had been actually proclaimed; 34 were elected before the amendment was proposed by Congress; 30 of these having been called into special session and some of them racing with each other to see which could ratify first. This was truly an appalling spectacle. Of the remaining 10, 9, which were mostly elected after proposal, and had a right, therefore, to claim a popular mandate, rejected the amendment, and one (Florida) respected the provision of its State constitution forbidding it to ratify because elected before proposal of the amendment.

Moreover, 13 of the 38 ratifying legislatures ignored previous negative referenda in their own States against State suffrage.

If in the light of these facts any Senator or Congressman insists upon referring this new grant of Federal legislative power to mere legislatures, he seems to be willing to get power, no matter how, and whether the people want him to have it or not.

Reference to "conventions," on the contrary, is, in effect, a popular referendum. There is no such thing as a "hold-over" convention. They must all be chosen after proposal and therefore enjoy a popular mandate for their acts.

Their members must be elected upon the direct issue, free and unconfused with all other issues. In each district a candidate will run pledged "for ratification" against a candidate pledged "against ratification," thus giving a direct popular vote.

After such conventions meet they will have nothing else to do except this particular duty for which they are especially chosen. They will therefore have full and complete opportunity to debate the proposal in all its ramifications and complications, for every grant of power covers implied powers not expressed in the amendment itself. There can be no stampede.

If after the above-recited performance of legislatures in recent ratifications Congress closes its eyes and blindly refers to them this new grant of Federal power, which invades the heart of American "local self-government" and practically destroys the very basis of American constitutional liberty, it will commit a grave wrong upon the American people. And if we sit supinely by and let them do it without protesting, we close our mouths for any further protest against the way the eighteenth amendment was put over us without our consent.

In other words, we will sanction and approve what has been previously done and deliberately invite its repetition.

Moreover, there will be little left to protest about in the future, for with express Federal power over child labor enabling statesmen from Utah and Texas to prescribe the rules for family life in Maryland and New York, and with similar power necessarily implied therefrom over child education, and Heaven knows what else, to enforce the labor mandate, no self-government worthy of the name, free from Federal interference, will remain to the people of the several States.

Of course, if our desire for self-government and individual liberty is limited to "booze," then we have already become a Nation of political illiterates and are past saving, and hardly deserve any protection from tyranny, even tyranny over our dining tables, and we might as well resign ourselves entirely to the tender care of the new ecclesiastical politicians who, from their pulpits, direct the ways of Congress.

Unless the Senate of the United States has lost its poise—and no matter how desirable it considers the child labor amendment may be—it will insist that the people be consulted in its ratification.

We are not petitioning our Federal agents in Congress for favors at their hands; nor are we discussing a question of policy. We are demanding that they obey and observe the most elementary principle of American liberty, familiar to every schoolboy who has read the Declaration of Independence, that governments derive their just powers only from the consent of the governed.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from Missouri is recognized again.

Mr. HARRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Georgia?

Mr. SPENCER. I ask unanimous consent that when I have yielded to the Senator from Georgia I may be allowed to resume.

The PRESIDING OFFICER. Is there objection? If not——

Mr. HALE. Mr. President, I object. There is a very important motion that has been made this morning to take up the motion to reconsider House bill 8687. I understood that at the close of morning business that matter was to be brought before the Senate. I shall object to any further unanimous-consent agreement of this nature.

The PRESIDING OFFICER. Objection is made and the Senator from Missouri will proceed.

Mr. HARRIS. Mr. President, I thought the Chair had recognized me.

The PRESIDING OFFICER. The Chair merely presented the request of the Senator from Georgia for recognition, and the Senator from Missouri asked unanimous consent that he might be permitted to yield. The Chair in his haste had about completed the formula, but the Senator from Maine was on his feet making his objection known, and therefore the Senator from Missouri can not, of course, yield to the Senator from Georgia.

The Chair will say further that the motion of the Senator from Montana [Mr. WALSH] stands in the same position as a resolution coming over from the previous day, and there being, strictly speaking, no unfinished business before the Senate, the Senator's motion is in order.

Mr. HALE. Mr. President, I move that the Senate take up for consideration the motion made by the Senator from Utah [Mr. KING] to reconsider the action by which House bill 8687 was passed.

Mr. WALSH of Montana. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Missouri [Mr. SPENCER] has the floor.

Mr. WALSH of Montana. Then I make the point of order that the Senator from Maine has no right to address the Chair.

The PRESIDING OFFICER. The point of order is well taken.

Mr. HALE. Mr. President, will the Senator from Missouri yield to me?

Mr. SPENCER. Mr. President, I did not catch the statement of the Chair with regard to the parliamentary situation. Will the Chair be good enough to repeat what he said?

The PRESIDING OFFICER. The motion entered by the Senator from Montana on yesterday in the opinion of the Chair stands before the Senate in the same position as a resolution coming over from a previous day and was reached in its regular order prior to 2 o'clock. There being strictly speaking no unfinished business before the Senate, the Senate continued discussion of that motion in the nature of a resolution coming over from a previous day, and upon that question the Senator from Missouri [Mr. SPENCER] has maintained his right to the floor. The Senator from Maine, as the Chair understands, wishes the Senator from Missouri to yield.

Mr. SPENCER. I call the attention of the Chair to Rule IX as to whether or not the motion of the Senator from Montana to proceed to the consideration of his report is in order after 2 o'clock.

The PRESIDING OFFICER. Of course it is in order after 2 o'clock, in the opinion of the Chair, because there was no unfinished business, and the motion is in the nature of a resolution coming over from the previous day.

## LEASES UPON NAVAL OIL RESERVES

The Senate resumed the consideration of the motion of Mr. WALSH of Montana to adopt the report of the Committee on Public Lands and Surveys submitted pursuant to Senate Resolution 147.

Mr. SPENCER. I call the attention of the Chair to the suggestion that under Rule IX, after 2 o'clock there is a regular procedure on the calendar itself, a general order, and that therefore the motion of the Senator from Montana is out of order if a point of order is raised. It falls at 2 o'clock, because after 2 o'clock there is a special order.

The PRESIDING OFFICER. Does the Senator refer to the calendar under Rule VIII?

Mr. SPENCER. No. I refer to Rule IX, which provides:

> and not later than 2 o'clock, if there shall be no special orders for that time, the calendar of general orders—

Which is the general calendar—

> shall be taken up and proceeded with in its order, beginning with the first subject on the calendar next after the last subject disposed of in proceeding with the calendar; and in such a case—

There are certain motions which may be made, and only those motions. In neither one of those classes does the motion of the Senator from Montana come.

Mr. WALSH of Montana. Mr. President, this is an extraordinary situation. The Senate did proceed to the consideration of the motion; the Senator from Missouri claimed the floor to debate the motion, and now makes a point of order that the motion is not properly before the Senate.

Mr. SPENCER. I did so because I did not want to debate the motion.

Mr. WALSH of Montana. Rule IX is as follows:

> Immediately after the consideration of cases not objected to upon the calendar is completed—

We have not yet reached that, and therefore Rule IX can not possibly apply. That applies to what should happen after consideration of cases not objected to upon the calendar, and we have not yet reached that point—

> and not later than 2 o'clock, if there shall be no special orders for that time, the calendar of general orders shall be taken up.

We may reach that in due course, but it is not before us now.

Mr. PITTMAN. Mr. President, prior to 2 o'clock, at the time this procedure of the Senator from Missouri started, he yielding the floor to various Senators, I made a parliamentary inquiry and asked that the unanimous-consent request should include the statement that any interruption would not interfere with the business before the Senate. This matter was pending as the business before the Senate before 2 o'clock, and by unanimous consent was to continue as such, notwithstanding the interruptions of the Senator from Missouri.

The PRESIDING OFFICER. Even in view of reference to Rule IX, the Chair is of the opinion that the motion of the Senator from Montana is properly before the Senate. The Senator from Missouri is recognized, and is holding the floor to speak upon it.

Mr. SPENCER. Mr. President, again I wish to say to the Senator from Montana that now and at any time while I am speaking, if the judgment of the Senator from Montana leads him to defer this motion, which calls for no immediate action, I shall cooperate with him, for it is a duty and not at all a pleasure which I feel is imposed upon me at this time.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. SPENCER. I yield.

Mr. WALSH of Montana. I am very glad to advise the Senator from Missouri that the Senator from Montana does not even entertain the idea of postponement.

Mr. SPENCER. Knowing the Senator from Montana as I do, I am afraid that that is true.

Mr. WALSH of Massachusetts. Mr. President, will the Senator from Missouri yield to me for a question?

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Missouri yield to the Senator from Massachusetts?

Mr. SPENCER. I will yield for a question.

Mr. WALSH of Massachusetts. Do I understand that the colloquy between the Senator from Montana and the Senator from Missouri means that the Senator from Missouri is likely to hold the floor until 7 o'clock this evening?

Mr. SPENCER. I shall finish as soon as I can, but I intend to discuss the matter at some length.

Mr. WALSH of Massachusetts. I judge from the Senator's statement that he does not intend to have a vote on this motion to-day.

Mr. SPENCER. I have no desire to prevent consideration of the motion; I shall not speak merely to prolong the consideration of the motion of the Senator from Montana; but in the presentation of the reasons why I do not think it ought to be agreed to there will be some time consumed by me.

Mr. WALSH of Massachusetts. And that may be until 7 o'clock this evening?

Mr. SPENCER. I should think not; I can not conceive of it being so long as that.

The PRESIDING OFFICER. The Senator from Missouri will proceed.

Mr. SPENCER. Mr. President, the report which is now before the Senate has been somewhat changed from the report that was originally presented to the Senate on June 4. Some of the corrections which I indicated when the report was first presented to the committee have been made in this report. I did not have the opportunity to present other mistakes and misstatements which a casual reading of the report evidenced, and many of them are still in the present report.

Mr. President, on page 3 of the report as presented by the Senator from Montana it is stated definitely and without qualification:

It was not intended at any time that the store of oil thus assured should be drawn upon for current use or for use at any time when the requirements of the Navy could be met by purchases in the open market.

That statement is not in accordance with the fact or the record of the testimony.

George Otis Smith stated that the withdrawals were made "for the present and future needs of the Navy."

One of the very issues in connection with the whole question of naval oil leases is as to whether or not the oil ought to remain in the ground or to be taken out of the ground and stored for use somewhere aboveground. The statement which I have just quoted which was made in the report that "it was not intended at any time that the store of oil thus assured should be drawn upon for current use," is not, as I have said, borne out by the record in the case.

I have quoted what George Otis Smith stated, that the withdrawals were made "for the present and future needs of the Navy."

More than this, a few years before 1920—in 1917—the Senator from Virginia [Mr. SWANSON] introduced a bill, referred to by Mr. Finney in his testimony of record before us, which proposed to authorize the Navy to drill the reserves or to have them drilled and to utilize the oil. That bill did not become a law, but it indicated the general trend of opinion at that time that the oil in the naval oil reserves should be utilized as the needs of the Navy might require.

From 1909 to 1920 the policy on the non-Navy oil lands might be characterized as no policy at all or even an attempt to define any definite policy, and the policy as to the naval oil reserves was precisely the same. The Walsh-Pittman bill, which was enacted as the general leasing act of February 25, 1920, gave no benefit to the Navy whatever. This fact ought not to be forgotten that under that general leasing act the Navy received nothing. The proceeds of the oil from the ground were divided, 10 per cent to the Government, a part to the States, and a part to the Reclamation Service, but the Navy secured no part of it. Secretary Daniels had a different policy and secured the passage of the act of June 4, 1920, with all the extensive powers which that bill gave to him as Secretary of the Navy, to which I may refer later on. The point we are now considering is as to whether the policy of Secretary Daniels when the bill of June 4, 1920, was introduced and passed was to keep the oil in the ground and not use it for the Navy or whether it was to utilize it. Commander Stuart, on page 783 of the record in the case, made a statement and then continued:

The reason that I say that is that the letter—

Referring to the letter from Secretary Daniels, which transmitted a draft of the act of June 4, 1920—

states that we wanted the oil for current use.

So that there was, at least, a difference of opinion, if not a well-defined purpose under the law of June 4, 1920, to secure that oil from the ground and, if necessary, to use it for immediate needs.

Secretary Daniels was opposed to drilling, even to protect the naval reserves from drainage, a policy which has cost the Government millions of barrels of oil. He wanted that oil conserved in the ground, and, as I shall show, or attempt to show, in a few moments, the oil in the ground did not help the Navy much. The oil stored on the surface for future use was of tremendous aid to the Navy. If a foreign nation should attack us, either upon the Pacific or the Atlantic coast, before we could get out the oil stored in the ground its usefulness in that attack would be nil. It takes two or three years to get the oil out of the ground.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Page, its Clerk, announced that the House had passed the joint resolution (H. J. Res. 259) establishing a commission for the participation of the United States in the observance of the one hundred and fiftieth anniversary of the Battle of Lexington and Concord, authorizing an appropriation to be utilized in connection with such observance, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two House on the amendment of the Senate to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes.

## JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 259) establishing a commission for the participation of the United States in the observance of the one hundred and fiftieth anniversary of the Battle of Lexington and Concord, authorizing an appropriation to be utilized in connection with such observance, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

## ADDITIONAL CLERK FOR THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. BALL. Mr. President——

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from Missouri yield to the Senator from Delaware?

Mr. SPENCER. I ask unanimous consent that when I have yielded to the Senator from Delaware I may be allowed to resume.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The Senator from Delaware.

Mr. BALL. I ask unanimous consent for the immediate consideration of Senate Resolution 244.

The PRESIDING OFFICER. The Senator from Delaware asks unanimous consent for the consideration of Senate Resolution 244, which will be read for the information of the Senate.

Mr. ASHURST. Let it be read in full.

The Secretary read the resolution (S. Res. 244), which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate on June 7 instant, as follows:

*Resolved*, That Senate Resolution No. 13, agreed to December 19, 1923, authorizing the Committee on the District of Columbia to employ an assistant clerk, be, and hereby is, continued in full force and effect until the end of the Sixty-eighth Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

## POSTMASTERS AND POSTAL EMPLOYEES—VETO MESSAGE

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Massachusetts?

Mr. SPENCER. I yield for a question.

Mr. WALSH of Massachusetts. I rise to make a point of order.

The PRESIDING OFFICER. The Senator will state his point of order.

Mr. WALSH of Massachusetts. A short time ago there was presented to the Senate a message from the President vetoing the salary bill for the postal employees. I understand that immediate action was not taken because no entry of the message has been made in the Journal of the Senate as required by the Constitution. I rise to ask the Chair when an entry will be made in the Journal of the President's veto message? How long does it take to make an entry in the Journal?

The PRESIDING OFFICER. The Chair understands that the Journal clerks are now entering in full the objections of the President to the bill, and that the Chair will be informed when that work of transcription has been completed.

Mr. WALSH of Massachusetts. My information is that the Chair has given no order to the clerks to enter upon the Journal the message, and I rise to ask if it is necessary for the Chair to issue such an order.

The PRESIDING OFFICER. The present occupant of the chair was not in the chair at the time the point of order was raised and decided; but the Chair is of the opinion that no special order need be given by the Presiding Officer to a clerk of the Senate to perform his duties.

Mr. WALSH of Massachusetts. So the situation is that when the clerks enter the message the Chair will be so informed, and the Senate will be informed by the Chair?

The PRESIDING OFFICER. That is the Chair's understanding of the situation.

Mr. WALSH of Massachusetts. I thank the Chair. I shall renew my request for action on the veto at the earliest possible moment.

Mr. ASHURST. Mr. President, I rise to a question of order.

The PRESIDING OFFICER. The Senator from Arizona will state his point of order.

Mr. ASHURST. I do not wish it to be established without dissent as a precedent or a part of the practice of the Sen-

ate that before the Senate may consider a veto message the objections of the President must first be entered upon the Journal. I do not so construe the Constitution, and I express my dissent to such precedent being established.

The PRESIDING OFFICER. The point of order was made by the minority leader, the senior Senator from Arkansas [Mr. ROBINSON], and was sustained by the President pro tempore. Far be it from the present occupant of the chair so soon to override the decision of the President pro tempore.

Mr. ASHURST. It is not my view of the Constitution that before the Senate may consider a veto message the objections must be entered at large on the Journal. In other words, the Senate of the United States is not the agent of its clerk. Ninety-six Senators are not required to wait upon the tedious processes of a clerk. It would be absurd to say that the Senate would be powerless to act upon a message from the President of the United States unless and until a clerk had made certain black marks on certain white paper.

Mr. WALSH of Massachusetts. I should like to ask the Senator if he understood the minority leader to raise a point of order against immediate action?

Mr. ASHURST. I have great respect for the minority leader. Indeed, I digress to say that he has led his party with a sagacity and an ability unsurpassed in the past 50 years of the Senate's history. I did not know he had made that observation; but since I am informed that he made the observation, I nevertheless adhere to my view of the Constitution.

Mr. WALSH of Massachusetts. If he made an objection, it was in his individual capacity, of course; and not for the purpose of delaying action.

Mr. ASHURST. Whilst I am speaking of the Constitution, I shall emulate the manly example of the Senator from Virginia [Mr. GLASS] this morning, who corrected an error that he made. I was in error when I said that the Constitution required a bill to be read three times. The constitutions of the States require such readings, and our Senate rules require such readings; not the Constitution of the United States.

Mr. BROUSSARD. Mr. President, will the Senator yield to me?

Mr. ASHURST. The Senator from Missouri [Mr. SPENCER] has the floor.

The PRESIDING OFFICER. No; the Senator from Arizona has the floor, because he was raising a point of order.

Mr. ASHURST. I thought the Senator from Missouri had the floor. I yield, however.

Mr. BROUSSARD. I should simply like to suggest to the Senator from Arizona that my understanding of the transaction was not exactly correctly stated by the Chair.

The PRESIDING OFFICER. The Chair undertook to state only his own understanding of the transaction, and not that of the Senator from Louisiana.

Mr. BROUSSARD. The minority leader simply stated that he demanded the regular order, and upon that we proceeded to the regular order without involving the question of the inscription on the Journal of this document.

The PRESIDING OFFICER. The point of order raised by the Senator from Arizona apparently presents no question upon which the present occupant of the chair would be called upon to rule, and therefore the Senator from Missouri will resume his remarks.

### LEASES UPON NAVAL OIL RESERVES

The Senate resumed the consideration of the motion of Mr. WALSH of Montana to adopt the report of the Committee on Public Lands and Surveys submitted pursuant to Senate Resolution 147.

Mr. SPENCER. Mr. President, the first statement in this report to which I have called attention—namely, that "it was not intended at any time that the store of oil thus assured should be drawn upon for current use"—is demonstrated to be a mistaken statement. I think it is fair to say that under the administration of Secretary Daniels he wanted to preserve as much oil as possible in the ground and only yielded to the taking of any oil out of the ground when he felt that it was necessary to protect the oil against loss by drainage; but the oil which he did take out of the ground, if Commander Stuart was right in his quotation from the letter of Secretary Daniels, was to be for current use.

It ought to be stated here, because it is in connection with the first point to which I have called the Senate's attention, that the policy of the present administration has been not to use any oil for present needs but to store it at strategic points, to be kept for future use when an emergency requires its use.

I may refer to this matter a little later on, but I pause here to emphasize again the fact that oil in the ground has no emergency utility; that it is impossible to get oil out of the ground in time to meet any emergency need for oil. If the battleships of the United States—most of which are now oil burning; and all, under the policy of this Government, are to be made oil burning—if those warships, either upon the Atlantic or upon the Pacific, find themselves at any moment in need of an immediate quantity of oil, the fact that we may have millions of barrels of oil stored in the ground would not be of the least avail; and therefore the present administration, in the leases to which I shall of necessity refer in a little while, provided that the oil should be taken out of the ground. It was necessary to do this, for drainage otherwise would have taken the oil away from the naval reserves and put it into the hands of the adjoining property owners.

Mr. President, it is interesting to note that recently the President has appointed an oil commission, composed of a naval officer, the Director of the United States Geological Survey, and a petroleum engineer, to report among other things on a program and policy for oil for the Navy. I do not more fully comment upon that, for, as my recollection goes, that was not referred to in our testimony; but it is a significant fact in connection with the quotation which I have just made.

Why did the Navy lease the reserves?

At the time that the leases on the naval reserves were granted, the Government of the United States and the Navy in particular had already suffered many million dollars loss, due to the drainage of oil from naval lands by neighboring wells. It was abundantly established in the testimony that where, for example, a certain territory owned by the Government and set aside for naval purposes was highly productive of oil, if those who had the right to drill wells around the edge or near to the edge of that naval reserve did so, the result was that the oil in the naval reserve was drained out, and flowed into the adjoining, the neighboring, the adjacent wells, and was lost to the Navy, and the value of that oil enriched those who operated the adjoining property and neither the Navy nor the United States profited as they should; and the Government has lost millions of dollars due to the drainage of oil from the naval lands by neighboring wells.

Up to the passage of what I speak of as the Daniels Act of June 4, 1920—I call it that because it came to the Congress with his approval, and, I think, was formulated by him—which directed the Secretary of the Navy to take possession of the lands subject to the Navy's authority, and granted him authority to lease them in any way he thought best, and to conserve and store and exchange the oil. Congress had provided no means whatever of protecting those properties from such drainage. The first attempt to use this power was the natural one of giving small leases to particular tracts immediately subject to drainage. While wide discretion was given the Secretary, and there is nothing in the act which requires advertising—a point that may come up for consideration later—or granting of leases on competitive bids; while there was nothing in the act that had to do with the leasing of these lands that require either of these things to be done—in fact, certain clauses of the general leasing act of February 25, 1920, passed by the same Congress that passed the Daniels Act on June 4, 1920, seemed to indicate that Congress deliberately removed such requirements when the oil was to be taken for Government use—still, probably from habit rather than from much thought, formal proposals were drawn up early in 1921, advertised in April, and a lease was granted in June.

The long delay in permitting unrestrained drainage by the Standard Oil Co. so cut down the value of the ground—and I call the attention of the Senate to this in passing—that companies which in April offered royalties of 46 and 48 per cent, in June withdrew their bids.

The successful bidder in June lost heavily on the lease, and therefore the Government was never able to get bids nearly so high for any land offered in that vicinity.

Promptness in action is of the first importance in getting down offset wells, and experience shows that if the Government was never to drill any but offset wells and then only after advertising for competitive bidding, in connection therewith it would never receive its due share of what is called the "flush," or the first production, which is the largest and the cheapest part of the oil which a well yields.

"Thrice armed is he whose cause is just," but four times he who gets his well down "fust."

Accordingly, one of the things designed to be accomplished, and which in fact has been accomplished by leasing reserves Nos. 1 and 3 as units, No. 1 in California, and No. 3 in Wyoming, is that the Navy is in a position to put drills into the field overnight if need be at any point where danger is threatened, and with lessees who have established reputa-

tions for unusual skill and promptness. The Navy can then be assured of getting oil from any part of its reserves as quickly as its neighbors can, if not more quickly.

The heavy handicap of Government red tape is effectually overcome in this particular, and that means in the long run many more barrels of oil than could result from any policy of delayed leasing strip by strip.

I venture those observations, Mr. President, at this time, in order to show that there are two sides upon the question of competitive bidding. My own judgment, as I am now advised, is that competitive bidding is as a general policy a desirable, if not an essential, requisite in the leasing of oil land, but there are two sides to the question.

Furthermore, the leasing in large units presents the most economical layout and most economical methods of development, which in turn makes for good conservation, decreases waste, and in other ways insures larger net yield.

The operation of the leases is under a very real control through the Bureau of Mines, and over the larger part of the western half of reserve No. 1 in California the Navy reserves the right to hold back drilling as long as it cares to do so. In other words, the drilling on the naval oil reserves is, generally speaking, confined to such drilling as in a liberal judgment is necessary to protect the oil in those naval reserves from drainage, whether from direct drainage or from the loss of gas pressure, which results in the same loss of oil.

If it is wise to hold oil in the ground anywhere, that is where it can be done, namely, in the western half of reserve No. 1 in California. In the lease presented to the Pan American Petroleum Co. there is no limit or restriction on the Navy's right to keep this area intact, but the lessee, on the other hand, must drill there when he is ordered so to do.

It is also true that in this lease the lessee has the priority preference right of drilling when the time comes, if it ever does come, that the Navy wants to drill that land.

With regard to the royalties in the leases, there has been no criticism of the royalties paid for the California lands. They are admittedly higher than the regular Government royalties for public land and higher than those paid for similar undeveloped land leased from private owners. In the case of the Wyoming reserve—reserve No. 3—it has been pointed out that the actual royalty now accruing from the Navy lands—about 17 per cent—is less than that from the public lands adjacent.

That is true; but it is not the whole story. The lands immediately adjacent to the naval reserve No. 3 pay a royalty of 25 per cent and other blocks farther away pay 33⅓ per cent; but the great bulk of the oil taken from Government lands in the Salt Creek field is under lease at lower rates, so that the actual average for the field as a whole, comparable to the reserve as a whole, is 22 per cent.

The leases outside the reserve are flat royalty—that is, the amount does not increase, no matter how big the wells may be. Within the reserve the royalties vary from month to month, depending upon the average yield per well.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House insisted upon its amendments to the joint resolution (S. J. Res. 107) declaring agriculture to be the basic industry of the country, and for other purposes, disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WINSLOW, Mr. HOCH, and Mr. RAYBURN were appointed managers on the part of the House at the conference.

The message also announced that the Speaker of the House had signed enrolled bills of the following titles, and they were thereupon signed by the President pro tempore:

H. R. 1306. An act for the relief of Henry McGuire;

H. R. 1830. An act for the relief of Charles T. Norman;

H. R. 4830. An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor;

H. R. 6255. An act to amend an act entitled "An act to authorize the incorporated town of Ketchikan, Alaska, to issue its bonds in any sum not to exceed $100,000 for the purpose of constructing a schoolhouse in said town and equipping the same," approved February 7, 1920;

H. R. 6652. An act to authorize the city of Los Angeles, in the State of California, to construct and operate a line of railroad across the Fort MacArthur Military Reservation, in the State of California;

H. R. 6950. An act to authorize the incorporated town of Cordova, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of constructing and equipping a public-school building in said town of Cordova, Alaska;

H. R. 6972. An act for the relief of William H. Nelson;

H. R. 9111. An act directing the remission of customs duties on certain property of the United States imported by the War Department;

H. R. 9314. An act to amend section 98 of the Judicial Code;

H. R. 9361. An act granting the consent of Congress to the construction of a bridge across the Rio Grande;

H. R. 9402. An act granting the consent of Congress to the Fullerton & Portsmouth Bridge Co. to construct a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky.;

H. R. 9457. An act granting the consent of Congress to the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River, at or near Alaga, Ala., connecting Houston County, Ala., and Early County, Ga.;

H. R. 9515. An act granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the canal near Rehoboth, Del.;

H. R. 9517. An act granting the consent of Congress to the North Texas Co., of St. Jo, Tex., a corporation organized under the laws of the State of Texas, to construct a toll bridge across the Red River in the vicinity of Illinois Bend, Tex.;

H. R. 9610. An act granting the consent of Congress to the Board of Supervisors of Lowndes County, Miss., to construct a bridge across Tombigbee River; and

H. R. 9612. An act granting the consent of Congress to the State of Georgia, through its highway department, to construct a bridge across the Oconee River.

### NOTIFICATION TO THE PRESIDENT

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Massachusetts?

Mr. SPENCER. I ask unanimous consent that after I shall have yielded to the Senator from Massachusetts I may be allowed to resume the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. SPENCER. I yield.

Mr. LODGE. I thank the Senator.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. LODGE. I offer the resolution which I send to the desk. It is a routine resolution.

The PRESIDING OFFICER. The Senator from Massachusetts asks unanimous consent to introduce a resolution, which, without objection, will be received and read.

The principal clerk read the resolution (S. Res. 258), as follows:

*Resolved*, That a committee of two Senators be appointed by the Presiding Officer of the Senate to join a similar committee appointed by the House of Representatives to wait upon the President of the United States and inform him that the two Houses, having completed the business of the present session, are ready to adjourn, unless the President has some other communication to make to them.

The PRESIDING OFFICER. The Senator from Massachusetts asks unanimous consent for the present consideration of the resolution. Is there objection?

Mr. McKELLAR. Mr. President, I have no objection to this resolution, and of course it is perfectly proper that it should be agreed to; but I want to serve notice right now that if the Senator from Missouri yields any more, I am going to make a point of order about it.

Mr. SPENCER. The Senator from Missouri will not yield unless he has unanimous consent to resume.

Mr. McKELLAR. I will arrange it so that the Senator will not get consent.

The PRESIDING OFFICER. The question is on agreeing to the resolution offered by the Senator from Massachusetts.

The resolution was agreed to.

The PRESIDING OFFICER. The Chair names as the committee under the resolution presented by the Senator from Massachusetts the senior Senator from Massachusetts [Mr. LODGE] and the senior Senator from Arkansas [Mr. ROBINSON].

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. SPENCER. I yield for a question.

Mr. WALSH of Montana. I inquire when this notification to the President is to be made.

Mr. LODGE. I suppose in time to reach him before 7 o'clock.

Mr. WALSH of Montana. Whenever to-day the Senate shall conclude to adjourn?

Mr. LODGE. I do not know what the arrangement will be.

Mr. ROBINSON. The Senate has agreed to adjourn not later than 7 o'clock.

Mr. LODGE. Not later than 7. We should have to go before that, because under the concurrent resolution Congress will adjourn at 7 o'clock.

Mr. WALSH of Montana. This resolution does not arrange for the adjournment of the Senate instanter?

Mr. ROBINSON. Oh, no.

Mr. LODGE. The President will simply be notified at the proper time that the Senate is ready to adjourn.

Mr. ROBINSON. It is a formality that is universally observed.

Mr. REED of Missouri. Mr. President, I trust it will be so employed as not to interrupt the speech of the Senator from Missouri.

WAR FINANCE CORPORATION LOANS

The PRESIDING OFFICER (Mr. MOSES in the chair). Will the Senator from Missouri permit the Chair to interrupt him long enough to name the committee provided for under Senate Resolution 208? The committee will be composed of the junior Senator from Nebraska [Mr. HOWELL], the junior Senator from Connecticut [Mr. MCLEAN], and the junior Senator from North Carolina [Mr. OVERMAN].

LEASES UPON NAVAL OIL RESERVES

The Senate resumed the consideration of the motion of Mr. WALSH of Montana to adopt the report of the Committee on Public Lands and Surveys submitted pursuant to Senate Resolution 147.

Mr. SPENCER. The first point that I discussed and had nearly completed—I wish it were the last instead of the first—was the statement that was made in the report which the Senator from Montana insists that the Senate shall adopt without having any opportunity to read or consider it, and was that it was not intended at any time that the store of oil thus assured should be drawn upon for current use. I have shown that the policy of Secretary of the Navy Daniels, in his keen desire to protect the Navy, was to refuse to take steps to conserve the Government oil, which for the sake of the Government were essential, and which he did not take, doubtless with the best of intention. He intended to use the oil he did obtain for current purposes, and therefore the statement of the report is inaccurate, if it is not a misstatement.

I referred to the reasons why the Navy leases were made, and I said that within the naval reserves the royalties vary from month to month, dependent on the average yield per well. It may go as high as 50 per cent of the product of oil; and if the wells in Teapot had turned out as big as they were in the neighboring part of Salt Creek at the time the Teapot lease was negotiated, the royalty would have been 50 per cent instead of 17 per cent. The low royalty is due to the wells being small. There is much less oil in the ground covered by the Teapot Dome lease than either the Government or the lessee anticipated when the bargain was made. It may be said here as a statement that is worthy of consideration that when Senators have time to examine the report which the Senator from Montana now insists we shall adopt without opportunity to examine it it may result in the conclusion that so far as the two great naval oil leases—the one to Sinclair in Wyoming and the other to Doheny's company in California—are concerned, whatever may be said about the technicalities of their grant now before the court for decision and not before the Senate, the leases themselves have been of great benefit to the United States, and that either one of the lessees would be glad to cancel the leases and get back the money which has been spent in pursuance of their contract with the Government.

The hearings will never sustain the finding that the Government has been cheated in those leases, though there is a real difference of opinion as to whether the legality of the granting of the leases is assured. Those questions, as I have said, are now before the court. Probably that is one reason why there is no recommendation in the report in connection with those matters.

The mere fact that there was much less oil in the naval reserve than either the Government or the lessees anticipated is not the whole story. One of the features of the Mammoth Oil contract—and the Mammoth Oil Co. is the Sinclair Co., and the Mammoth Oil contract is the contract incident to the lease with the Sinclair Oil Co.—was that the company agreed to pay and paid the Navy full Mid-Continent prices for the oil as against the ordinary Salt Creek price. That may seem like a technical statement. As a matter of fact, it means that the price for oil in the Salt Creek district in Wyoming where the oil was located is one thing, and the price of oil in the middle of the continent where it may have been taken by a pipe line, where refineries are near and markets are available, is another thing. The price of oil in the Mid-Continent territory is much higher than the price of oil in the Salt Creek district. Therefore the provision in the contract that Salt Creek prices should not control, but that the Government for its oil produced from the Salt Creek district should receive, not the Salt Creek price, but the price that was paid in Mid-Continent, was one of great value to the Government. At the time it amounted to a premium of 65 cents a barrel, and for the first year the average premium which the Government secured by virtue of that contract was 41 cents a barrel, realizing to the Government millions of dollars of profit. At present prices even the 17 per cent royalty at the naval price brings in more than 22 per cent would have brought in at the Salt Creek price. The Navy had a further advantage of 10 cents per barrel based on a year's average in the price at which it draws or may draw fuel oil under the exchange provisions of the contract.

It will also be remembered—and I call attention to this in passing—that for each barrel of royalty crude oil turned over to the Mammoth Co. in Wyoming the Navy is entitled to a full barrel of bunker A fuel oil delivered free at a specified Atlantic or Gulf coast terminal. The fuel oil in the first year of operation under the contract varied in price from 1.5 cents to 1.23 cents per gallon more than the simultaneous prices of crude oil in Wyoming. The average received by the Navy for Teapot royalty for the year was $1.65 per barrel, and bunker A fuel oil was selling at approximately $2.20 a barrel, so even at the lower royalty resulting from the smaller wells the Navy, under the contract, comes out far ahead.

Incidentally, the possession of this contract by the Navy raised prices in the entire Salt Creek district and permitted the Government in terms to contract royalty oil at Mid-Continent prices. This in the year 1923 resulted in a clear gain in one year of $3,003,709, which did not come to the Navy because it was outside of the naval reserves; but it was money that came to the Government and was distributed between the State of Wyoming and the reclamation fund and the 10 per cent that went into miscellaneous receipts of the Government.

Mr. President, so much for the first point of the report to which I have called attention. On page 5, line 2, of paragraph 2, the report provides that the act which was then being discussed in the report—

> authorized the Secretary of the Interior to lease any producing wells within the reserve, and further—

I call attention to this—

> authorized the President to lease all or any part of any claim—

That is, placer-mining claim—

> within which there should be any such producing wells.

It is not a full or accurate statement. It refers to section 18A of the act of February 25, 1920, which has also been construed to authorize not only what the report said but also to authorize the President to lease claims in naval reserves included in the withdrawal of September 17, 1909, which—

> have been or may hereafter be drawn in question on behalf of the United States in any department or judicial proceeding.

I call the attention of the Senate, on page 10 of the report, to what undoubtedly is a mere mistake and does not affect any great issue. The report reads that three of these claims that have been drilled to the shallow Shannon sands yielded, it was claimed at the time they were first brought in, from three to eight barrels of oil per day.

The Senator is mistaken in regard to the number of wells. The record shows that there were four wells instead of three and that the cost of the fourth well, as he will find on pages 428 and 1197 of the record, was $1,252.45.

On page 10 of the report, in making its argument as to why lessees who had claims were content to surrender their rights if they could get a lease from the Government, the statement is made:

> Their application for a lease was undeniably an admission that they were not entitled to patent for the land, for obviously they would not have contented themselves with a lease of one well if under the facts of the case they were entitled to a patent for the entire 160 acres embraced in the claim.

The argument would be unanswerable if the premises were conceded, but the difficulty is that the facts are not correctly stated, for what the applicant or claimants contended for and what they got were not leases for one well, but leases for the

whole 160 acres upon which they may have had many wells. The fact was brought out in the record on pages 445 and 447. It was better to take a lease undisputed for 160 acres with the right to drill as many wells as they desired on that 160 acres than it was to fight about the title to land when the main value of the title was to give them the very oil privilege which they secured in the lease.

On page 10 of the report it is stated that "the only basis upon which a right to any of the land could be founded is a discovery; that is, a discovery of oil antedating the withdrawal order of 1909." This presumably refers to the order of September 27, 1909.

The Senator is mistaken in that; it is not a full statement; it is not a correct statement. This report has to do with fundamental rights in connection with the oil leases, and it ought to be accurate. I do not for one moment claim either here or elsewhere that there is any intentional misstatement, but the misstatements are there nevertheless. The fact is that a right to land can be founded not only upon—

a discovery of oil antedating the withdrawal order of September 27, 1909, but as well upon the order of July 2, 1910, and also upon diligence in seeking such discovery from the date of withdrawal until discovery was actually made.

On the same page, page 10 of the report, a statement is made which, I am sure, must have been inadvertently made, because it is a misstatement, a misquotation of what the Assistant Secretary of the Interior said. No one, judging from what the senior Senator from Montana has often said upon the floor of the Senate and in the committee, holds a higher opinion of the Assistant Secretary of the Interior than does the senior Senator from Montana. The statement, however, that he makes at the bottom of page 10 and in the first line of page 11 is this:

Secretary Fall, in his letter to the President, treats this action seriously, but Assistant Secretary Finney, intimately familiar with the practice of the department and with all of the laws in relation to the disposition of the public domain from an experience of over 20 years in the department, asserts that no such proceeding is recognized by the rules of practice of the department.

In other words, that under the rules of practice and under the rules of procedure there was no authority for the Secretary of the Interior to review a case, as he did do in the case to which the Senator from Montana is referring. What Mr. Finney said, as found on page 2332 of the record, was:

There is—

Not that there is not—

There is a sort of supervisory power recognized in the Secretary, and claimants do sometimes file a request or petition—I think petition is really a better name than anything else—for the exercise of some supervisory power by the Secretary to give the matter another review. Quite a number of those have been filed at various times. Now it is not a right. I should say it is a mere privilege. * * * It does not act as a supersedeas.

But the fact that it always had been done; that it did have recognition in the practice of the department is undoubted; and the statement to the contrary in the report is a mistake. The subject of the supervisory power was also covered even more carefully on page 1600 of the record, as follows:

It is specifically provided for in the circular entitled "Rules of practice in cases before the United States district land offices, the General Land Office, and the Department of the Interior," approved December 9, 1910, reprinted July 13, 1921, with amendments. The circular provides:

SUPERVISORY POWER OF SECRETARY—RULE 85

Motion for the exercise of supervisory power will be considered only when accompanied by positive showing of extraordinary emergency or exigency demanding the exercise of such authority.

I submit to the Senate how unwise to go before the country with a report which states that upon the testimony of the Assistant Secretary of the Interior no such supervisory power of the Secretary is recognized by the rules of practice of the department, when the exact opposite is the fact, as the Assistant Secretary himself explained. The fact is that in the Department of the Interior there is that supervisory power of the Secretary of the Interior to pass upon questions on petition for review, not as of right on the part of the petitioner but as a matter of privilege, and it is recognized in the department. In leaving this subject, I want to quote from the syllabus of a decision on June 19, 1895, in Volume III, Land Decisions, 595, as follows:

The privilege of discussing a case orally before the Secretary is accorded within the discretion of the department, but not as a matter of right.

The syllabus of the decision of July 19, 1900, in Volume XXX, Land Decisions, 161, reads:

The Secretary of the Interior, in the exercise of his supervisory power as head of the Land Department, may, even in the absence of an appeal, transfer the consideration of any matter pending before the General Land Office to the department, and, after due opportunity to the parties in interest to be heard, may render decision therein correcting and obviating errors or irregularities in the proceedings or decisions of that office.

The next point in the report to which I desire to call attention is found on page 11. Undoubtedly the time which elapsed between May 14, when we closed the hearings, and June 4, when this report was presented to the committee, was not sufficient to enable even one so diligent and so familiar with this matter as the senior Senator from Montana thoroughly to review and study the testimony. There were thousands of pages of testimony that, in a sense, ought at least to have been reviewed. In view of the circumstances the mistakes that occurred were to be expected, and undoubtedly there will be many more that will be manifest upon a careful examination, for no Senator has as yet had adequate time afforded him to go through the testimony or even to examine the report.

The argument the Senator makes on page 11—and it is interesting to note how he is hoisted by his own petard in that instance—is this:

The facts are that all of the claims were held or controlled by the Pioneer Oil Co., a subsidiary of the Midwest Co., which in turn is a subsidiary of the Standard Oil.

Mark the intimate relation between the Pioneer Oil Co. and the Midwest Co. and the Standard Oil Co:

One or more of these companies had, at least since 1919, been endeavoring to secure a lease of naval reserve No. 3, or some portion of it. They were all amply able to undertake the development of the territory and were potential competitors for the lease. Sinclair paid, or agreed to pay, to the Pioneer Oil Co. some short time before the execution of the lease a million dollars nominally for the claims so reported, as above stated, to be worthless.

I will resume that quotation in a moment.

All those claims in the Salt Creek district—and there were many of them—had more or less foundation. No one knows how much. I doubt if they had much foundation. I think that many of them were equitable claims, which upon legal proceedings would have been disallowed. I agree with the Senator from Montana in that general observation; but when the Secretary of the Interior came to execute leases of this property to Sinclair's company, the Mammoth Oil Co., he said, in effect, we are not going to have all those outstanding claims unsettled; we are going to have them settled so that there shall not be constant litigation between those claimants, with or without good ground for their claims, and the Government of the United States. Therefore he made with Sinclair's company as one of the conditions of this lease that they acquire all those outstanding claims and quitclaim them to the Government of the United States so that the title of the Government of the United States to this land should be unquestioned. Then your lease to this ground, the title of which is thus unquestioned in the United States, will be granted. Sinclair, in pursuance of that condition in his contract, paid a million dollars to secure the control of those claims. The senior Senator from Montana does not think that that million dollars was paid for those claims; the senior Senator from Montana thinks that those claims were absolutely worthless; but doubtless the senior Senator from Montana, like any other lawyer in this body, has often found that claims that were deemed by himself or by his client to be worthless when it came to litigation were found, as the result of the judgment or decree in the case, not to be so worthless as had been imagined, but, on the contrary, to have substantial merit. That was precisely what was in the mind of the Secretary of the Interior when he said:

All these claims must be wiped out and the title to the Government must be assured before the Government will grant you this lease.

In any event a million dollars was paid for those claims, and the report goes on to say:

Though that construction of the transaction is denied by Sinclair—

That is, that he paid the million dollars not for the claims but for other purposes, perhaps bribery, and to discourage competitors—

Though that construction of the transaction is denied by Sinclair, your committee is of the opinion that the payment was not made in fact for the transfer of the title of these claims but to remove from the field a formidable competitor for the lease and that the true nature of the transaction was thoroughly understood by Secretary Fall.

What does the senior Senator from Montana want the Senate of the United States to do? He wants the Senate of the United States to adopt this report without opportunity of examination and by its adoption to say, in effect, "We, the Senate, never having read the report or knowing anything about the facts, declare that the $1,000,000 which Sinclair said he paid and which, as a matter of fact, he did pay to the holders of those claims against the Government in the Salt Creek district was paid not to cancel those supposed claims, which were worthless, but it was a corrupt bargain to discourage competition, to bribe competitors, and the Secretary of the Interior was a party to it, and between the two that corrupt, illegal act was consummated."

I undertake to say for myself that without far stronger evidence than we have yet secured I should not attempt to pass judgment on the matter. There was no need in this report of attempting to take such snap judgment, and it is not fair to ask the Senate of the United States to pass their judgment without sufficient evidence to warrant the unfair inference and without any opportunity to examine into the facts.

But look at it further. The weakness, the ridiculousness, of the conclusion arrived at by the senior Senator from Montana is apparent from the very face of the statement. His conclusion is absurdly erroneous.

If the Pioneer Oil Co. is controlled by the Standard Oil Co. of Indiana, as the senior Senator from Montana declares in this paragraph, and if the Standard Oil Co. of Indiana owns one-half of the Sinclair Crude Oil Purchasing Co., as is stated on page 13 of this report—that company which purchases and conveys the Teapot Dome oil eastward—it follows, if the senior Senator from Montana is correct, that there was an attempt on the part of one subsidiary of the Standard Oil Co. to bribe another subsidiary of the Standard Oil Co., or, in other words, that the right hand was at war with the left hand, a ridiculous conclusion, Q. E. D., and emphasizes, if I may say so, what I want to make clear, that there has been no adequate opportunity either to prepare a correct or fair report or to examine the report even as made.

On page 16 the Senator makes the following statement:

Though the production from the reserve—

That is, the naval oil reserve No. 3—

has never exceeded seven or eight thousand barrels daily, the construction of the pipe line by the Sinclair Crude Oil Purchasing Co. is in progress, that company having assumed whatever obligation in that regard was due from the Mammoth Oil Co. under the lease.

Unquestionably this pipe line would not have been built when it was built if the pipe line company had not secured the Salt Creek royalty oil. The fact of the matter is that a pipe line—I think 700 miles long—has been built from the Teapot Dome and the Salt Creek district that carries the oil from that field to where it can be refined and used, and the Sinclair Co. were required by their contract to build that pipe line; and, more than that, the Government were given the prior right to transport every barrel of their oil through that pipe line before any other customer could be served—a right in itself that was and is of exceeding value.

On the same page—page 16—the report reads:

The daily production of the Salt Creek field may reach 175,000 barrels, but by agreement between the operators the output was limited—

The original report said "is limited"—

To 40,000 barrels, that amount being all that can be handled by the local refineries.

The inference is clear that a limitation of 40,000 barrels per day is in force. There was an original limitation. There is to-day no such limitation, and as a matter of fact the Salt Creek field, excluding Teapot Dome, is now producing daily between 90,000 and 100,000 barrels of oil.

Mr. WALSH of Montana. Mr. President——

Mr. SPENCER. Mr. President, I regret that I can not yield, unless with unanimous consent to resume. I am sure the Senator from Montana does not desire to take me off my feet, or plan so to do, and yet he was the one who gave notice that if I yielded again he would raise the point of order that I had yielded the floor.

Mr. WALSH of Montana. I merely desire to remark that the Senator is not discussing the committee's report at all. He is discussing my original draft.

Mr. SPENCER. As I said at the outset, there was submitted on June 4 a report, and the next day, or the next day after, an amended report was produced, with which was made the statement, I think upon the floor of the Senate, certainly in the committee, that there were no substantial changes between that and the original report, except that certain concluding paragraphs were left out.

Mr. WALSH of Montana. It was changed in the particular the Senator is now talking about.

Mr. SPENCER. And it may be that here and there there will be an item to which I refer that is corrected in the final majority report. I hope that is true. I wish every one of the errors and misstatements were corrected. If they had all been corrected there would have been no necessity of the duty that is now imposed upon me.

Mr. WALSH of Montana. All were corrected that seemed to need correction.

Mr. SPENCER. I know that the next misstatement which I had marked has been corrected in the majority report, for on page 17 the report inadvertently referred to oil which was delivered to the Navy when it never meant the Navy; it meant the Shipping Board. That happened to strike my eye quickly, and I called the attention of the senior Senator from Montana to it, and that correction has been made. There is no need of comment upon it.

On page 17, at the bottom of the page, there occurs this statement:

When on the stand Admiral Robison, who succeeded Admiral Griffin and represented the Navy Department in connection with the contracts, insisted that considerations connected with the national defense were influential in the course pursued with relation to them, which he asked an opportunity to present at an executive session.

In other words, the Navy Department said, in effect, "We took certain action with regard to that oil in the naval reserves which we would like to discuss in executive session. Questions of national defense were involved."

Now, the concluding paragraph on that page reads as follows:

No information was conveyed to the committee which, in its opinion, had not in substance been made public, nor has the committee been able to appreciate how the public interest would be subserved or the common defense promoted by secrecy with reference to any feature of the contracts.

I do not care particularly about the slur on Admiral Robison. I do not care about the Senate's committee saying that the Navy did not know what they were talking about when they said that national defense suggested that this matter be brought up in executive session; but the statement is made that no information was conveyed, when the record will show that when that matter was discussed by the committee, five of them being present, three members agreed to the statement as it is made in this report and two members—the Senator from Utah [Mr. SMOOT] and the Senator from Wisconsin [Mr. LENROOT]—dissented, as will be found on page 963 of the record. It is not a fair statement, and it ought not to go out with the sanction of the Senate.

On page 18—and I call the attention of the Senate again, as I hurriedly proceed, to the fact that I do not pretend that this is any exhaustive examination of this report. It is the mere picking up here and there, from casual examination, of the mistakes that are apparent to those who have examined it. I want the opportunity to examine it carefully and to have it examined carefully; but the mere physical matter of time has absolutely prevented since June 4, and every Senator in this Chamber will recognize how impossible it has been to give any adequate consideration to such matters in the last few days of this session.

On page 18 the statement is made—and this has to do with a fundamental policy—on the point of drainage and its effect:

On this point there is no difference of opinion among the geological experts.

We have a very interesting difference of opinion, as I shall hope to show a little later.

They differ only as to the extent and seriousness of the drainage and the appropriate means of meeting the situation.

If the Government oil reserve were to be indicated by a Senate desk, before which I stand, on which at any point oil wells could be drilled, and the private land of others that was not Government land and to which the Government did not have

title were represented by the adjoining desk, all experts agree that if the adjoining holders were to sink producing wells along on the line of their land the result would be that those wells would drain the oil from the adjacent Government lands, and that the loss of oil to the Government in the ground would be great, and the gas pressure which is responsible for bringing the oil to the surface would be lessened by these adjoining wells, so that it would not be available to drive oil to the surface in the Government wells when they saw fit to drill them.

All experts agreed upon this. Some experts are of the opinion that that drainage, that loss of pressure, was so limited that what is called a line well—that is, a well sunk close to the line, within a comparatively few feet or a hundred feet of the adjoining land—would protect all the oil land back of that line well from any drainage or from any loss of gas pressure. Other experts believe that the drainage was so imminent, was so great, and the loss of gas pressure was so severe, that it required the substantial drilling of the Government land if the Government wanted to get out the oil that was under it. Otherwise it would be wasted; it would be drawn away; it would be drained by wells that were perhaps as far as 2 miles distant; and if the Government left their oil fields alone, and never sunk oil wells or produced any oil, but relied upon the hope that the oil would remain in the ground, it would happen that when, in the course of 5, 10, 15, or 20 years the Government, in expectancy of great results, should come to its oil reserves and say, "Now we will drill our wells and get out our oil," it would be found that the wells were barren wells, and that the oil that was once there in the ground had been drained away by the adjacent wells; and therefore there was and is a real difference of opinion as to how far drainage imperiled adjoining land, and as to how extensively it was necessary to sink protecting wells.

The report says:

As to this it is easily discernible—

Notice what seems to be an exceedingly unfair inference—

that those wedded to the policy of keeping the oil in the ground minimize the importance and the effect of the drainage that may take place, while those who advocate or are tolerant of the policy of extracting the oil and storing it magnify the loss that has ensued or that may ensue. Generally speaking, the experts of the Geological Survey belong to the former class—

Those who believe in keeping the oil in the ground—

and those of the Bureau of Mines to the latter.

The latter class being those who believe in taking it out of the ground and storing it.

I undertake to say, in passing, that it can be demonstrated beyond peradventure, and that every argument of economy and of efficiency requires that that oil in the naval oil reserves should be taken out of the ground and should be stored—not used but stored—ready for any emergency that may result, for, as I said a little while ago, an emergency for oil is an emergency, and can not be met by oil in the ground that may take months or a year or two to get it out of the ground.

The efficiency of the Navy of the United States, in the opinion of every navy in the world, has been doubled by reason of the fact that there are a million and a half barrels of oil stored at Pearl Harbor in the Hawaiian Islands, which they know is ready for instant use; and 2,400,000 more barrels of oil will be stored in the tanks that are about nearing completion. Not one barrel of all that oil so long as it remained in the ground was of the slightest help to the Navy in meeting any emergency need for oil.

More than that, it is fair to state that those who believe that the drainage is slight and that a mere lineal well, a well along the line, will protect the whole area back of it are mainly those who are what I might call areal or surface geologists, men of culture and of standing in their profession but having to do with the geological manifestations upon the surface. Those who have had to do with the geology underground, with the drilling of wells, with the production of oil, who know about the administration of oil wells and their products, are all agreed that the drainage is severe and it should be guarded against, not by mere lineal wells, but by wells back in the interior if the Government desires to preserve its oil.

On page 18, about a third way through the second paragraph, it is stated that—

On the escape of the gas through a well, paraffin or asphalt carried as a base is precipitated and gums up the passage leading to the orifice, effectively shutting off eventually the exit of oil through it or the escape of gas.

Many people think that a pool of oil is a pool of liquid; that if you had a dipper and could get down to the pool of oil you could dip it up; that it is a liquid mass of black, crude oil, either with an asphalt or paraffin base. That is not an oil pool, Mr. President. An oil pool is merely a great body of sand in the interstices of which there is oil, and the amount of oil is dependent upon the porous character of the sand, and when we get oil from an oil well we draw out of the sand the oil that is there, and it is true that as that oil is drawn out the paraffin that is in the oil has a tendency to clog up the little spaces between the grains of sand and therefore to prevent drainage from wells adjacent. But the report gives an entirely unfair impression, because the removal of that paraffin, that gumming-up process, that interference with the drainage is easily accomplished and is accomplished by every practical well driller, who cleans out his well as often as necessary.

As soon as a well ceases to produce because of being paraffined up it is cleaned out so that it may produce freely.

On page 19 we have an unqualified statement which is eminently unfair. The impression it creates I am sure could not be intended by any fair man who wrote it. It states, in regard to these leases, that "the Government actually realizes for use as fuel but 6 per cent of the total content of the reserves under the plan being followed."

Any man who reads it would come to the conclusion at once that 6 per cent of the oil came to the Government and the rest went to other people. As a matter of fact, in another part of the report it does speak of the Government receiving 6 per cent and the lessees receiving 94 per cent when that is not the fact at all.

Mr. NORBECK. Mr. President——

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator yield?

Mr. SPENCER. Mr. President, I can not yield unless I have unanimous consent to be allowed to proceed, for I have been warned upon the other side that if I yield again I will be taken from the floor.

Mr. NORBECK. The Senator can get the floor again.

Mr. SPENCER. I regret that I can not yield.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. NORBECK. I do not think the Senator understands what I am after.

Mr. SPENCER. It is not up to the Senator from Missouri; it is up to the Chair. If the Senator has any point of order that entitles him to be heard, I shall, of course, wait for him to state it, but I can not yield.

Mr. NORBECK. If I understand correctly——

The PRESIDING OFFICER. Does the Senator make a point of order?

Mr. NORBECK. If I understand it aright, the protest is against taking a vote. I just want to submit that yielding does not bring the matter to a vote. The debate will go on just the same afterwards.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. SPENCER. On page 19, at the end of the first paragraph, I quoted from the report as follows:

The Government actually realizes for use as fuel but 6 per cent of the total content of the reserves under the plan being followed.

As a matter of fact, what actually happens, and about which there can be no dispute, is that that is only one-third of what the Government gets. The Government gets 6 per cent of its royalty in oil and gets two-thirds of its royalty in permanent storage, in which this 6 per cent is stored. The Government's portion is three times that which this report leads any man who reads it to assume was the total return to the Government. The Government does not get only 6 per cent of the oil. The Government gets three times that in royalty; but by its own contract——

Mr. CARAWAY. Will the Senator yield?

Mr. SPENCER. I wish I could; but under the ruling of the Chair I can not. But under its own contract it takes two-thirds of its royalty, and has that represented by tanks and storage facilities, and keeps the other third in oil itself.

Mr. WALSH of Massachusetts. Mr. President——

Mr. SPENCER. On page 19——

The PRESIDING OFFICER. Does the Senator yield?

Mr. SPENCER. I can not yield.

Mr. WALSH of Massachusetts. A point of order, Mr. President.

The PRESIDING OFFICER. The Senator will state his point of order.

Mr. WALSH of Massachusetts. Will the Senator, now occupying the floor, lose the floor if he yields to another Senator for a question?

The PRESIDING OFFICER. The Chair does not think that if the Senator yields for the purpose of permitting another Senator to ask a question he will lose the floor.

Mr. SPENCER. Mr. President, under that statement, I yield with pleasure for a question. I was informed differently by the Chair.

Mr. WALSH of Massachusetts. I have no question to ask, but the Senator has declined to permit questions to be asked on the theory that he would lose the floor. I do not understand the Senator would lose the floor by permitting a Senator to inquire as to the matter he is discussing.

Mr. SPENCER. Mr. President, such was my understanding.

Mr. ASHURST. A question of order.

The PRESIDING OFFICER. It is a moot question which is presented, and therefore the Chair makes no ruling on it.

Mr. ASHURST. The fiction has grown up in the Senate to the effect that a Senator may hold the floor and also yield it in an hour like this, when every moment is precious. A Senator may not, in the very nature of events, hold the floor and also yield the floor.

Mr. WALSH of Massachusetts. Does the Senator hold that a Senator can not yield the floor to have a question put to him?

Mr. ASHURST. After a Senator has spoken twice on the same day, upon the same question, he may not yield for a question without losing the floor.

Mr. WALSH of Massachusetts. Then the proper practice has never been followed in the Senate, if that is true.

The PRESIDING OFFICER. The Senator from Missouri has the floor.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Massachusetts?

Mr. SPENCER. I can not yield.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. WALSH of Massachusetts. I would like to have a decision on the point of order. I understood the Chair to make a decision and then withdraw it.

The PRESIDING OFFICER. The Chair said it was a moot question, because no question had been asked. Does the Senator desire to ask a question?

Mr. WALSH of Massachusetts. The Senator from Arkansas asked a question, and the Senator declined to yield, because, he said, he would lose the floor.

The PRESIDING OFFICER. The present occupant was not in the chair at the time when the Senator from Arkansas asked the question. The Senator from Missouri is recognized.

Mr. SPENCER. Mr. President, on page 19 of the report—and I am sure the Senate will be quite as glad as I am to know I am more than half through with the report—it is stated:

> In 1920 highly productive wells were brought in in territory immediately outside the southeasternmost extremity of naval reserve No. 1—

That is in California.

> and Secretary Daniels, prior to his retirement on March 4, 1921, had called for bids for the drilling of 22 offset wells within that reserve.

This is not in accordance with the facts as they appear in the hearings. Lieutenant Commander Stuart was asked the following questions and gave the following answers (page 770 of the record):

> Commander STUART. After seeing this, as I recall it, the bids were made on the 15th of April, 1921.
>
> The CHAIRMAN. That is, the proposal for the bids?
>
> Commander STUART. Yes, sir.
>
> Senator WALSH. That is signed by whom?
>
> Commander STUART. Edwin Denby, Secretary of the Navy.
>
> Senator WALSH. You do not recall that prior to that time Secretary Daniels had called for bids for any drilling on any of the reserves?
>
> Commander STUART. No, sir; I do not think he had. It has been talked about, but Secretary Daniels was very loath to start any drilling on the reserves because of the prime purpose of the reserves.

Lieut. Commander Stuart on page 769 corroborated this general statement. It has for the committee some interest, because it was the subject of a good deal of discussion, and the misstatement is unfortunate.

On page 20, about a third through the first paragraph—and I only make a passing observation, because the record does not show what the exact fact is—the following is stated:

> Doheny submitted two bids, one of which was in strict conformity with the proposals and the other offering to do the work at a less cost but securing to him a preference right to a lease of practically the eastern half of the reserve. (Rec., pt. 4, p. 1003.) His alternate proposal was accepted and the contract entered into accordingly under date of April 25, 1922. The negotiations for this contract were carried on simultaneously with those culminating in the lease of naval reserve No. 3.

The inference is that no other bidder had any opportunity to compete under the different provisions called for under the contract provision. As a matter of fact, the Department of the Interior has written a letter, of which I have seen a copy, but which did not come to the committee in time for our hearing, which shows that other bidders had the same opportunity which Mr. Doheny had.

On page 20, at the beginning of the last paragraph, it is stated:

> The conditions giving rise to this lease (in naval reserve No. 1) are of such supreme importance as to require detailed attention.

Then, having said that the matter was of such supreme importance, it starts out with the statement:

> There was here no impending loss from drainage.

Evidently it was entirely overlooked that large actual loss had occurred from many wells drilled in section 36, and that the loss was impending, and was severe. Yet it is, as the Senator states, a question of extreme importance about which this misstatement is made.

On page 24, speaking of the financial relations between Mr. Doheny and Secretary Fall, the committee recites in its report:

> Its sinister import is appreciated when it is borne in mind that without competitive bidding—

As a matter of fact the records will show there was competitive bidding; there were others who had the opportunity to bid—

> as heretofore explained, Doheny got from Fall in the month of April following the contract for the construction of the tanks at Pearl Harbor, and with it a preference right to a lease of a large share of naval reserve No. 1, to be followed, without competitive bidding, by a lease of the entire reserve, comprising over 30,000 acres, estimated to contain 250,000,000 barrels of oil, out of which, Doheny told the committee, he would be in bad luck if he did not make $100,000,000 profit.

The fact of the matter is there were others seeking the lease. There were others who were negotiating for it, and at least one of them was conferring with the Secretary of the Interior in the matter. The statement is not fair as to its absolute lack of any competitive bidding.

On page 25 we have a reference to section 36 in the reserves of California which is entirely inaccurate:

> The State of California, apparently relying upon the return of the surveyor and the mention of the character of the land appearing on the plats prepared by him, alleging that section 36 was mineral in character, filed an application in the Land Office asking to be permitted to select other lands in lieu of said section 36, a right it was entitled to exercise under the granting act, if that section was indeed mineral in character.

Here is where the misstatement begins:

> This application was denied upon the ground that the lands applied for had already been appropriated, and the motion was amended so as to be directed to other tracts, section 36 as a base having been withdrawn by an amended application filed in 1905.

The facts are that on January 4, 1902, the State of California applied this section 36 as a base for new land—pages 1475–1477—that is, when a section of land has been granted to a State by the Government and it is found that the section granted to the State is mineral and, thus classified as mineral land, the State is not permitted to take possession of that section thus designated as mineral but is permitted to use that section as a base for making entry upon other equivalent land. On November 20, 1905, the State withdrew section 36 as the base, as will be shown on page 1481 of the record. Those were the only relations of section 36 to new land selections. The first action was evidently taken because the land surveyor had classified section 36 as mineral land. The second action was eventually taken because the department, on the report of Special Agent Ryan, had classified the land as then being not known mineral land, but the statement of the report in regard to section 36 is quite inaccurate.

Mr. President, on page 27, in referring again to the right of review before the Secretary of the Interior, about which I made

some comments awhile ago and which I shall not now repeat, the report states:

> Such a proceeding as that entertained by the Secretary of the Interior is wholly unknown in the practice of the land department. No precedent for it was known by anyone so far as the committee was able to learn.

This declaration goes out from the committee, and the committee wants the Senate to adopt it, that the action of the Secretary of the Interior in hearing these matters was in violation of all practice, of all procedure, and against the uniform course of action in the department. If the committee had taken pains to look at page 1600 of the hearings, they would have found that statement to be doubtful as to its accuracy; that such practice is quite within the rules of procedure as has been again and again demonstrated and expressly affirmed in opinions.

On page 28——

Mr. BURSUM. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Mexico?

Mr. BURSUM. Would it not be possible for the Senate to agree to take a vote on this proposition without so long a debate?

Mr. SPENCER. I should be very glad to end the necessity of debating this question.

Mr. BURSUM. This is the last day of this session——

Mr. SPENCER. I recognize that fully.

Mr. BURSUM. To my mind the proposition of taking all the time in a debate at this time is simply outrageous and unjust.

Mr. SPENCER. I recognize the force of that. I hope it will not be applied to me. I will stop right now if the Senator from Montana will not ask for the immediate adoption of his report. If that is adopted, that puts the Senate back of his report, and all I want is an opportunity, and a fair opportunity, to examine that report before we vote on it.

Mr. ROBINSON. Mr. President——

Mr. BURSUM. Let us vote on it now. What is the difference?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Arkansas?

Mr. SPENCER. I yield for a question.

Mr. ROBINSON. I inquire of the Senator from Missouri whether he thinks he is justified in preventing the Senate from doing other business in order to escape a vote on the majority report made by the Senator from Montana respecting the oil investigation?

Mr. SPENCER. Mr. President, I will answer the Senator from Arkansas that I have no intention of preventing a vote. I have no desire to indulge in what is commonly called a filibuster.

Mr. ROBINSON. If the Senator will pardon me, that is not the question I asked him. I asked the Senator from Missouri whether he feels that he is justified in preventing the Senate from transacting any other business in order to avoid a vote on the majority report presented by the Senator from Montana; and in that connection, if the Senator will indulge me for a brief statement, I would like to state that apparently the Senator, in order to keep the Senate from registering its will on the subject matter of this report respecting the oil-lease investigation, has taken the floor and proposes to debate the report until the session ends. If he does that, he must take responsibility for the defeat of the deficiency appropriation bill, for a denial of a vote on the veto message of the President respecting the postal employees salary bill, and all other measures that are pending before the Congress. I want the Senator from Missouri to understand that if he filibusters against a vote on the report offered by the Senator from Montana, the majority report of the committee, he will by his doing so defeat all measures that are now pending before the Congress.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Massachusetts?

Mr. ROBINSON. Permit me to finish my statement, with the Senator's indulgence.

The Senator has been occupying the floor and taking unanimous consent to resume the floor so as to prevent the Senate from transacting any business except such business as he desires to be transacted. If he wants to take responsibility for defeating the general deficiency appropriation bill and for preventing any vote on the veto message of the President and for defeating all conference reports that may be outstanding, he can do so by pursuing the course he is now pursuing, but he must take that responsibility.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Massachusetts?

Mr. SPENCER. I yield for a question.

Mr. LODGE. I merely desire to say this, in answer to what the Senator from Arkansas has just said, that the Senator from Missouri is not the only one who is concerned in this report. This is a voluminous report, with more or less testimony. I am one of many who have had no opportunity to read it or examine it.

Mr. ROBINSON. Will the Senator from Massachusetts yield?

The PRESIDING OFFICER. The Senator from Missouri has the floor.

Mr. ROBINSON. Will the Senator from Missouri yield?

Mr. LODGE. I have not finished.

Mr. SPENCER. After the Senator from Massachusetts has finished.

Mr. LODGE. I will be very brief. I do not propose, for one, to have that report choked down my throat this afternoon before I have had an opportunity even to examine it, and I do not think any of us ought to be subjected to that. This is not a report to be adopted by the Senator from Missouri or by the Senator from Montana. It is a report for which the Senate is to be responsible, and we ought to have reasonable opportunity to read it and express our views, if we desire to do so. I did not bring up this report. I do not know who did; but it can not be finished up in two hours this afternoon.

Mr. ROBINSON. Mr. President, will the Senator from Missouri kindly yield to me?

Mr. SPENCER. I yield for a further question.

Mr. ROBINSON. It appears, from the statement of the Senator from Massachusetts, the leader of the majority, that he indorses the filibuster indulged in by the Senator from Missouri to prevent the Senate from voting on the motion for the adoption of this report respecting the oil-lease investigation. The Senator from Massachusetts has said no opportunity has been afforded Senators to consider the report. The report was printed two or three days ago, and ample opportunity has been afforded Senators to read the report and to familiarize themselves with its contents. The country can not be deceived. Neither the Senator from Missouri nor the Senator from Massachusetts can deceive the Senate or the country. This is a deliberate filibuster and an effort to prevent the Senate from passing upon the report made by the Senator from Montana, and in order to do that the leader of the majority and the Senator from Missouri are both willing, according to their statements just made, to defeat the general deficiency appropriation bill, to prevent a vote on the veto message of the President, to defeat outstanding conference reports, including that on the naval bill—anything to prevent the Senate from voting on this report on the oil-lease investigation.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield?

Mr. SPENCER. There shall be no misunderstanding.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield; and if so, to whom?

Mr. SPENCER. I do not yield.

Mr. WALSH of Montana. A point of order, Mr. President.

The PRESIDING OFFICER. The Senator will state his point of order.

Mr. WALSH of Montana. I make the point of order that the Senator from Missouri has yielded the floor.

The PRESIDING OFFICER. Under the liberality which generally characterizes the proceedings of the Senate, the Chair can not sustain that point of order.

Mr. SPENCER. Mr. President——

Mr. WALSH of Montana. I give notice that if the Senator from Missouri again yields to anyone, I shall insist that he yield the floor.

Mr. SPENCER. Mr. President——

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER. Does the Senator yield?

Mr. SPENCER. After the notice given by the Senator from Montana, I must decline to yield.

Mr. HEFLIN. Mr. President, the Senator from Tennessee——

The PRESIDING OFFICER. The Senator from Missouri declines to yield.

Mr. HEFLIN. A point of order.

The PRESIDING OFFICER. The Senator will state the point of order.

Mr. HEFLIN. The Senator from Tennessee [Mr. McKELLAR] notified the Senator from Missouri that if he yielded again the

point of order would be made against him. He has yielded twice since that time.

The PRESIDING OFFICER. By unanimous consent.

Mr. HEFLIN. He yielded twice to interruptions.

The PRESIDING OFFICER. Those were unanimous-consent yieldings, to which the point of order is directed, as the Chair recollects it. At any rate, the Senator from Missouri has the floor.

Mr. SPENCER. There shall be no misunderstanding about the parliamentary situation in which we find ourselves if I can help it. If the argument and the facts back of the Senator from Arkansas were equal to the eloquence and power of his statement, they would be unanswerable. But what are the facts? If there had been any desire to filibuster, would the Senator from Missouri have yielded again and again on request with the mere condition that he could resume when Senators had finished? If there had been any such desire to cut off other business from the Senate, would that have happened?

Mr. ROBINSON rose.

Mr. SPENCER. Will the Senator please let me finish? More than that, I said when I started and I repeat now that if the Senator from Montana will defer not only to my request but that which has just been advised by the Senator from Massachusetts, which was indicated by the five members of the Committee on Public Lands and Surveys who signed the report—if he will not insist upon the Senate adopting at this time a report which they can not in the nature of the case have read or considered and which does not carry——

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

Mr. SPENCER. Just a moment—and which does not carry a single recommendation that requires immediate action, but is on the table and the Senate has ordered 10,000 copies of it printed for distribution and information—if the mere point of asking the Senate to adopt as its own a report about which in the nature of the case they know nothing, I will yield instantly, and I certainly would not do that if any filibuster was in my mind. More than that, I will say to the Senator from Arkansas that while I regret that the pointing out of some of what seemed to me the mistakes and misstatements and unwarranted inferences of the report I say frankly that they result only from a casual examination. They are not nearly as complete as they doubtless could be, but they are sufficient in number to require some time to state them before the Senate.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. SPENCER. Mr. President, a parliamentary inquiry. In view of the friendly notice which has been served from the other side——

The PRESIDING OFFICER. The Chair will anticipate the Senator and inform the Senator from Missouri that if he yields for any purpose whatever he will lose the floor.

Mr. SPENCER. I am sure that was not the purpose of the Senator from Arkansas.

Mr. ROBINSON. No, indeed. I just wanted to ask the Senator two or three questions.

The PRESIDING OFFICER. The Senator from Missouri will proceed.

Mr. SPENCER resumed his speech. After having spoken for some time,

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Massachusetts?

Mr. SPENCER. I can not yield under the order.

Mr. WALSH of Massachusetts. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state the point of order.

Mr. WALSH of Massachusetts. Earlier in the session the President of the Senate declared that no action on the President's veto message could be taken under the Constitution until the veto message had first been entered on the Journal. I inquire of the Chair if a reading of the veto message is not an entry on the Journal of the Senate?

The PRESIDENT pro tempore. The Chair hardly understands the Senator's point of order.

Mr. WALSH of Massachusetts. I inquire of the Chair if the reading of the President's veto message to the Senate is not an entering of that message upon the Journal of the Senate?

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. KING. May a parliamentary inquiry be introduced into proceedings not relating to the subject matter or cognate matters which are being discussed by the Senator who has the floor?

The PRESIDENT pro tempore. The Chair has no control over the address of the Senator or what he is to say or what he is talking about.

Mr. KING. I beg the Chair's pardon. The Chair does not understand what I was stating.

The PRESIDENT pro tempore. Yes, the Chair does.

Mr. KING. The parliamentary inquiry is whether a parliamentary inquiry may be made relative to a matter which is not cognate to the subject under discussion and does not relate to the right of the occupant of the floor to continue.

The PRESIDENT pro tempore. The Chair is of the opinion that a parliamentary inquiry can be made at any time. The Chair is of the opinion, further, without any opportunity to examine the matter, that the mere reading of the President's message is not spreading it upon the Journal in accordance with the Constitution.

Mr. WALSH of Massachusetts. Then, I inquire if the Chair will not make an effort to ascertain whether it has been entered on the Journal.

The PRESIDENT pro tempore. The Senator from Missouri will proceed.

Mr. SPENCER. Commencing on page 27 of the report is a very interesting discussion of two cases against the Southern Pacific Railroad Co. in each of which the Government was a party, having to do with section 36, to cancel a patent for lands adjacent to that section and within the exterior reserves. There were two cases. The question involved in each case was as to whether the land was known to be mineral when its survey was approved. In the one case the decision was for the Government; that is, that the land in question in the United States district case was mineral at the time of the approval of the survey, and therefore the title did not pass to the patentee but remained in the Government. The court of appeals reversed the case and the Supreme Court reversed that decision, as I recollect, and sustained the contention of the Government as decided by the United States district court. The second case was directed to land inside of the reserve and was decided by the district judge, pending the appeal in the first case to the United States Supreme Court, and relying upon the decision of the Circuit Court of Appeals in the first case, which was unfavorable to the Government, the right of the Government was disallowed, and the report goes on to say—and here is where I can not subscribe to the statement of the report, because it is neither a fair nor an accurate statement. The report reads:

> No appeal was taken from that decision—

That is true.

> though the time for appeal had not expired when the decision of the Supreme Court was rendered in suit No. 1.

It was in suit No. 1 that the Government secured final judgment.

> The facts as to the tracts within the reserve involved in suit No. 2 were substantially identical with the facts upon which the Supreme Court ruled that the land involved in suit No. 1 belonged to the United States.

The inference and the argument is, first, that the Department of Justice was clearly derelict in not prosecuting an appeal in case No. 2; and, second, that the facts in the second case were as stated substantially identical with the facts in the first case. The truth of the matter is that in the second case there was fraud and in the other case there was not fraud, which fact differentiates entirely the two cases. In the first case, which was the Elk Hills case, it was found that the railroad company had committed fraud and the case decided favorably to the United States because the railroad company had committed fraud, whereas in the second case the decision was in favor of the railroad company because it had not committed fraud. Senator DILL asked this question when Mr. Palmer was before the committee:

> In the Elk Hills case there was fraud?
> Mr. PALMER. Yes, sir.
> Senator DILL. In the Southern Pacific case there was fraud?

That is case No. 2. The witness replied:

> It was purely a question of fact as to whether the Government had established fraud on the part of the railroad company

> When it came to the wisdom of taking the appeal in the second case the Attorney General, Mr. Palmer, stated that he could not consistently take an appeal to the Supreme Court in that case. (P. 2400.)

I ask what object is there, what purpose can be served in asking the Senate of the United States to adopt the report and

say in effect: "The Senate of the United States hereby decides that the Attorney General of the United States, Mitchell Palmer, ought to have taken an appeal, and if he had taken an appeal the questions in the two cases, the one in which he did not take an appeal and the one in which an appeal was taken, being identical, the Government would have won both cases." The statement is not borne out by the facts. It is beyond our function. There is no need for it. It is going outside of anything that has to do with the legitimate purposes of the committee. I do not like it.

On page 30 the question of the employment of the marines in evicting certain trespassers on Teapot Dome is severely criticized. I do not doubt but what the criticism is somewhat warranted, and yet I call the Senate's attention to this fact. The custom in the oil fields and mining region since the inception of the mining law has been for the man in possession to retain his physical possession by physical action against the trespassers.

There are those in the Senate like the Senator from Arizona [Mr. ASHURST] and others who are familiar with mining law who well understand the practice, since the mining law was first established that the man in possession by physical means prevented dispossession by trespassers. This places the burden of proof upon the trespasser. This view of the law is consistently supported everywhere in the mining region. Had the Mammoth Oil Co., which was then actually in possession, held wholly under placer mining title, they would have immediately proceeded to have thrown the Mutual Co. off when they sought to trespass; if the Mammoth Oil Co. had had an undisputed right there, a title to the land, or a placer mining right, they would have acted against the trespassers themselves; but because the Mammoth Oil Co. was holding under a lease from the Government they were afraid to do this for fear of getting into difficulty with the Government itself. They immediately brought the matter to the attention of the Government, when the trespassers thus invaded the right of the Government lessee, and they said to the Government, "Here we are; we are your lessee; we are on the land; we are fulfilling our contract; we are paying our royalty; and here are trespassers who are coming on this land which we have leased from you." It was then up to the Government either to throw the trespassers off by physical means or to authorize the Mammoth Oil Co. to do it. This was the situation which seemed to warrant the use of the marines. I do not defend it, but the statement in the report is a conclusion with which I do not entirely agree.

I call the attention of the Senate to one or two more things in connection with the lease, and I shall hasten to a conclusion as quickly as I can, for, Mr. President, I should like again to say, as I said when I began, that I regret as much as any man in the Senate the time that I have taken up on a subject which is not interesting to a majority of Senators. I can not, however, let the majority report come before the Senate for possible adoption without calling the Senate's attention to what I believe are some of the many mistakes and misstatements, which doubtless can be corrected and which ought to be corrected in any report that is finally adopted by the Senate. More than this, if there had been any emergency, if there were any recommendations in the report that needed action, I should not have interposed objection, and I certainly have no intention to filibuster in these closing hours of this session.

On page 32, beginning in the second paragraph, there is this statement, to which I refer very briefly and leave it:

> Your committee can not believe that a lease under which the Government receives 6 per cent of the oil in the ground and the lessee gets 94, including what it receives on account of the construction of tankage, can possibly be in the interest of or just to the former.

That is an unfair statement. That leads any Senator or any other reader to the conclusion that out of these leases the Government gets 6 per cent and the lessee gets 94 per cent. That is not the fact. The average royalty of oil leases is about 12½ per cent, but in the naval oil reserve No. 3 lease the Government gets about 17 per cent—three times as much as the report indicates to be the Government's share.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House receded from its disagreement to the amendments of the Senate numbered 37 and 39 to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, and concurred therein; that the House insisted upon its disagreement to the amendments of the Senate numbered 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 58, and 59 to the said bill; agreed to the further conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MADDEN, Mr. ANTHONY, and Mr. BYRNS of Tennessee were appointed managers on the part of the House at the further conference.

The message also announced that the House had passed the bill (S. 2797) to authorize the payment of claims under the provisions of the so-called war minerals relief act, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed bills and joint resolutions of the following titles:

S. 2265. An act to provide for a rearrangement of the public alley facilities in square 616 in the District of Columbia, and for other purposes;

S. 2694. An act to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes;

S. 3397. An act to remit the duty on a carillon of bells to be imported for the Church of Our Lady of the Rosary, Providence, R. I.;

S. J. Res. 43. Joint resolution in relation to a monument to commemorate the services and sacrifices of the women of the United States of America, its insular possessions, and the District of Columbia in the World War; and

S. J. Res. 146. Joint resolution to amend section 13 of the act entitled "An act to provide for the classification of civilian positions within the District of Columbia and the field service."

### ENROLLED BILLS SIGNED

The message also announced that the Speaker of the House had signed enrolled bills of the following titles, and they were thereupon signed by the President pro tempore:

S. 2257. An act to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended;

H. R. 1414. An act to authorize the payment of certain taxes to Stevens and Ferry Counties, in the State of Washington, and for other purposes; and

H. R. 8578. An act to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto," approved February 17, 1911, as amended.

### LEASES UPON NAVAL OIL RESERVES

The Senate resumed the consideration of the motion of Mr. WALSH of Montana to adopt the report of the Committee on Public Lands and Surveys, submitted pursuant to Senate Resolution 147.

Mr. PHIPPS. Without taking the Senator from Missouri from the floor, I should like to ask unanimous consent for the present consideration of the amendments to the Senate bill which have been made by the House of Representatives.

The PRESIDENT pro tempore. Does the Senator from Missouri yield?

Mr. SPENCER. I do not yield.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. SPENCER. I say again that if I may have unanimous consent to resume the floor I will yield with pleasure to the Senator from Colorado.

Mr. McKELLAR. I object.

Mr. SPENCER. Mr. President, it is not a fact that the Government receives but 6 per cent royalty and that the lessee receives 94 per cent, which is the natural inference to be drawn from the reading of the report. The fact of the case is that the Government actually receives about 17 per cent of the oil in naval reserve No. 3 and 27 per cent of the oil in naval reserve No. 1. The Government suggested when framing the contract that when it came to the payment of the royalty oil it did not want it all in oil, but that it wanted a part of it used for the purpose of building storage tanks which the Government should own and in which the naval oil should be stored.

So, pursuant to that contract, the lessee when it got the oil out of the ground gave one-third of the royalty oil to the Government in fuel oil, as the Government desired, and used the other two-thirds of the royalty to liquidate the building of tanks for the Government, as the Government requested. Those tanks have now been largely built and are being completed, and in them, as I said a moment ago, 1,500,000 barrels of oil are stored at Pearl Harbor, in the Hawaiian Islands, and 2,400,000 barrels more will be stored there in the near future after the additional tanks shall have been completed. That has doubled

the efficiency of the Navy and has made it a power in world matters which it never could otherwise have been.

How unfair, then, it is even to attempt to indicate that under these leases 6 per cent comes to the Government "and the lessee gets 94 per cent, including what it receives on account of the construction of tankage." It is an unfair statement.

Again, on the same page, the statement is made:

If the Secretary of the Navy consulted with anyone competent from experience in affairs of such magnitude to advise him concerning the terms of the lease, viewed as a business proposition, the fact was not divulged.

That statement is corrected somewhat a little later, but it is grudgingly done, as I shall show. As a matter of fact, the Secretary of the Interior from the beginning was in constant conference with whom? With the Bureau of Mines, which, by reason of its geological and mining skill and equipment, was best qualified to advise him. Yet the report states:

If the Secretary of the Interior consulted with anyone competent from experience in affairs of such magnitude to advise him concerning the terms of the lease, viewed as a business proposition, the fact was not divulged. Evidently he conceived himself quite competent unaided to negotiate with such veterans in the oil business as Sinclair and Doheny. It is true he conferred with officials of the Bureau of Mines, technical men not chosen by reason of their skill or success in business.

The Senate of the United States is asked to indorse and to adopt those conclusions which are thrown into the report. It is intimated that with such experts as Sinclair and Doheny on the one side the Secretary of the Interior, without any advice or cooperation from anybody else, would have a hard time of it; when, as a matter of fact, the leases, according to the best evidence that we could get from unprejudiced sources, are the best leases the Government ever secured and, so far as the character of the leases themselves is concerned, they are of inestimable advantage to the Government of the United States.

Evidently the conscience of whoever wrote the report operated before he finished the paragraph, for at the end of the paragraph, after having stated that—

If the Secretary of the Interior consulted with anyone * * * the fact was not divulged. * * * Evidently he conceived himself quite competent unaided to negotiate with such veterans in the oil business as Sinclair and Doheny—

Grudgingly this is added:

It is true he conferred with officials of the Bureau of Mines, technical men, not chosen by reason of their skill or success in business.

There is no Senator who has had any dealings with the Bureau of Mines who does not know what competent men there are in that bureau and what a competent bureau it is. What is the object of asking the Senate of the United States to slur, insult, to cast a reflection upon the Bureau of Mines, which has had in it such men as W. A. Williams, Chester Naramore, J. O. Lewis, A. W. Ambrose, F. B. Tough, men of high standing, whose opinions were always sought. When the committee wanted experts to go to the Wyoming field and give us an opinion in regard to those Teapot Dome leases upon which we could rely, where did we go? We took Mr. Lewis from the Bureau of Mines, because he and Mr. Clapp were the best men the committee could find in the United States. And now, because the Bureau of Mines on certain matters does not quite agree with the senior Senator from Montana, he wants the Senate to adopt in a report, which no Senator has had the opportunity to read or consider, the statement that while the Secretary of the Interior consulted with the Bureau of Mines, yet they were "not chosen by reason of their skill or success in business." I say it is unfair. I do not hesitate to say before leaving that subject that that paragraph alone would subject this report to ridicule by every competent oil man in the country; that it would stamp upon it the evidence of partisanship and unfairness; and that it would make it the subject of contempt that any man would attempt to cast such ridicule upon the Bureau of Mines and make such statements as are contained in the paragraph which I have just quoted.

Now, Mr. President, I call the attention of the Senate to the first paragraph on page 32.

A disposition is evinced—

Says the report—

in some quarters to dismiss or overlook the very suggestive circumstances shown in the hearings indicating corruption in connection with the Sinclair and Doheny leases, the flagrant disregard of the law and the unwarranted assumption of authority that attended their execution, the abandonment of the settled policy of the Government evidenced by them—

When the whole result of the hearings indicates that there was no established policy of the Government that was abandoned.

Mr. ASHURST. Mr. President, will the Senator yield to me for a moment?

Mr. SPENCER. I can not yield, under the ruling of the Chair. I will yield if I may have unanimous consent to resume when I have yielded. In that event I will do so with pleasure.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. SPENCER. There was no settled policy of the Government. It was shown in evidence that under the administration of Secretary Daniels, when he executed leases and took oil out of the ground, he did it for the immediate use of the Navy. The present administration has taken oil out of the ground and stored it for use by the Navy as it may become necessary in an emergency, but not for immediate use. The questions of law that are involved in connection with these leases, and in regard to which the report says that they were granted in "flagrant disregard of the law," are now before the courts. I am talking to many men who are lawyers of standing and distinction. This report seeks to have the Senate of the United States declare that the legal propositions involved in those leases were flagrant disregards of law. They are doubtful propositions. Every one of them is submitted before the courts of the law now for decision, and the courts of the law alone are competent to decide them, not the Senate of the United States.

On page 32 there is a paragraph headed—and I comment upon this very briefly—"The leases as good bargains," and then there follows a more or less extensive criticism——

Mr. ASHURST. Mr. President, I rise to a point of order, not with any disposition to take the Senator off the floor.

The PRESIDENT pro tempore. The Senator will state the point of order.

Mr. ASHURST. I understand that under the rule a Senator may speak twice on the same day. Therefore, if the Senator from Missouri should yield, and business should intervene, he would be entitled to be recognized again, because he could speak twice, and a question would not take him off the floor unless he had spoken twice.

The reason why I raise this point is because some conference reports and some bills, especially the motion made by the Senator from Colorado [Mr. PHIPPS], require attention. They are bills that ought to be attended to and disposed of. Therefore I say to the Senator, my view of the rule is that a Senator has a right to speak twice, and a question would not take him off the floor until he had spoken twice.

Mr. SPENCER. Does not the Senator from Arizona think I have spoken quite long enough instead of speaking twice? I would much prefer to quickly conclude, as I hope to do.

Mr. ASHURST. With that illuminating and gratifying hope I will not say anything more.

The PRESIDENT pro tempore. The Chair does not yet exactly understand the point of order.

Mr. SPENCER. I do not know whether it is as illuminating to me as it is to the Senator from Arizona, but it is quite as gratifying, because, I say again, as I draw to a close in connection with this report, that I regret more than I can express what seems to me the duty that has been imposed upon me by the insistence of the senior Senator from Montana that the Senate should at once act upon a report of great importance and with which they are entirely unfamiliar and which, as I have shown, is inaccurate and unfair.

Senators, the question before us is a report that we are asked to adopt. I have indicated some reasons why I think the report is inadequate and inaccurate, and its conclusions of law and fact unwarranted. I want to say again that there is not a single recommendation in that report upon which the Senate is requested to act. There is merely a determination of the senior Senator from Montana that the Senate shall adopt that report, which no Senator has read.

Mr. President, if the Senate will read the report and then sees fit to stamp its approval upon the inferences and conclusions and reflections contained in it, it is the Senate's privilege so to do, but to ask the Senate to adopt it without any opportunity to examine it is most unfair. I regret the time I have taken. I shall yield the floor in a moment. The observations I have made are but a sample of the mistakes and misstatements that can be shown in the report, and which ought to prevent its adoption by a Senate which has had no time to examine it.

REPORT OF THE INDIAN AFFAIRS COMMITTEE

Mr. HARRELD, from the Committee on Indian Affairs, to which was referred the bill (H. R. 8086) to amend the act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1915," approved August 1, 1914, reported it without amendment and submitted a report thereon.

ENROLLED BILL PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on June 7, 1924, that committee presented to the President of the United States the enrolled bill (S. 2257) to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended.

LEASES UPON NAVAL OIL RESERVES

Mr. NORBECK. Mr. President——

The PRESIDENT pro tempore. The Senator from South Dakota.

Mr. NORBECK. I move that the Senate now take up Order of Business No. 733, House bill 7269, to authorize and direct the Secretary of War to transfer certain materials, machinery, and equipment to the Department of Agriculture.

I will state that this is a bill to authorize the disbursement of some surplus war material. The bill passed the House unanimously after a delegation of the House committee had gone to these army camps and looked them over. The Senate committee wanted to be conservative, and they cut down the quantity a great deal. I am sure there is no one in the Chamber who objects to the taking up of this bill. I ask unanimous consent that it be now taken up and considered.

Mr. WALSH of Montana. Mr. President, I am sure we can have a vote on the matter pending before the Senate in a few moments.

Mr. NORBECK. I move that we now take up the bill to which I have referred.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. KING. As I understand, there is now pending before the Senate the report submitted by the Senator from Montana, and the question before the Senate is the adoption of that report. The parliamentary inquiry is, May that be set aside by a motion of the character just submitted by the Senator from South Dakota?

The PRESIDENT pro tempore. Undoubtedly the Senate can take up any measure that it pleases to take up.

Mr. WALSH of Montana. Mr. President, touching the motion made by the Senator from South Dakota, I desire to say that I do not feel it at all necessary to continue the debate on the pending motion. The observations of the Senator from Missouri [Mr. SPENCER] have not convinced me that there are any essential misstatements of fact in the report. I have no disposition to make any corrections upon the suggestions made by him nor to suggest any corrections to the Senate.

The observations of the Senator from Missouri are in the nature of a defense of these leases. Quite a long while ago the junior Senator from Alabama [Mr. HEFLIN] insisted that sooner or later some one on the other side of the Chamber would get up and defend these leases. The Senator from Missouri has assumed that task.

The general facts are well known to the Senate. I do not care to submit anything further. I ask for a vote; and if the Senator from South Dakota insists upon his motion to proceed to the consideration of the bill to which he refers, I am going to ask those who are desirous of adopting this report to vote that motion down, and then take a vote on the report, and then proceed to the consideration of the bill referred to by the Senator.

Mr. NORBECK. Mr. President, not only do I desire to take up the bill to which I have referred, but I desire to move the Bursum bill as an amendment to it after we get it up.

Mr. KING. Mr. President, that will lead to some debate.

Mr. WALSH of Montana. I desire to say further that I am heartily in favor of the bill referred to by the Senator from South Dakota and desire to see it passed, but I do not think the matter before the Senate ought to be displaced. Why should we not get a vote on it, and then proceed to the consideration of the bill spoken of by the Senator from South Dakota?

Mr. NORBECK. This is the last and only chance to do something in the way of equity toward the wheat farmers who were robbed during the war by Government interference and by the Government taking their profits away from them.

The PRESIDENT pro tempore. The question is upon the motion of the Senator from South Dakota.

Mr. OVERMAN. Mr. President, I have been sitting here for several hours, waiting to discuss the financial condition of this country, which I think Senators ought to know, and I suppose this is the only time we will have, if we are going to have—as is evidently the case—a filibuster against the adoption of the report of the Senator from Montana. That is evident to everybody. Therefore I am going on to discuss this question right now.

Mr. HARRISON. Mr. President, who has the floor? Will the Senator who has the floor allow me to submit a request for unanimous consent?

The PRESIDENT pro tempore. The Senator from South Dakota [Mr. NORBECK] has the floor. Does he yield to the Senator from Mississippi?

Mr. NORBECK. I do.

Mr. HARRISON. I ask unanimous consent that we take a vote now upon this report, and, immediately following that, that we take up the bill in which the Senator from South Dakota is interested.

Mr. LODGE. I object, Mr. President.

The PRESIDENT pro tempore. Objection is made.

Mr. LODGE. If Senators want a vote on the bill of the Senator from South Dakota, do not let them mix it up with this other matter.

Mr. OVERMAN. Mr. President, the motion of the Senator from South Dakota is debatable.

The PRESIDENT pro tempore. Undoubtedly.

Mr. OVERMAN. Therefore, I rise to debate it.

The PRESIDENT pro tempore. The Senator from South Dakota has the floor.

Mr. OVERMAN. Will the Senator yield to me? I am for his bill.

Mr. NORBECK. If the Senator is going to be brief, I will yield with the understanding that I do not yield the floor.

Mr. PITTMAN. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. PITTMAN. If the Senator makes his motion, is he going to address himself to it, or is he going to stand there and keep the floor without speaking?

The PRESIDENT pro tempore. The Senator from South Dakota has moved to take up a certain bill.

Mr. PITTMAN. I say, if he does not desire to discuss it, there are others who do. I am propounding a parliamentary inquiry as to whether the Senator from South Dakota is holding the floor to discuss his motion or not. If he wants to discuss it, of course, that is his right.

Mr. OVERMAN. I do not intend to take the Senator off the floor.

The PRESIDENT pro tempore. The motion is debatable. Every Senator in the Chamber will have an opportunity to debate it if he so desires.

Mr. NORBECK. Mr. President, in reply to the question, I will state that I should like to speak upon this matter a while; but I will yield to the Senator from North Carolina for a moment, with the understanding that I do not yield the floor.

Mr. OVERMAN. Mr. President, I do not intend to be long, because I recognize the fact that Senators have matters here that ought to be brought up, and I recognize the fact that two very important appropriation bills have to be settled this evening, if settled at all; and therefore I am not going to speak at any length. Let the Senator go ahead if he wants to, and I will get the floor next.

The PRESIDENT pro tempore. The Senator from South Dakota is recognized.

TRANSFER OF MACHINERY, ETC., TO AGRICULTURAL DEPARTMENT

Mr. NORBECK. Mr. President, I intend to offer an agriculture relief measure as an amendment. This was drafted by Congressman WILLIAMSON, who has never been too tired and never too busy to assist in agricultural relief. The measure is along the line originally suggested by the Senator from New Mexico [Mr. BURSUM], whose energy and resourcefulness has been a marvel to us all and who has worked tirelessly for the relief of the farmers and the ranchmen of his State. It also embodies one or two important features suggested by Congressman SUMMERS, of Washington.

Mr. President, I propose to offer the following as an amendment to House bill 7269:

TITLE II

TO ENCOURAGE AND PROMOTE THE SALE AND EXPORT OF AGRICULTURAL PRODUCTS GROWN WITHIN THE UNITED STATES

That out of funds heretofore appropriated and now in the custody of the War Finance Corporation the President of the United States is authorized and directed to pay (a) 35 cents per bushel bounty on each

bushel of wheat grown in the United States and exported therefrom and a proportionate bounty on all products manufactured wholly from wheat: *Provided*, That such products are manufactured within the United States from wheat grown therein; (b) 15 cents per bushel bounty on each bushel of corn grown in the United States and exported therefrom and a proportionate bounty on all products manufactured wholly from corn: *Provided*, That such products are manufactured within the United States from corn grown therein.

SEC. 2. It is hereby provided that whenever the President of the United States finds that the importation of wheat or corn, or their derivatives, may interfere with the operation of this act, or enhance the expense of the United States thereunder, he shall so proclaim it. Thereafter it shall be unlawful to import into the United States wheat or corn, or their derivatives, except under such regulations and limitations as the President shall prescribe in his proclamation.

SEC. 3. All powers necessary for the proper administration of this title are hereby conferred on the President of the United States.

SEC. 4. This title shall remain in full force and effect from July 1, 1924, and until December 1, 1925.

Mr. President, I want to again remind the Members of this Senate that during the war every commodity was permitted to seek its natural price level except that of wheat. The Government not only depressed the market by interference but actually fixed the price much below the prevailing market. Not only that, but when the Government Grain Corporation had a monopoly in the handling of grain it took out a profit of more than $50,000,000, which was not returned to the wheat growers.

It is proposed in this measure to redistribute that profit to the wheat producer and do it in a way that will bring up his price as near as possible to that of its pre-war purchasing value for one year.

Mr. President, it is proposed that the Government pay an export bounty of 35 cents per bushel on wheat. The Agricultural Department's head advised me that, based upon the records for last year, the cost of such a bounty would be $48,000,000. It is believed that the domestic price will naturally follow that of the value of wheat exported. Therefore, it will bring an increase of about 35 cents per bushel to the wheat farmer on all the wheat sold, both in foreign and domestic markets.

The objection has been raised that this will increase the cost of flour and the cost of bread. It is admitted that it will increase the cost of flour. But, Mr. President, the cost of bread was just as high when wheat was $2 per bushel as now. Therefore, it need not increase the price of a single loaf of bread in the United States.

This measure also provides for an export bounty of 15 cents per bushel on corn. We export a very small percentage of our corn. To have paid such an export bounty on the exportations for last year would have cost the Government only $4,000,000.

The money to be used in the payment of bounties will not be a burden upon the taxpayer. The Government took the money away from the farmers. This measure proposes to return it to them in the shape of bounties to be paid.

This bill is not permanent agricultural relief. It will not bring the farmer's dollar back to par, but it will be temporary relief for the producers of wheat and corn; and it is generally admitted that if corn sells at a higher price, it will result in better prices for pork and beef.

Since the defeat of the Christopherson stabilization bill I have become a firm believer in the principles of the McNary-Haugen bill, which proposes to bring all staple farm products back to their pre-war purchasing power. But the McNary-Haugen bill has been rejected by this Congress. I admit I am much disappointed over the way it has been handled. When I tried to bring it up I was told that the parliamentary situation was such that it ought to be brought up first in the House, but Democratic Senators joined with Republican Senators, including the Senator from Oregon [Mr. MCNARY], and insisted that it be not a rider to the pet bill of Secretary Mellon, the so-called "tax reduction" bill, that does not reduce the taxes of the farmer.

Many Senators here, including my colleague, Senator STERLING, and Congressman ROYAL C. JOHNSON, had farm relief bills ready to urge, but held back, as they did not want to complicate the situation. They sought, first of all, to get support for the McNary-Haugen bill. When that was defeated we were near the close of the session. This measure I now propose is the last and only chance to secure even partial farm relief at this session, as Congress will now adjourn in a few hours—adjourn before its work is completed. I protested against the adjournment, but the date was fixed as per arrangement between the leaders of the Democratic Party and the leaders of the Republican Party. The South and the East got together, and the Senators from the Northwest, who voted against adjournment, found themselves outnumbered.

I regret that the time is virtually being spent in filibustering and the last few precious hours are being taken up by Democratic Senators, who are speaking on subjects that are not even before the Senate for consideration. If you persist in using up the time, you are preventing farm relief legislation. The responsibility is not upon the Republicans this time, for the majority of them are in favor of this measure, but there is no chance to get a vote on same as long as these filibustering speeches continue.

The question before the Senate is my motion. Mr. President, it is a question whether the farmer shall receive as much for a 14-hour day as others do for an 8-hour day. It is a question whether he shall be able to exchange a day's labor with anybody. Do not talk about the law of supply and demand as though it still operated. The farmer knows nothing about its operation when he buys supplies or pays for service. He only finds that law in operation when he sells his products in competition with the cheap land and the cheap labor of the world.

If this measure reaches the House as a Senate amendment to a House bill, the House will concur. There will be no opposition to it. I want the Senate to realize that fact.

Mr. HEFLIN. Mr. President, what is the amendment the Senator wants put on?

Mr. KING. Does the Senator——

Mr. HEFLIN. What is the amendment?

Mr. NORBECK. It is printed and is on the desks of Senators.

Mr. KING. I want to ask the Senator whether it is his purpose merely to use the resolution which he is now moving to consider as a vehicle to carry through some other measure which may take a large amount of money out of the Federal Treasury?

Mr. NORBECK. I announced to the Senate three hours ago that when any bill was brought up to which this could be offered as an amendment I would offer it. The motion is now to take up a bill distributing some surplus war material, and if that is taken up I will offer this agricultural relief measure as an amendment to that.

SEVERAL SENATORS. Vote!

Mr. KING. Oh, no; no vote.

Mr. ASHURST. Will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator yield?

Mr. NORBECK. I yield the floor.

## APPROPRIATIONS AND EXPENDITURES

Mr. OVERMAN. Mr. President, I am in favor of the bill the Senator has been advocating, except the rider. I am not going to stand for a vote at this late hour for some rider on a bill that appeals to me because it appeals to the farmers. It is better for us to consider it, and everybody knows that. But the country ought to know what we have been doing here and what the financial condition of the country is. I propose, therefore, to make a very short statement in regard to that matter.

Statements are issued by the Treasury Department every month, but the people can not understand them, they are so mixed up.

On the 22d of April last I wrote to every member of the Cabinet in Washington and asked him to furnish me with a list of persons who were employed by this Government under the Democratic administration in 1915. I selected that year, although the war was being talked about in this country and preparedness was being discussed, and much money spent for that purpose, but I thought 1915, during the Wilson administration, was a good year to compare with 1924, in this administration.

Each Cabinet officer did me the courtesy—and I thank them for it—of sending me an itemized statement showing the number of persons employed by the Government in 1915 and in 1924, and it is a remarkable fact that, not counting those employed in the Shipping Board, not counting the large number of officeholders in the War Finance Corporation, or the Veterans' Bureau, because it is unfair to consider them, and I try to be as fair as possible, and only take those departments which are run very much as they were run in 1915, from the reports of the Cabinet officers, there are employed to-day, in excess of the number employed in 1915, 108,051 officeholders, and averaging each one at $1,800, that represents an expenditure of $194,491,800.

I tried to be fair, not taking any of the war bureaus, but taking only the departments themselves, and appealed to the Cabinet officers to send in this list. It shows that in the Department of Justice there were 2,000 more employed than in 1915; in the Interior Department, 2,300 more. I am reading

only the round figures, and I will ask that this statement go into the RECORD as an appendix to my remarks.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

[See Appendix 1.]

Mr. OVERMAN. In the Post Office Department there are 52,000 more; in the Department of Labor there are 55 more; in the Navy Department there are 10,000 more; in the Treasury Department there are 28,000 more; in the Department of Commerce there are 2,083 more; in the Department of Agriculture there are 4,000 more; in the War Department, in time of peace, there are 8,000 more, and in the State Department there are 1,800 more. I will do justice to the Secretary of State by saying that he has had to have a good many more officeholders because of the new passport regulations, which really grew out of war, and I ask to have his letter printed as an appendix to my remarks.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

[See Appendix 2.]

Mr. OVERMAN. The total amounts to 108,000 more officeholders.

Mr. McKELLAR. Mr. President, what is the total number of officeholders?

Mr. OVERMAN. I have not added up the figures. There are over five or six hundred thousand, perhaps more than that. The increase over 1915 in these officeholders, not in bureaus which were established growing out of the war, but in the legitimate work of the departments, is 108,000. I stated early in the session, as some may remember, that the Congress was spending money like drunken sailors. That is an extravagant statement, of course, but we do not seem to consider the taxpayers in our appropriations. We do not seem to care anything about them. You can get any sort of a bill through this body which calls for the expenditure of money. Not counting the bonus, not counting the Veterans' Bureau, not counting the Shipping Board, we are spending to-day a billion dollars more than we spent in 1915. The Senator from Utah smiles.

Mr. SMOOT. Yes; I do.

Mr. OVERMAN. I have testimony here to show that, aided as I was, by an expert in the Treasury Department, and I ask to have this table put in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

[See Appendix 3.]

Mr. OVERMAN. This shows the regular annual appropriation for 1925 for the Departments of Commerce, of Justice, of Labor, of the Navy, of the Post Office, State, and Treasury, taken from the acts as approved by the President, but the figures for 1925 were taken from the bills as passed by the Senate up to June 2, 1924. I want to say, however, that what is known as the second deficiency or the second urgent deficiency bill is not counted in this statement, because the bill has not passed, and I do not know what it will amount to. I know it will amount to over $158,000,000, the bill which is to come over from the House for the consideration of the Senate, for the bill ought to pass. There is a difference now between the two bodies, and I am sorry to see it, but I am heartily in favor of the Senate standing by what it did. We will have another meeting of the conference committee, probably, and I hope we can agree. I do not know, but even as it passed the House it carries $158,000,000, and the bill will be here directly.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. OVERMAN. Certainly.

Mr. McKELLAR. The Senator gives us the startling information that the increases in the ordinary expenses of the departments of the Government amount to a billion dollars?

Mr. OVERMAN. The increase in the number of officeholders is 108,000.

Mr. McKELLAR. What I want to ask is whether these tremendous increases have all occurred under the rule of the Budget?

Mr. OVERMAN. Many of them have. But I am not going to reflect upon the Budget. I do not think I am called upon to cast any reflection on those splendid gentlemen. They are fine men, and do what they believe to be their duty.

Mr. McKELLAR. The men are all fine men, but the system is bad. It just adds that many more officeholders to draw pay from the Government.

Mr. OVERMAN. I agree with that. I am fully in accord with that, and took that position before the bill establishing the Budget was passed.

The tax table does not include the expenses for the Shipping Board or the Veterans' Bureau. Deducting the war expenses, which were:

| | |
|---|---|
| Sinking fund | $310,000,000 |
| Interest on the public debt | 890,000,000 |
| Public-debt redemptions payable from ordinary receipts | 172,000,000 |

The total amount of increase of appropriations for 1925 over 1915, less war expenses, was $2,223,739,886.50.

Deducting from that the war expenses, which it is not fair for me to include in this statement, of $1,372,277,977, we have the grand total of $951,462,909.

Mr. SIMMONS. Mr. President, I ask for order in the Senate. The Senator is making a very valuable statement, and ought to be heard.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. OVERMAN. Senators usually do not care anything about this question, or many of them do not. The time has come, I think, for economy and reform. We do not hear that any more, but Senators just go on making appropriations of all sorts, kinds, and characters. The truth is that Senator Aldrich was right when he said that $300,000,000 could be saved by the discharge of officeholders. I think $500,000,000 at least could be saved now. This table itself shows where $194,000,000 could be saved.

The second deficiency bill, as I said, will amount to about $158,000,000. That is what it will be if it passes, and I hope it will pass. That will make a grand total of $1,109,462,909.

I have had an expert from the Treasury Department aiding me, and I have gone over these items with him, and he has furnished me this list, so I do not think there can be any mistake about it.

In the legislative department the excess is $322,376. In the Executive Office the excess is $389,000; but all these figures I am reading are over and above the figure of 1915, when Wilson was President of the United States.

The increase for the Agricultural Department is $37,153,000; Commerce Department, $12,000,000; Interior Department, $72,000,000; Department of Justice and the judiciary, $10,000,000; Labor Department, $4,000,000; Navy Department, $138,000,000.

Mr. President, I do not understand in time of peace how the War Department and Navy Department can have such great increases both in number of officers and amount of money spent. Since the end of the war and the treaty with Japan, Great Britain, and France, why is it that we have to have so many officers? Why is this great increase over 1915? At that time we were talking about preparing for war and probably added a good many employees on that account. Since peace was declared they are still increasing, although we hear the Senator from Utah [Mr. SMOOT] talk about how many thousands and hundreds of thousands of officeholders have been discharged, and how much money has been saved. That is on account of the war. Of course, we have discharged hundreds of thousands of officeholders. Of course, we have saved millions and millions of dollars. We had to do it. There was no use to spend money, because the war was over. In all of the matters which I am bringing to the attention of the Senate I have deducted the activities of the war. I have deducted the Veterans' Bureau, which has cost millions; I have deducted the Shipping Board, and all those activities growing out of the war; and still we have these vast totals, still we see these wonderfully monstrous extravagances of the administration in the way they are spending and in the number of officeholders being appointed.

## APPENDIX 1

*Comparison of the personnel of the departments for 1915 and 1923*

| Department | 1915 | 1923 | Decrease (−) or increase (+) 1923 compared with 1915 |
|---|---|---|---|
| Department of Justice | 8,095 | 10,423 | +2,328 |
| Interior Department | 19,455 | 17,092 | −2,363 |
| Post Office Department | 298,085 | 350,764 | +52,679 |
| Department of Labor (the 1923 figures do not include 687 persons with the department at a nominal salary of $1 per year) | 2,193 | 2,248 | +55 |
| Navy Department | 30,274 | 40,599 | +10,325 |
| Treasury Department | 30,984 | 59,937 | +28,953 |
| Department of Commerce (the 1915 figures do not include 966 temporary employees) | 9,389 | 11,472 | +2,083 |
| Department of Agriculture | 16,223 | 20,261 | +4,038 |
| War Department | 42,029 | 50,110 | +8,081 |
| State Department | 2,134 | 4,006 | +1,872 |
| Total | 458,861 | 566,912 | +108,051 |

108,051 employees at an average salary of $1,800 per year equals an expenditure of $194,491,800.

## APPENDIX 2

DEPARTMENT OF STATE,
*Washington, May 19, 1924.*

THE HON. LEE S. OVERMAN,
*United States Senate.*

MY DEAR SENATOR OVERMAN: In reply to your letter of April 22, 1924, I am pleased to inclose herewith a memorandum showing the number of employees in the Department of State in Washington and in the field for the years 1915 and 1923. It will be noted that the number of employees in the field for 1915 has been approximated, as under conditions existing at that time it was impossible for the department to ascertain the exact number of employees in every office abroad on any given date. The number given may be considered as sufficiently accurate for all practical purposes.

At the risk of exceeding your request I desire to mention a few important facts which are illustrative of the increasing responsibilities of this department.

In 1915 we maintained abroad a total of 41 embassies and legations, whereas the number is now 53.

As an index to the growth of consular activities the total of consular fees collected for 1915 was $1,498,029.80, whereas for 1923 it was $6,805,470.81, a difference of $5,307,441.01.

In 1915 there was no passport visé control, whereas in 1923 the Consular Service visèed 408,671 alien passports and rendered 90,586 passport services to traveling Americans.

In the Department of State in 1915 there were issued 23,119 passports, whereas in 1923 the number was 125,656.

I am sorry not to have figures covering the number of entries and clearances of American vessels from foreign ports for 1915, but you are aware of the fact that at that time there were very few American vessels on the sea, whereas in 1923 there were 20,638 arrivals at American consular posts.

In the matter of bills of health issued to vessels clearing for the United States in 1915 the fees from this source amounted to $87,956.13, whereas in 1923 they amounted to $116,608, the fee for this service remaining the same.

Even in the matter of consular invoices covering shipments of merchandise to the United States the fees in 1915 were $1,236,810.91, whereas in 1923 they were $1,962,026.80, an increase of $725,215, representing roughly 300,000 additional services.

As of possible interest I inclose a printed card giving details of the activities of the Consular Service for the fiscal year 1923. I also inclose a significant picture showing the increase of work in the Consular Service by a contrast in the volume of bound correspondence for the years 1908 and 1909 as compared with 1918 and 1919 at an average consulate.

It is needless to mention to you that the increase in important international problems to be handled, both as regards their complexity and their number, is more than commensurate with the significant growth of routine duties to which I have referred.

This increase has added greatly to the activities and responsibilities of the Diplomatic Service upon which the Government must rely for the receipt of accurate and prompt information regarding political tendencies and developments abroad. Furthermore, the vast expansion since the war of our commercial interests in foreign countries has greatly increased the demands made upon the Diplomatic Service to afford protection and proper assistance to American commercial interests.

I trust that this information will fully cover the purposes of your request.

Very sincerely yours,

3 inclosures. CHARLES E. HUGHES.

*Number of employees of the Department of State in Washington and in the field during the years 1915 and 1923*

| | |
|---|---|
| October 21, 1915: | |
| Number of employees in the field | [1] 1,821 |
| Number of employees in the District of Columbia | [2] 313 |
| Total | 2,134 |
| December 31, 1923: | |
| Number of employees in the field | 3,428 |
| Number of employees in the District of Columbia | 578 |
| Total | 4,006 |

One way of marking the changing times: A small stack of books—seven volumes—shows the correspondence of the American consulate at Mazatlan, Mexico, during the years 1908 and 1909; another stack of 32 volumes shows the correspondence for the years 1918 and 1919. In this decade the number of visitors increased about 100 per cent.

[1] Estimated and does not include contingent employees.
[2] Included 213 permanent employees and estimated number of temporary employees.

*Partial list of services performed by American consular officers during fiscal year ended June 30, 1923*

| | |
|---|---|
| Protection and welfare cases | 75,309 |
| Deaths of Americans abroad | 1,285 |
| Estates settled | 1,037 |
| Registration of Americans | 6,530 |
| Passport services (Americans) | 90,586 |
| Passport visés (aliens) | 408,671 |
| Section 6 certificates (Chinese) | 1,253 |
| Depositions and commissions | 736 |
| Extradition cases | 56 |
| Marine protests | 5,933 |
| Seamen shipped | 28,764 |
| Seamen discharged | 22,750 |
| Seamen deserted | 2,853 |
| Seaman deceased | 129 |
| Seamen relieved | 3,981 |
| Voluntary trade reports | 16,601 |
| Called-for trade reports | 10,598 |
| Replies to trade inquiries | 55,502 |
| Trade opportunities (about) | 4,000 |
| Disinfection certificates | 8,307 |
| Notarial services | 167,764 |
| Consular invoices | 806,817 |
| Landing certificates | 2,889 |
| Bills of health | 39,459 |
| Sanitary reports | 15,158 |
| American vessels entered | 20,638 |
| American vessels cleared | 20,506 |
| Miscellaneous correspondence: | |
| Letters received | 904,601 |
| Letters sent | 1,097,488 |
| Total fees collected for years 1922–23 | $6,805,470.81 |
| Gross cost of Consular Service, 1922–23 | 4,685,060.88 |
| Net gain to the Government | 2,120,409.93 |

## APPENDIX 3

The regular annual appropriation figures for 1925 for Commerce, Justice, Labor, Navy, Post Office, State, and Treasury were taken from the acts as approved by the President, but all other regular annual appropriation figures for 1925 were taken from bills as passed by the Senate up to June 2, 1924, and prior to action by conferees.

Deficiencies and special acts are included in figures for 1915. In 1925 only the regular annual and permanent and indefinite appropriations passed up to June 2, 1924, are included. Deficiencies and special acts for the service of 1925 to be passed in the future must be added for purposes of exact comparison.

The attached table does not include the expenses for the Shipping Board or the Veterans' Bureau.

Deducting the war expenses, which were:

| | |
|---|---|
| Sinking fund | $310,000,000.00 |
| Interest on public debt | 890,000,000.00 |
| Public-debt redemptions payable from ordinary receipts | 172,277,977.00 |
| Total | 1,372,277,977.00 |
| Total amount of increase of appropriations for 1925 over 1915, minus Post Office appropriation | 2,223,730,886.50 |
| Less war expenses | 1,372,277,977.00 |
| | 951,462,909.50 |
| Plus second deficiency | 158,000,000.00 |
| Grand total increase for 1925 over 1915 | 1,109,462,909.50 |
| Plus adjusted compensation of civilian employees in field | 1,135,780,377.34 |

*Comparison of appropriations, fiscal years 1915 and 1925* [1]

| Title | Appropriations, fiscal year 1915 [2] | Appropriations, fiscal year 1925 [2] | Decrease (−) or increase (+), 1925, compared with 1915 |
|---|---|---|---|
| Legislative: | | | |
| Regular annual | $13,956,639.60 | $14,279,016.00 | +$322,376.40 |
| Permanent and indefinite | 800.00 | 800.00 | |
| Total | 13,957,439.60 | 14,279,816.00 | +322,376.40 |
| Executive Office and independent offices: | | | |
| Regular annual | 9,415,867.22 | 398,870,180.16 | +389,454,312.94 |
| Permanent and indefinite | 57,630.00 | 6,457,301.79 | +6,399,671.79 |
| Total | 9,473,497.22 | 405,327,481.95 | +395,853,984.73 |
| Agricultural Department: | | | |
| Regular annual | 23,994,640.64 | 61,147,993.00 | +37,153,352.36 |
| Permanent and indefinite | 5,999,200.00 | 12,360,750.00 | +6,361,550.00 |
| Total | 29,993,840.64 | 73,508,743.00 | +43,514,902.36 |

[1] The regular annual appropriation figures for 1925 for Commerce, Justice, Labor, Navy, Post Office, State, and Treasury were taken from the acts as approved by the President, but all other regular annual appropriation figures for 1925 were taken from the bills as passed by the Senate up to June 2, 1924, and prior to action by conferees.
[2] Deficiencies and special acts are included in figures for 1915. In 1925 only the regular annual and permanent and indefinite appropriations passed up to June 2, 1924, are included. Deficiencies and special acts for the service of 1925, to be passed in the future, must be added for purposes of exact comparison.

*Comparison of appropriations, fiscal years 1915 and 1925*—Continued

| Title | Appropriations, fiscal year 1915 | Appropriations, fiscal year 1925 | Decrease (−) or increase (+), 1925, compared with 1915 |
|---|---|---|---|
| Commerce Department: | | | |
| Regular annual | $11,539,919.06 | $23,939,905.00 | +$12,399,985.94 |
| Permanent and indefinite | 3,000.00 | 3,000.00 | |
| Total | 11,542,919.06 | 23,942,905.00 | +12,399,985.94 |
| Interior Department: | | | |
| Regular annual | 191,858,601.94 | 264,202,756.00 | +72,344,154.06 |
| Permanent and indefinite | 19,820,500.00 | 27,243,269.06 | +7,422,769.06 |
| Total | 211,679,101.94 | 291,446,025.06 | +79,766,923.12 |
| Department of Justice and the judiciary: | | | |
| Regular annual | 10,615,400.10 | 21,371,430.00 | +10,756,029.90 |
| Permanent and indefinite | 147,500.00 | | −147,500.00 |
| Total | 10,762,900.10 | 21,371,430.00 | +10,608,529.90 |
| Labor Department: | | | |
| Regular annual | 3,790,769.97 | 7,956,516.51 | +4,165,746.54 |
| Permanent and indefinite | | 25,000.00 | +25,000.00 |
| Total | 3,790,769.97 | 7,981,516.51 | +4,190,746.54 |
| Navy Department: | | | |
| Regular annual | 147,060,406.47 | 275,105,067.00 | +128,044,568.53 |
| Permanent and indefinite | 1,881,477.00 | 2,103,260.00 | +221,783.00 |
| Total | 148,941,975.47 | 277,208,327.60 | +128,266,351.53 |
| Post Office Department, regular annual only | [3] 316,169,190.50 | 613,645,195.25 | +297,476,004.75 |
| State Department: | | | |
| Regular annual | 6,033,716.54 | 15,001,646.29 | +8,967,929.75 |
| Permanent and indefinite | 171,000.00 | 26,000.00 | −145,000.00 |
| Total | 6,204,716.54 | 15,027,646.29 | +8,822,929.75 |
| Treasury Department: | | | |
| Regular annual | 56,790,428.76 | 120,768,405.00 | +63,977,976.24 |
| Permanent and indefinite | [4] 92,943,000.00 | [5] 1,399,051,075.00 | +1,306,108,075.00 |
| Total | 149,733,428.76 | 1,519,819,480.00 | +1,370,086,051.24 |
| War Department: | | | |
| Regular annual | [6] 172,516,600.95 | [6] 329,843,772.13 | +157,327,171.18 |
| Permanent and indefinite | 9,317,600.00 | 6,583,321.00 | −2,734,279.00 |
| Total | 181,834,200.95 | 336,427,093.13 | +154,592,892.18 |
| District of Columbia: | | | |
| Regular annual | 12,371,016.08 | 29,227,519.00 | +16,856,502.92 |
| Permanent and indefinite | 854,700.00 | 1,226,962.00 | +372,262.00 |
| Total | 13,225,716.08 | 30,454,481.00 | +17,228,764.92 |
| Grand total: | | | |
| Regular annual | 976,113,289.83 | 2,175,359,401.34 | +1,199,246,111.51 |
| Permanent and indefinite | 131,196,407.00 | 1,455,080,738.85 | +1,323,884,331.85 |
| Grand total | [1] 1,107,309,696.83 | 3,630,440,140.19 | +2,523,130,443.36 |
| Less Post Office (payable from postal revenues) | 314,245,638.39 | 613,645,195.25 | 299,399,556.86 |
| Total, exclusive of Post Office | [7] 793,064,058.44 | 3,016,794,944.94 | +2,223,730,886.50 |

[1] Includes $1,923,552.11 for Post Office Department proper, payable from ordinary receipts (General Treasury). In 1925 all expenses of the Post Office Department are made payable from postal revenues.

[4] Includes sinking fund, $60,717,000; and interest on the public debt, $22,000,000.

[5] Includes estimates for sinking fund, $310,000,000; for interest on the public debt, $890,000,000; and for public-debt redemptions payable from ordinary receipts, $172,277,977.

[6] Includes appropriations for Panama Canal.

[7] In 1915 Postal Service payable from postal revenues only was excluded, as the expenses for Post Office Department proper were payable from ordinary receipts

A FEW OF THE OUTSTANDING ACCOMPLISHMENTS OF THE REPUBLICAN ADMINISTRATION, 1921–1924

PEACE WITH GERMANY

Mr. SMOOT. Mr. President, when the Republican administration came into control of the Government, in 1921, the country was still in a state of war with the Central Powers, due to the stubborn refusal of a Democratic President to conclude any treaty of peace which did not provide for the entry of the United States into the League of Nations and did not subordinate this country to the domination of foreign influences. The first and most important care of the administration became the conclusion of peace with Germany and her allies. Treaties were quickly arranged; diplomatic and trade relations were resumed with the enemy countries; and the strained relations with European nations which had grown out of the Versailles treaty were adjusted.

THE FISCAL SITUATION

As a result of the war, our people had accumulated a debt of $26,596,701,648.01 as against a pre-war indebtedness of one billion. Of this sum $11,000,000,000 was made up of advances to our allies during the war. No arrangements whatever had been made for the collection or the funding of these advances. No country except England had paid a dollar on account of either principal or interest. At the same time, current expenditures of the Government were proceeding at the rate of more than five and a half billions yearly. Government obligations were below par. In spite of this appalling state of the public finances, due at least in part to the unprecedented extravagances of the former administration, the retiring Democratic President had seen fit to disapprove the Budget and accounting bill, designed to bring system and economy into the Government's business.

REDUCTION IN EXPENDITURES

The Republican administration took steps immediately to improve the public credit and to curtail expenditures.

Mr. GLASS. Mr. President, may I interrupt the Senator?

Mr. SMOOT. I wish the Senator would allow me to get through and then I will gladly answer any questions he may desire to ask.

Included in the totals of appropriations, almost two billions is made up of fixed charges growing out of the war—interest on the public debt, sinking-fund contributions, and the payments to ex-service men. The administration has thus reduced the actual cost of the public service to a little more than $1,000,000,000 yearly, practically the amount expended annually before the war.

THE BUDGET SYSTEM

This retrenchment in expenditures was made possible largely by the inauguration of a Budget system immediately after the beginning of the Republican administration. This was the greatest piece of fiscal legislation in the recent history of the country. Not only has machinery been set up under the President whereby he can with intelligence plan the country's financial program, but the committee arrangements in both Senate and House have so been altered as to consolidate and unify the legislative system for the consideration of appropriations and expenditures. The entire credit for the existence and the wonderful achievements of the Budget system must be given to a Republican Congress and a Republican President.

At this point I wish to place in the RECORD a table showing total appropriations, including Postal Service—payable from postal revenues—and estimated and indefinite appropriations, and a table showing total appropriations, including permanent and indefinite appropriations but excluding Postal Service, as follows:

*Total appropriations including Postal Service (payable from postal revenues) and estimated permanent and indefinite appropriations*

| Fiscal year | Total appropriations | Reductions |
|---|---|---|
| 1921 | $4,780,929,510 | |
| 1922 | 3,909,282,209 | $871,647,301 |
| 1923 | 4,248,140,570 | [1] 338,858,361 |
| 1924 | 4,002,644,312 | 155,596,258 |

[1] Increase.

*Total appropriations including permanent and indefinite appropriations, but excluding Postal Service*

| Fiscal year | Total appropriations | Reductions |
|---|---|---|
| 1921 | $4,257,361,240 | |
| 1922 | 3,207,892,754 | $1,049,468,486 |
| 1923 | 3,675,612,872 | [1] 467,719,618 |
| 1924 | 3,495,634,887 | 179,977,985 |

[1] Increase.

*Total appropriations excluding Postal Service and estimated permanent and indefinite appropriations*

| Fiscal year | Total appropriations | Reductions |
|---|---|---|
| 1921 | $2,796,953,488 | |
| 1922 | 1,872,116,394 | $924,837,094 |
| 1923 | 2,155,745,089 | [1] 283,628,695 |
| 1924 | 1,959,966,459 | 195,778,630 |

[1] Increase.

I want to call attention now to the total gross debt as of June 30, 1921, and the reductions taking place, as follows:

*Statement showing reduction in the total gross debt for the fiscal years 1922, 1923, and 11 months of fiscal year 1924*

| | Total gross debt | Reduction |
|---|---|---|
| June 30, 1921 | $23,977,450,552 | |
| June 30, 1922 | 22,963,381,708 | $1,014,068,844 |
| June 30, 1923 | 22,349,707,365 | 613,674,343 |
| May 31, 1924 (11 months) | 21,544,803,396 | 804,903,969 |
| Total reduction (2 years 11 months) | | 2,432,647,156 |
| Yearly average | | 834,050,454 |

In order that Senators may know just what the sales were of war supplies, the proceeds of which were covered into the Treasury in each of these years, I want to put in the RECORD at this time a statement giving the amount in each year, as follows:

*Receipts from sales of war supplies covered into the Treasury*

| Fiscal year: | |
|---|---|
| 1921 | $183,406,227.01 |
| 1922 | 89,319,746.28 |
| 1923 | 77,931,236.95 |
| 1924 (11 months' basis) | 39,282,571.49 |

I now want to call attention to the question of expenditures, shown in the following table:

*Total expenditures chargeable against ordinary receipts* [1]

[On basis of daily statements adjusted to Budget basis]

| Fiscal year | Total expenditures chargeable against ordinary receipts | Reductions |
|---|---|---|
| 1921 | $5,538,209,189 | |
| 1922 | 3,795,302,480 | $1,742,906,709 |
| 1923 | 3,532,269,266 | 263,033,214 |
| 1924 (11 months) | 3,144,448,574 | [2] 43,290,245 |

[1] Includes public debt retirements chargeable against ordinary receipts.
[2] Eleven months' period ended May 31, 1924, compared with corresponding period for the fiscal year 1923.

REFUNDING THE FOREIGN DEBT

Mr. President, legislation was adopted establishing a commission to take up with the various nations the question of refunding their indebtedness to this country, amounting to about eleven billions of dollars. The commission has met with material success. It secured an arrangement with Great Britain—our largest debtor—to fund the entire British debt into long-term bonds and provide for the immediate and continued payment of the interest and of installments on the principal. This was approved by Congress and by the British Government and is now in effect. A debt settlement has also been reached with Finland and Hungary, while negotiations are in progress with all other debtor nations. As the result of the active prosecution of these matters by the administration, the annual income of the Government has been increased by the sum of $180,000,000, representing principal and interest payments by foreign nations. This has been a material help to the Treasury.

BALANCING THE BUDGET AND REDUCING THE NATIONAL DEBT

The fiscal year 1922 began with a deficit of more than $700,000,000. Due to the economies of the administration this deficit was converted into a surplus of $300,000,000 before the end of the year. The excess of receipts over expenditures during the fiscal year 1923 was again more than $300,000,000. It is estimated at the Treasury that there will be a similar surplus at the end of the current year. At the same time the administration was thus bringing the Government's expenses within its income, or balancing the budget, substantial reductions were being made in the public debt. This stood at $26,000,000,000 in 1919. It has been reduced following the inauguration of a Republican Congress in that year to about $24,000,000,000, where it stood at the time of President Harding's inauguration in March, 1921. Within the three years of the present administration it has been cut down to $21,544,806,396—an average reduction of more than $800,000,000 yearly.

RESTORED PUBLIC CREDIT

With this vigorous handling of the Nation's finances, the interest rate on the Government's short-time borrowings was reduced from 5½ per cent to 4 per cent, a saving of millions to the Treasury. Government bonds, which had been selling at about 85 cents on the dollar, returned to par—which meant two and a half billions of dollars in the pockets of the holders of Liberty bonds.

TAX REDUCTIONS

In the face of the large reductions in the public debt and the annual additions to the Treasury surplus, the internal revenue taxes have been reduced—first by the act adopted in November, 1921, and more recently by the act which has just received the President's signature. The first law repealed the obnoxious excess-profits tax, the most damaging of all taxes to ordinary business, reduced high surtaxes, increased the exemptions applying to heads of families with moderate incomes, and repealed most of the so-called nuisance taxes. The act just adopted decreases taxes generally to the lowest level since 1917; reduces the income taxes payable during the present year by 25 per cent; makes a general reduction in all income taxes, and specially reduces the taxes on earned incomes. These large decreases in the tax burden of the people have been possible solely by the most rigid economy practiced by the administration and by the application of common-sense principles to the conduct of the Government's business.

REORGANIZATION OF THE EXECUTIVE DEPARTMENTS

The establishment of budgetary reforms, which not merely have made possible the curtailment of the public expenditures and the reduction of the national debt but have also permitted a substantial reduction in the tax burden upon the people, will not, however, be brought to completion without the reorganization and rearrangement of the executive departments which have the Government's business in charge. The departments have shown a marked improvement in their efficiency under the Republican administration. They have practiced rigid economy. They have eliminated all unnecessary expenditures. They have reduced the number of Government employees nearly 100,000. But further improvements can be made. Immediately after the present administration came into power, Congress established a Joint Committee on Reorganization, which has since been engaged in an intensive inquiry into the details of Government administration. The committee has just laid its report before Congress, recommending the elimination of a number of superfluous bureaus and offices and a comprehensive rearrangement of the entire departmental system. The legislation necessary to accomplish these reforms is now before Congress, and its enactment will complete the compliance of the administration with its promise to introduce sound business principles into the management of the Government.

REDUCTION IN THE ARMY AND NAVY

The Republican administration has reduced the Army and the Navy to a proper peace-time basis. The Regular Army now numbers 140,000 officers and men, and the Navy, including the Marine Corps, 115,000 officers and men. Temporary posts and camps have been relinquished, surplus property disposed of, operating agencies have been consolidated, and other reforms introduced into the administration of the Military and Naval Establishments. Hundreds of millions of dollars have been saved as the result of these changes, without impairing in the slightest degree the effectiveness of our fighting forces for purposes of the national defense.

PREPAREDNESS

The National Guard and the naval reserves have been reorganized and made into an effective support for the regular Military and Naval Establishments. Summer camps and training schools have been conducted with regularity. The organ-

ized reserves of the two military arms are now in skeleton stage to insure the national defense against any emergency. These arrangements make possible the progress and development of defense plans, and a state of national preparedness, with a maximum of efficiency and at a very moderate public expense.

DISARMAMENT

One of the earliest efforts of the administration, in connection with its plans to aid in the restoration and maintenance of the peace of the world and to prevent the recurrence of such devastating conflicts as the late war, was directed to bringing a reduction in the armaments of the major powers. At the invitation of the President, the Arms Conference was called in November, 1921. It was in session three months, and unanimously adopted the administration's proposals definitely limiting armaments on the sea. It resulted in the recognition of this country's open-door policy in China, the withdrawal of Japanese troops from Siberia, the return of Shantung to China by Japan, the abandonment of the long-standing Anglo-Japanese alliance, and the recognition of the American claims in relation to Yap Island. It retained America's proper position in the Pacific and set up machinery for the adjustment of disputes arising in the Orient. This was the most brilliant and far-reaching diplomatic achievement in history, and beyond any doubt accomplished more in the direction of securing world peace than any step which has ever been taken by this or any other country. It has made possible a tremendous lightening of the tax burden, not only in the United States, but in all the leading nations of the world.

GERMAN REPARATIONS

Throughout, by means of unofficial observers, the administration has maintained close contact with the endeavors of European nations to reach an adjustment of the problems connected with the rehabilitation of France and Belgium, and the payment of reparations by Germany. In recent months, the Government named representatives to sit on the commission of experts created to formulate a plan for the final and complete settlement of these matters, which, without exception, were the most difficult and perplexing of the many questions which grew out of the war, and at the same time fraught with the greatest danger to the peace of the world. The commission, under the leadership of the American representatives, has submitted its report. The plan which it proposes has been accepted, in substance, by the Government of Germany as well as by the Governments of the allied nations. And there is little doubt that, largely as the result of the friendly intervention of this country, the principal disagreements between the associated nations and the German people are in fair way to a speedy settlement. This is but a further illustration of the high position in the family of nations which America has reached under the Harding-Coolidge administration.

MEXICO

The long-standing differences between this country and Mexico has been adjusted satisfactorily to both nations, and the United States has resumed diplomatic relations with that country.

PHILIPPINES

At the close of the Democratic administration in 1921, the prestige and authority of the United States in the Philippines had sunk to its lowest level since the American occupation of the islands in 1898. Due largely to a desire on the part of the Democratic Governor General to encourage and hasten Philippine independence the government of the islands had been largely entrusted to native politicians. Mismanagement, extravagance, and corruption were rife in administrative affairs. Government credit was exhausted, the currency was depreciated, and the public finances were in a state of collapse. Immediately after his inauguration, President Harding dispatched a commission to the islands to make a thorough investigation of these conditions. He later appointed as Governor General one of the strongest American administrators in public life. Under his guidance and direction the fiscal system in the Philippines has been reorganized and rehabilitated. Corrupt public officials have been removed from office and punished. The public credit has been restored. And the prestige of the American Nation and the American people in the Far East never was higher than it is to-day.

DOMESTIC AFFAIRS—CARE OF THE VETERANS

The principle for which President Harding and President Coolidge have consistently contended is that the Government shall treat with liberality and generosity all our former soldiers and sailors who were wholly or partially disabled in the service of their country. The administration has steadfastly striven in every possible way to lighten the burden of those of our soldiers who came out of the war handicapped, as well as to help the dependents of those who lost their lives in their country's service. No other administration in the Nation's history has provided more generously for the ex-service men. In 1921, the Veterans' Bureau was established, all Government agencies dealing with former service men were consolidated, and the work of relieving disabled war veterans and their dependents facilitated and expedited. The rates of compensation for disability were liberalized by a Republican Congress, and the administrative policy was adopted of placing the burden of proof in all compensation cases upon the Government. Millions have been expended for the erection of hospitals. Each year approximately half a billion dollars has been paid out to veterans of the Great War and their dependents and to provide for their rehabilitation and hospitalization. The pensions of the veterans of other wars and their dependents have amounted to about $250,000,000 yearly, making a total of about three-quarters of a billion dollars a year provided for the care of our veterans. No other nation in the history of the world has provided more liberally for its former soldiers.

In the closing days of the present session, Congress adopted the soldiers' bonus, involving a payment to veterans amounting to approximately $132,000,000 during the first year, and a total payment of upwards of two and a half billions spread over a period of 20 years.

IMMIGRATION

The enactment of restrictive immigration legislation was one of the most important tasks of the administration. Under the immigration policy which had long been followed by this country, the arrival of great numbers of immigrants from southern and eastern Europe was operating to change, to a dangerous degree, the character and composition of our people. Our standards of living were becoming depressed, our balance of population upset, our ideals and institutions threatened, and our prisons and asylums filled with the socially unfit, as the result of the advent of inferior racial groups and groups having nothing in common with those peoples which had settled and developed the country. The administration sought, and Congress enacted, legislation which for all time will put an end to this menace. The Johnson-Reed immigration law establishes the census of 1890 as the quota base for immigration, and fixes the annual quota from each country at 2 per cent of its representation in the foreign-born population of the United States as it stood in that year. The law will restrict immigration greatly—in fact, to about 160,000 persons a year. It will permit the restoration of the original balance in our population. It will diminish the numbers of the delinquent and defective classes. It will reduce crime, and prevent unemployment. The immigration law is one of the most notable achievements of the present administration.

THE TARIFF

Hand in hand with the restriction of immigration goes the Fordney-McCumber tariff. The restriction of immigration is almost universally approved by reasonable men. Our railroads, our shops and factories, our mines and our farms, should be operated by our own people. One of the objects of restricting immigration is to keep out low-priced foreign labor, and to insure employment for Americans. But a curtailment of immigration would be of little value for this purpose if we were to permit goods produced in foreign countries to be dumped into our markets. Every shipload of goods produced abroad and brought into America for sale takes just so much employment from American laborers and American producers. The Republican administration has stood, as every Republican administration has stood, for the protection of American workingmen and American industries from unfair competition with the cheap labor of foreign countries. Under the Fordney-McCumber tariff our industries and our labor have prospered. There are now few idle factories, and there is but little unemployment. Wages are high and prices good. Our revenues from customs have shown a marked increase, amounting during the last completed fiscal year (1923) to almost $600,000,000.

In spite of the gloomy forecasts of the Democratic opponents of the Fordney-McCumber law, our export trade has increased, and not diminished, under the new tariff. This is at least in part due to the vigorous efforts of the administration to build

up markets abroad for our surplus production. The organization of the Department of Commerce has been expanded and increased many fold in effectiveness during the last three years. Divisions have been established covering farm products, cotton, agricultural implements, coal, electrical equipment, hides and leather, and all other important commodities.

Mr. REED of Missouri. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Missouri?

Mr. SMOOT. I will say to the Senator I am nearly through, and I should prefer not to yield at this time.

Mr. REED of Missouri. Very well.

Mr. SMOOT. Systematic and complete information in relation to foreign markets is being developed both through the foreign agents of the Department of Commerce and through the consular service. This information is collated in the department and regularly made available to the trades affected, to exporters, to the agricultural interests, and to the general public.

AGRICULTURE

The administration has rendered material and timely aid to agriculture—the country's oldest and most important industry. During 1921 a congressional joint commission on agricultural inquiry conducted intensive research to determine the ways in which the Government could best aid the farmer, and in January, 1922, the Secretary of Agriculture, at the request of the President, called a national agricultural conference, which proved to be the most representative gathering of practical farmers and representatives of farm organizations and allied associations which had ever been brought together in this country. Following the recommendations of its own commission and of this national conference, Congress has passed a number of laws designed to assist the agricultural interests of the Nation. One of the most important was the agricultural credits act of 1923, providing Government agencies to handle agricultural loans and authorizing the establishment of private agencies under Government supervision to loan money on livestock security and on farm products in transit to market.

The War Finance Corporation was revived and empowered to loan money to those engaged in marketing agricultural products for export and to banks or cooperative associations of producers making advances for agricultural purposes. The financial relief to farmers made possible by these measures has meant salvation for the livestock industry in the West and the saving from bankruptcy many other agricultural industries essential to the prosperity of the entire country.

The Federal Reserve act was amended so as to give representation to agriculture in the membership of the Federal Reserve Board, to increase the period of discount for agricultural paper, and to broaden the definition of such paper. The cooperative marketing act was adopted giving to farmers the right to form associations for marketing their products. The packers and stockyards act was passed, for the purpose of preventing unfair practices in the marketing of livestock. Millions of dollars were appropriated for the extension and improvement of rural roads.

This is by no means an exhaustive list of the things which the Government has done in the last three years to aid the agricultural communities of the country. But it shows that legislation in the interests of agriculture has been one of the chief concerns of the administration. Many proposals for farmer relief have been before Congress, but none have had the undivided support of the agricultural interests themselves, and this is the principal reason why further relief legislation has not passed Congress at the present session. The failure of these proposals to secure the indorsement of Congress can not obscure the fact that farmer-relief legislation of a practical kind has been adopted, which will beyond question mark the beginning of the return of prosperity to our farmers.

Now, Mr. President, perhaps it would be well to summarize what I have already stated in a few words. It will only take me a short time to do it.

SUMMARY

Under the Republican administration peace has been concluded with our former enemies and friendly relations established with the entire world. The administration of the Government has been placed upon the soundest basis since we became a Nation. Taxes have been cut. Yet the national debt has been reduced and the national credit restored. Rigid economy has supplanted extravagance in the Government departments and in the Army and Navy, and our yearly expenditures have been cut almost in half.

Sound tariff and immigration policies have been put in force. Our export trade has grown. Unemployment has been eliminated. There are but few idle factories. The situation of the farmers, which under the former administration had become desperate, has been materially improved. The people will judge the administration and the Congress by these results. Except by those who look upon the Government as a dispenser of gratuities, these results will be regarded with satisfaction.

THE ACHIEVEMENTS OF THE SIXTY-SEVENTH CONGRESS UNDER PRESIDENT HARDING

The Sixty-seventh Congress passed the farmers' emergency tariff act, which stopped the importations of wheat, milk, and cheese from Canada; corn and beef from Argentina; wool and mutton from Australia; eggs from China; and butter from Norway, Denmark, and Sweden, which were being shipped into this country under the free-trade provisions of the Underwood Democratic tariff.

It authorized the use of a billion dollars by the War Finance Corporation to finance the orderly marketing and exportation of agricultural products.

It reduced the Army and the Navy to a peace-time basis.

It passed the peace resolutions with Germany and Austria and brought about a limitation of armament through an international conference.

It passed the budget bill, vetoed by President Wilson, and put the budget system into operation.

It reduced Government employees over 100,000.

It curtailed the expenses of the Government through economy and good business management, and was thus enabled to reduce the national debt from $26,594,267,878 on August 31, 1919, to $21,544,806,396 on May 31, 1924.

It repealed the soda and ice cream, clothing, drug store, and freight and express taxes.

It reduced the burden on the taxpayer nearly $1,000,000,000 a year.

It combined the activities in behalf of the disabled and injured soldiers in the Veterans' Bureau, as desired by the ex-service man, and provided $500,000,000 annually for soldier-relief work.

It restricted foreign immigration to a 3 per cent basis.

It established the foreign debt funding commission, which has secured satisfactory settlement of the British debt and is negotiating the settlement of the amounts due us from the other nations.

It passed the maternity bill.

It passed a law regulating the grain exchanges and the packing houses.

It appropriated $38,000,000 to build hospitals for sick and disabled veterans.

It provided for the return of alien property not in excess of $10,000 to each person.

It provided for the organization of agricultural cooperative-marketing associations.

It passed the antinarcotic act.

It passed the bill prohibiting the sale of filled milk.

It provided for the monthly payment of Civil War pensions.

It brought about independent citizenship for women.

It created the United States Coal Commission, and made possible the prosecution of war profiteers and grafters.

It passed a permanent tariff law, protecting agricultural products and reviving the operation of our industries, to the end that 5,000,000 idle men were able to find employment.

It enacted the Capper-Lenroot-Anderson-Strong bill, establishing a system of rural credits.

THE SIXTY-EIGHTH CONGRESS, FIRST SESSION

The Sixty-Eighth Congress passed the tax reduction bill.

It granted the soldiers' bonus.

It passed the bill permanently restricting immigration.

It extended for nine months the power of the War Finance Corporation to advance credit to agriculture.

It authorized the settlement of the indebtedness of Hungary and Finland to United States made by the World War Foreign Debt Commission.

It remitted the remaining payments on the Chinese indemnity.

It authorized the postponement of payments by settlers on reclamation projects.

It expanded the Coast Guard to prevent illegal entry of aliens and of liquors, narcotics, and dutiable goods.

It authorized the participation of the United States in two international conferences for the control of the narcotic traffic.

It relieved drought-stricken farmers in New Mexico and made appropriations to check cattle diseases in the Southwest.

It passed a bill reorganizing the diplomatic and consular service.

These, Mr. President, are but a few of the acts that have been passed under this administration.

STATEMENT OF APPROPRIATIONS

During the delivery of Mr. SMOOT'S speech,

Mr. WARREN. Mr. President, will the Senator yield for just a moment?

The PRESIDENT pro tempore. Does the Senator yield to the Senator from Wyoming?

Mr. SMOOT. For what purpose?

Mr. WARREN. I wish to make an announcement regarding appropriations.

Mr. SMOOT. I yield.

Mr. WARREN. Mr. President, it has been the custom in the Senate, on the last day of each session, for the chairman of the Appropriations Committee, representing the majority, to make a statement of the appropriations made during the session, and for the ranking member of the minority on the Committee on Appropriations also to make such a statement. The Committee on Appropriations has been too busy during the last few days to afford the chairman of that committee an opportunity to prepare any but an imperfect statement of appropriations, for, with so many conference reports being acted upon in the last few hours of the session, involving many thousands and hundreds of thousands of dollars, it is only possible to determine upon the exact amounts appropriated after the session has ended. I therefore ask unanimous consent that the chairman of the Appropriations Committee shall have the privilege of inserting in the RECORD early next week a statement showing the total appropriations made by the present session of Congress.

The PRESIDENT pro tempore. Is there objection?

Mr. OVERMAN. Mr. President, I do not have any objection, but, on the contrary, I hope unanimous consent will be granted. I know that the chairman of the Committee on Appropriations has been very busy.

The PRESIDENT pro tempore. Is there objection?

Mr. NORBECK. Mr. President, I wish to make a parliamentary inquiry. What is the request?

Mr. ROBINSON. Mr. President, I suggest that there be coupled with the request of the Senator from Wyoming the further request that the ranking member of the minority on the Committee on Appropriations, the Senator from North Carolina [Mr. OVERMAN], may be granted the same privilege.

Mr. OVERMAN. I was just going to make that request.

Mr. WARREN. Of course, I have no objection to that being done.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

APPROPRIATIONS, FISCAL YEAR 1925

Mr. WARREN. Mr. President, in accordance with the usual custom at the close of a session, I present herewith three tables: (a) Recapitulation of appropriations by acts and irrespective of fiscal years, Sixty-eighth Congress, first session, December 3, 1923, to June 7, 1924; (b) comparison of appropriations by departments and establishments, fiscal years 1924 and 1925; and (c) comparison of Budget estimates and appropriations, fiscal year 1925.

The appropriations by acts, irrespective of fiscal years, made during the Sixty-eighth Congress, first session, amounted to $3,784,123,324.35, plus $186,833,288.49 in the second deficiency bill and $26,357,767.84 in the field service classification bill, which failed, or a total of $3,997,314,380.68, as compared to $4,097,499,197.04 made during the Sixty-seventh Congress, second, third, and fourth sessions—a substantial reduction of $100,184,816.36.

The total appropriations chargeable to the fiscal year 1925 are $3,622,125,959.19, as compared to $4,013,109,837.81 for the fiscal year 1924—a reduction of $390,983,878.62 for 1925 under 1924. This sum should be further reduced by the 1925 appropriations in the two bills which failed to pass, aggregating approximately $201,000,000, which will leave the reduction of 1925 under 1924 approximately $189,000,000. This is a substantial saving and one which the country has a right to scan with pleasure. Reduction of appropriations is not an easy task in a growing country such as ours.

I have great pleasure at this point in commending the able and harmonious efforts of the House Committee on Appropriations. Its work has been thorough and conscientious. Its leadership has been wise and masterful and at all times on the side of the taxpayer. I thank each and every member of the Committee on Appropriations of the Senate, of which I am the chairman, for his helpful support and cooperation, and I thank the able and experienced chief clerk and his assistants for their ability and never-failing industry and loyalty.

The total Budget estimates—regular and supplemental—amounted to $3,632,173,054.96 for the fiscal year 1925. The appropriations are $3,622,125,959.19—a net reduction of the estimates of $10,047,095.77. Really not a great change. Indeed, this is a compliment to the Bureau of the Budget. It shows the result of the application of scientific principles. It is a cheerful exhibit of what comes from all working together and in harmony.

Prior to the Budget law, Congress was confronted with estimates amounting to millions and millions of dollars which were monuments to waste and extravagance. Now an estimate means something. It has investigation behind it. So long as the Bureau of the Budget continues to function we may not expect to see the former great gap between estimates and appropriations. The Bureau of the Budget is deserving of the highest praise. General Dawes, who inaugurated, and General Lord, who followed, are entitled to congratulation, commendation, and continued confidence.

The following shows the total appropriations for fiscal years and amounts that follow:

| | |
|---|---|
| 1920 | $7,052,387,633.67 |
| 1921 | 4,070,964,534.06 |
| 1922 | 4,177,802,100.90 |
| 1923 | 3,951,062,084.39 |
| 1924 | 4,013,109,837.81 |
| 1925 | [1] 3,823,125,959.19 |

The appropriations for 1925 are less than the same for—

| | |
|---|---|
| 1920 | $3,229,261,674.48 |
| 1921 | 247,838,574.87 |
| 1922 | 354,676,141.71 |
| 1923 | 127,936,125.20 |
| 1924 | 189,983,878.62 |

In conclusion, the following facts are respectfully submitted:

The appropriations for 1925 are approximately $189,000,000 less than for 1924.

The public debt has been reduced from $25,478,592,113.25 on August 31, 1919, to $21,347,965,880.55 on May 31, 1924, a reduction of $4,130,626,232.70.

The excess of receipts over expenditures for the fiscal year ending June 30 1924, will not be less than $500,000,000.

The number of executive civil employees of the Government has been reduced from 917,760 on armistice day, November 11, 1918, to 544,671 on December 31, 1923, a reduction of 373,089. This is practically down to pre-war normal conditions, exclusive of the Postal Service.

The total revenues of the Postal Service have gone from $344,493,211.99 for the fiscal year 1918 to approximately $572,630,000 for the fiscal year 1924, an increase of $228,136,788.01.

Our Government since October 6, 1917, has made appropriations for allowances and benefits on account of disabled soldiers, sailors, and marines who participated in the war with Germany amounting to $2,773,470,866.98. This sum does not include $132,568,272.30 for adjusted compensation of World War veterans in the second deficiency bill for 1924, which failed.

Our Government has rehabilitated and completed the training of 71,500 ex-service men and women, thus overcoming their handicap as a result of physical or mental disability incurred in the military service; and 54,392 ex-service men and women are now receiving vocational training.

Our Government, through the operations of the Federal Board for Vocational Education, in cooperation with the States, has rehabilitated 13,951 persons disabled in industry or incapacitated by industrial accidents, and in addition we now have 18,000 persons in the process of being rehabilitated.

The entry of public lands by homesteaders and others for the fiscal years 1921 to 1923, inclusive, amounted to 32,413,784 acres, and the combined receipts of the General Land Office, for all purposes, for the three fiscal years amounted to $36,993,340.80.

The number of farms on our reclamation projects now number 34,000, and the cumulative gross value of crops grown since water was first available is equivalent to more than $500,000,000.

The number of miles of Federal-aid roads completed under the Federal highway act up to March 1, 1924, was 33,036, and 13,800 miles are now under construction.

[1] This sum includes $201,000,000 carried in the two acts that failed.

(A) *Recapitulation of Appropriations by Acts and Irrespective of Fiscal Years, Sixty-eighth Congress, First Session (Dec. 3, 1923, to June 7, 1924)*

| Title of act | | Amount |
|---|---|---|
| REGULAR ANNUAL ACTS, FISCAL YEAR 1925 | | |
| Agriculture | | $58,575,274.00 |
| District of Columbia | | 26,455,105.00 |
| Executive office and independent offices | | 398,776,740.16 |
| Interior | | 263,250,455.00 |
| Legislative establishment | | 14,229,016.00 |
| Navy | | 275,105,067.00 |
| State, Justice, Commerce, and Labor: | | |
| Commerce | $23,939,905.00 | |
| Justice | 21,371,430.00 | |
| Labor | 7,956,516.51 | |
| State | 15,001,646.29 | |
| | | 68,269,497.80 |
| Treasury and Post Office: | | |
| Post Office | 613,645,195.25 | |
| Treasury | 120,768,405.00 | |
| | | 734,413,600.25 |
| War: | | |
| Military activities | 255,615,279.13 | |
| Nonmilitary activities | 72,355,186.00 | |
| | | 327,970,465.13 |
| Total, regular annual acts | | 2,167,045,220.34 |
| DEFICIENCY APPROPRIATION ACTS, FISCAL YEAR 1924 AND PRIOR YEARS | | |
| First deficiency act, fiscal year 1924 | | 156,671,655.28 |
| Urgent deficiency act, fiscal year 1924 | | 2,333,000.00 |
| Total, deficiency acts | | 159,004,655.28 |
| MISCELLANEOUS ACTS CARRYING APPROPRIATIONS | | |
| Contingent expenses, United States Senate, fiscal year 1924 | | 125,000.00 |
| Prosecution of suits to cancel oil leases, fiscal years 1924 and 1925 | | 100,000.00 |
| Relief of drought-stricken farm areas of New Mexico, fiscal years 1924 and 1925 | | 1,000,000.00 |
| Eradication of foot-and-mouth disease, fiscal year 1924 | | 1,500,000.00 |
| Miscellaneous relief and other acts | | 267,709.88 |
| Total, miscellaneous acts | | 2,992,709.88 |
| Total, regular, deficiency, and miscellaneous acts | | 2,329,042,585.50 |
| PERMANENTS AND INDEFINITES, FISCAL YEAR 1925 | | |
| Agriculture | | 12,360,750.00 |
| Commerce | | 3,000.00 |
| Independent offices | | 6,457,301.79 |
| Interior | | 27,243,269.06 |
| Labor | | 25,000.00 |
| Legislative | | 800.00 |
| Navy | | 2,103,260.00 |
| State | | 26,000.00 |
| Treasury: | | |
| Interest on public debt | $890,000,000 | |
| Sinking fund and other public debt retirement funds | 482,277,975 | |
| Ordinary permanents and indefinites | 26,773,100 | |
| | | 1,399,051,075.00 |
| War: | | |
| Military activities | 900,000 | |
| Nonmilitary activities | 5,683,321 | |
| | | 6,583,321.00 |
| District of Columbia | | 1,226,962.00 |
| Total, permanents and indefinites | | 1,455,080,738.85 |
| Grand total | | 3,784,123,324.35 |

*Classification of foregoing appropriations by fiscal years*

| | |
|---|---|
| 1925 | $3,622,125,959.19 |
| 1924 | 149,464,629.69 |
| 1923 and prior fiscal years | 12,532,735.47 |
| Total | 3,784,123,324.35 |

*(B) Comparison of Appropriations by Departments and Establishments, Fiscal Years 1924 and 1925*

[Amounts carried for each of these years in regular annual appropriation acts, deficiency appropriations acts, special acts, and amounts estimated under permanent and indefinite appropriations]

| | Appropriations, fiscal year 1924 | Appropriations, fiscal year 1925 | Decrease (−) or increase (+), 1925 compared with 1924 |
|---|---|---|---|
| Legislative branch: | | | |
| Regular annual | $13,110,081.60 | $14,229,016.00 | +$1,118,934.40 |
| Increased compensation | 1,705,140.00 | | −1,705,140.00 |
| Permanent and indefinite | 800.00 | 800.00 | |
| Total | 14,816,021.60 | 14,229,816.00 | −586,205.60 |
| Executive Office and independent offices: | | | |
| Regular annual— | | | |
| Shipping Board | 50,411,500.00 | 30,344,000.00 | −20,067,500.00 |
| Veterans' Bureau | 433,161,399.16 | 349,065,000.00 | −84,096,399.16 |
| Executive and other independent offices | 18,446,279.92 | 19,367,740.16 | +921,460.24 |
| Increased compensation | 4,916,192.00 | | −4,916,192.00 |
| Total | 506,935,371.08 | 398,776,740.16 | −108,158,630.92 |
| Permanent and indefinite | 6,508,926.74 | 6,457,301.79 | −51,624.95 |
| Total | 513,444,297.82 | 405,234,041.95 | −108,210,255.87 |
| Agricultural Department: | | | |
| Regular annual— | | | |
| Department proper | 40,925,603.00 | 39,575,274.00 | −1,350,329.00 |
| Increased compensation | 3,304,800.00 | | −3,304,800.00 |
| Roads, construction of | 32,300,000.00 | 19,000,000.00 | −13,300,000.00 |
| Permanent and indefinite | 12,220,000.00 | 12,360,750.00 | +140,750.00 |
| Total | 88,750,403.00 | 70,936,024.00 | −17,814,379.00 |
| Commerce, Department of: | | | |
| Regular annual | 19,541,621.34 | 23,939,905.00 | +4,398,283.66 |
| Increased compensation | 1,958,956.00 | | −1,958,956.00 |
| Permanent and indefinite | 3,000.00 | 3,000.00 | |
| Total | 21,503,577.34 | 23,942,905.00 | +2,439,327.66 |
| Interior, Department of | | | |
| Regular annual— | | | |
| Pensions | 254,774,660.00 | 224,616,000.00 | −30,158,660.00 |
| Interior Department proper | 41,624,402.37 | 38,634,455.00 | −2,989,947.37 |
| Increased compensation | 2,845,309.00 | | −2,845,309.00 |
| Permanent and indefinite | 28,352,069.00 | 27,243,269.06 | −1,108,799.94 |
| Total | 327,596,440.37 | 290,493,724.06 | −37,102,716.31 |
| Justice, Department of, and judiciary: | | | |
| Regular annual | 21,122,556.00 | 21,371,430.00 | +248,874.00 |
| Increased compensation | 875,000.00 | | −875,000.00 |
| Total | 21,997,556.00 | 21,371,430.00 | −626,126.00 |
| Labor, Department: | | | |
| Regular annual | 7,246,411.00 | 7,956,516.51 | +710,105.51 |
| Increased compensation | 566,640.00 | | −566,640.00 |
| Permanent and indefinite | 25,000.00 | 25,000.00 | |
| Total | 7,838,051.60 | 7,981,516.51 | +143,465.51 |
| Navy, Department of: | | | |
| Regular annual | 294,480,828.00 | 275,105,067.00 | −19,375,761.00 |
| Increased compensation | 510,672.00 | | −510,672.00 |
| Permanent and indefinite | 2,130,050.00 | 2,103,260.00 | −26,790.00 |
| Total | 297,121,550.00 | 277,208,327.00 | −19,913,223.00 |
| Post Office Department: | | | |
| Payable from the postal revenues— | | | |
| Regular annual | 596,652,111.56 | 613,645,195.25 | +16,993,083.69 |
| Increased compensation | 337,248.00 | | −337,248.00 |
| Payable from other Federal revenues— | | | |
| Increased compensation | 11,520.00 | | −11,520.00 |
| Total | 597,000,879.56 | 613,645,195.25 | +16,644,315.69 |

*(B) Comparison of Appropriations by Departments and Establishments, Fiscal Years 1924 and 1925*—Continued

| | Appropriations, fiscal year 1924 | Appropriations, fiscal year 1925 | Decrease (−) or increase (+), 1925 compared with 1924 |
|---|---|---|---|
| State Department: | | | |
| Regular annual | $15, 262, 975. 79 | $15, 001, 646. 29 | −$261, 329. 50 |
| Increased compensation | 134, 000. 00 | | −134, 000. 00 |
| Permanent and indefinite | 106, 000. 00 | 26, 000. 00 | −80, 000. 00 |
| Total | 15, 502, 975. 79 | 15, 027, 646. 29 | −475, 329. 50 |
| Treasury Department: | | | |
| Regular annual | [1] 236, 934, 694. 04 | 120, 768, 405. 00 | −116, 166, 289. 04 |
| Increased compensation | 10, 749, 292. 00 | | −10, 749, 292. 00 |
| Permanent and indefinite— | | | |
| Interest on public debt | 940, 000, 000. 00 | 890, 000, 000. 00 | −50, 000, 000. 00 |
| Public debt redemption funds | 511, 968, 125. 00 | 482, 277, 975. 00 | −29, 690, 150. 00 |
| All other | 31, 055, 093. 41 | 26, 773, 100. 00 | −4, 281, 993. 41 |
| Total | 1, 730, 707, 204. 45 | 1, 519, 819, 480. 00 | −210, 887, 724. 45 |
| War Department: | | | |
| Military— | | | |
| Regular annual | 251, 544, 581. 00 | 255, 615, 279. 13 | +4, 070, 698. 13 |
| Permanent and indefinite | 900, 000. 00 | 900, 000. 00 | |
| Total, military | 252, 444, 581. 00 | 256, 515, 279. 13 | +4, 070, 698. 13 |
| Nonmilitary— | | | |
| Regular annual | 85, 822, 747. 00 | 72, 355, 186. 00 | −13, 467, 561. 00 |
| Permanent and indefinite | 5, 843, 321. 00 | 5, 683, 321. 00 | −160, 000. 00 |
| Total nonmilitary | 91, 666, 068. 00 | 78, 038, 507. 00 | −13, 627, 561. 00 |
| Total, War Department— | | | |
| Regular annual | 337, 367, 328. 00 | 327, 970, 465. 13 | −9, 396, 862. 87 |
| Increased compensation | 6, 102, 057. 00 | | −6, 102, 057. 00 |
| Permanent and indefinite | 6, 743, 321. 00 | 6, 583, 321. 00 | −160, 000. 00 |
| Total | 350, 212, 706. 00 | 334, 553, 786. 13 | −15, 658, 919. 87 |
| District of Columbia: | | | |
| Regular annual | 23, 047, 555. 00 | 26, 455, 105. 00 | +3, 407, 550. 00 |
| Increased compensation | 1, 795, 067. 00 | | −1, 795, 067. 00 |
| Permanent and indefinite | 1, 512, 843. 00 | 1, 226, 962. 00 | −285, 881. 00 |
| Total | 26, 355, 465. 00 | 27, 682, 067. 00 | +1, 326, 602. 00 |
| Grand total— | | | |
| Regular annual | 2, 436, 410, 006. 78 | 2, 167, 045, 220. 34 | −269, 364, 786. 44 |
| Increased compensation | 35, 811, 893. 00 | | −35, 811, 893. 00 |
| Private relief acts unclassified | 262, 709. 88 | | −262, 709. 88 |
| Permanent and indefinite | 1, 540, 625, 228. 15 | 1, 455, 080, 738. 85 | −85, 544, 489. 30 |
| Grand total | 4, 013, 109, 837. 81 | 3, 622, 125, 959. 19 | −390, 983, 878. 62 |
| Less sum payable from postal revenues | 596, 989, 359. 56 | 613, 645, 195. 25 | +16, 655, 835. 69 |
| Total, exclusive of sum payable from postal revenues | 3, 416, 120, 478. 25 | 3, 008, 480, 763. 94 | −407, 639, 714. 31 |

[1] This sum includes $105,467,000 for refunding internal revenue taxes erroneously collected.

NOTE.—Appropriations herein stated do not include the amounts pertaining to the second deficiency bill and the field service classification bill, both of which failed of enactment. The amount for the fiscal year 1925 in the latter bill was $26,357,767.84 and the amount for the same year in the former bill is approximately $175,000,000.

*(C) Comparison of Budget Estimates and Appropriations, Fiscal Year 1925*—Continued

[The appropriations for 1925 include amounts carried for fiscal year 1925 in regular annual appropriations acts, and amounts estimated under permanent and indefinite appropriations]

| Department or establishment | Budget estimates submitted Dec. 3, 1923 | Supplemental Budget estimates submitted Dec. 3, 1923, to June 7, 1924 | Total Budget estimates fiscal year 1925 | Appropriations, 1925, regular annual and permanent and indefinite | Increase (+) or decrease (−) appropriations compared with estimates |
|---|---|---|---|---|---|
| Legislative branch: | | | | | |
| Regular annual | $13,783,036.25 | $988,625.40 | $14,771,661.65 | $14,229,016.00 | −$542,645.65 |
| Permanent and indefinite | 800.00 | | 800.00 | 800.00 | |
| Total | 13,783,836.25 | 988,625.40 | 14,772,461.65 | 14,229,816.00 | −542,645.65 |
| Executive office and independent offices: | | | | | |
| Regular annual— | | | | | |
| Shipping Board | 30,344,000.00 | | 30,344,000.00 | 30,344,000.00 | |
| Veterans' Bureau | 349,065,000.00 | | 349,065,000.00 | 349,065,000.00 | |
| Executive and other independent offices | 19,315,131.16 | 14,500.00 | 19,329,631.16 | 19,367,740.16 | +38,109.00 |
| Total | 398,724,131.16 | 14,500.00 | 398,738,631.16 | 398,776,740.16 | +38,109.00 |
| Permanent and indefinite | 6,457,301.79 | | 6,457,301.79 | 6,457,301.79 | |
| Total | 405,181,432.95 | 14,500.00 | 405,195,932.95 | 405,234,041.95 | +38,109.00 |
| Agricultural Department: | | | | | |
| Regular annual— | | | | | |
| Department proper | 38,729,825.00 | | 38,729,825.00 | 39,575,274.00 | +845,449.00 |
| Roads, construction of | 18,500,000.00 | | 18,500,000.00 | 19,000,000.00 | +500,000.00 |
| Permanent and indefinite | 12,360,750.00 | | 12,360,750.00 | 12,360,750.00 | |
| Total | 69,590,575.00 | | 69,590,575.00 | 70,936,024.00 | +1,345,449.00 |
| Commerce, Department of: | | | | | |
| Regular annual | 24,045,025.00 | | 24,045,025.00 | 23,939,905.00 | −105,120.00 |
| Permanent and indefinite | 3,000.00 | | 3,000.00 | 3,000.00 | |
| Total | 24,048,025.00 | | 24,048,025.00 | 23,942,905.00 | −105,120.00 |
| Interior, Department of: | | | | | |
| Regular annual— | | | | | |
| Pensions | 232,120,680.00 | | 232,120,680.00 | 224,616,000.00 | −7,504,680.00 |
| Interior Department proper | 39,948,651.00 | | 39,948,651.00 | 38,634,455.00 | −1,314,196.00 |
| Permanent and indefinite | 27,243,269.06 | | 27,243,269.06 | 27,243,269.06 | |
| Total | 299,312,600.06 | | 299,312,600.06 | 290,493,724.06 | −8,818,876.00 |
| Justice, Department of, and judiciary: | | | | | |
| Regular annual | 21,378,456.00 | | 21,378,456.00 | 21,371,430.00 | −7,026.00 |
| Labor, Department of: | | | | | |
| Regular annual | 6,677,576.51 | | 6,677,576.51 | 7,956,516.51 | +1,278,940.00 |
| Permanent and indefinite | 25,000.00 | | 25,000.00 | 25,000.00 | |
| Total | 6,702,576.51 | | 6,702,576.51 | 7,981,516.51 | +1,278,940.00 |
| Navy, Department of: | | | | | |
| Regular annual | 276,395,794.00 | | 276,395,794.00 | 275,105,067.00 | −1,290,727.00 |
| Permanent and indefinite | 2,103,260.00 | | 2,103,260.00 | 2,103,260.00 | |
| Total | 278,499,054.00 | | 278,499,054.00 | 277,208,327.00 | −1,290,727.00 |
| Post Office Department: | | | | | |
| Payable from postal revenues— | | | | | |
| Regular annual | 613,093,183.50 | | 613,093,183.50 | 613,645,195.25 | +552,011.75 |
| State Department: | | | | | |
| Regular annual | 14,962,446.29 | | 14,962,446.29 | 15,001,646.29 | +39,200.00 |
| Permanent and indefinite | 26,000.00 | | 26,000.00 | 26,000.00 | |
| Total | 14,988,446.29 | | 14,988,446.29 | 15,027,646.29 | +39,200.00 |

*(C) Comparison of Budget Estimates and Appropriations, Fiscal Year 1925*—Continued

| Department or establishment | Budget estimates submitted Dec. 3, 1923 | Supplemental Budget estimates submitted Dec. 3, 1923, to June 7, 1924 | Total Budget estimates fiscal year 1925 | Appropriations, 1925, regular annual and permanent and indefinite | Increase (+) or decrease (−) appropriations compared with estimates |
|---|---|---|---|---|---|
| Treasury Department: | | | | | |
| Regular annual | $122,212,965.00 | | $122,212,965.00 | $120,768,405.00 | −$1,444,560.00 |
| Permanent and indefinite— | | | | | |
| Interest on public debt | 890,000,000.00 | | 890,000,000.00 | 890,000,000.00 | |
| Public debt redemption funds | 482,277,975.00 | | 482,277,975.00 | 482,277,975.00 | |
| All other | 26,773,100.00 | | 26,773,100.00 | 26,773,100.00 | |
| Total | 1,521,264,040.00 | | 1,521,264,040.00 | 1,519,819,480.00 | −1,444,560.00 |
| War Department: | | | | | |
| Military— | | | | | |
| Regular annual | 258,124,006.00 | | 258,124,006.00 | 255,615,279.13 | −2,508,726.87 |
| Permanent and indefinite | 900,000.00 | | 900,000.00 | 900,000.00 | |
| Total, military | 259,024,006.00 | | 259,024,006.00 | 256,515,279.13 | −2,508,726.87 |
| Nonmilitary— | | | | | |
| Regular annual | 71,733,765.00 | | 71,733,765.00 | 72,355,186.00 | +621,421.00 |
| Permanent and indefinite | 5,683,321.00 | | 5,683,321.00 | 5,683,321.00 | |
| Total, nonmilitary | 77,417,086.00 | | 77,417,086.00 | 78,038,507.00 | +621,421.00 |
| Total, War Department— | | | | | |
| Regular annual | 329,857,771.00 | | 329,857,771.00 | 327,970,465.13 | −1,887,305.87 |
| Permanent and indefinite | 6,583,321.00 | | 6,583,321.00 | 6,583,321.00 | |
| Total | 336,441,092.00 | | 336,441,092.00 | 334,553,786.13 | −1,887,305.87 |
| District of Columbia: | | | | | |
| Regular annual | 25,652,850.00 | $6,800.00 | 25,659,650.00 | 26,455,105.00 | +795,455.00 |
| Permanent and indefinite | 1,226,962.00 | | 1,226,962.00 | 1,226,962.00 | |
| Total | 26,879,812.00 | 6,800.00 | 26,886,612.00 | 27,682,067.00 | +795,455.00 |
| Grand total: | | | | | |
| Regular annual | 2,176,082,390.71 | 1,009,925.40 | 2,177,092,316.11 | 2,167,045,220.34 | −10,047,095.77 |
| Permanent and indefinite | 1,455,080,738.85 | | 1,455,080,738.85 | 1,455,080,738.85 | |
| Grand total | 3,631,163,129.56 | 1,009,925.40 | 3,632,173,054.96 | 3,622,125,959.19 | −10,047,095.77 |
| Less Post Office (payable from postal revenues) | 613,093,183.50 | | 613,093,183.50 | 613,645,195.25 | +552,011.75 |
| Total, exclusive of Post Office | 3,018,069,946.06 | 1,009,925.40 | 3,019,079,871.46 | 3,008,480,763.94 | −10,599,107.52 |

NOTE.—The estimates and appropriations herein stated do not include the amounts pertaining to the second deficiency bill and the field service classification bill, both of which failed of enactment. The amount for the fiscal year 1925 in the latter bill is $26,357,767.84 and the amount for the fiscal year 1925 in the former bill is approximately $175,000,000.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 283) to permit to remain within the United States certain aliens in excess of quotas fixed under authority of the immigration act of May 19, 1921.

The message also announced that the House had passed a bill (H. R. 8588) authorizing the Secretary of the Treasury to sell the United States marine hospital reservation and improvements thereon at Detroit, Mich., and to acquire a suitable site in the same locality and to erect thereon a modern hospital for the treatment of the beneficiaries of the United States Public Health Services, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 107) declaring agriculture to be the basic industry of the country, and for other purposes.

### ENROLLED BILLS SIGNED

The message further announced that the Speaker of the House had signed enrolled bills of the following titles, and they were thereupon signed by the President pro tempore:

H. R. 4088. An act to establish the upper Mississippi River wild life and fish refuge; and

H. R. 9434. An act granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River.

### MARINE HOSPITAL RESERVATION AT DETROIT

Mr. FERRIS. Now, Mr. President, I wish to ask unanimous consent——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Michigan?

Mr. FERRIS. I merely wish to ask unanimous consent for the immediate consideration of House bill 8588, authorizing the Secretary of the Treasury to sell the United States marine hospital reservation and improvements thereon at Detroit, Mich., and to acquire a suitable site in the same locality and

to erect thereon a modern hospital for the treatment of beneficiaries of the United States Public Health Service, and for other purposes.

Mr. SMOOT. There is a subject matter now before the Senate, and there can not be two questions under consideration at the same time.

Mr. FERRIS. I ask unanimous consent for that purpose. This is the first time that I have ever made such a request.

Mr. SMOOT. I will object, and that will end it. I wish to get through with my remarks.

The PRESIDENT pro tempore. The Senator from Utah declines to yield.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had receded from its disagreement to the amendments of the Senate numbered 58 and 59 to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, and concurred therein, and that the House further insisted upon its disagreement to the amendments of the Senate numbered 29 and 34.

After the conclusion of Mr. SMOOT's speech,

REPLY TO MR. SMOOT

Mr. OWEN. Mr. President, the Senator from Utah [Mr. SMOOT] has with fulsome praise recounted the accomplishments of the Republican leaders during the last four years. There is one thing that the Senator from Utah has omitted. He has omitted to point out that the Republican leaders demanded the deflation of credit and currency in their national platform of 1920, that they put that policy upon the country, and have brought about in America the greatest industrial depression which this Republic has ever known. This ridiculous self-praise of the Republican Party comes with poor grace from the conservative, reactionary, stand-pat Republican leaders who have bankrupted millions of people by the cruel and harsh policy of deflating credit and currency in this country.

That I do not exaggerate the condition is known to all of those Senators who live west of the Mississippi River; to all of those Senators east of the Mississippi River who have in their States farmers, stock raisers, and small producers who have been injured or ruined by this criminally bad policy. That is the real cause of the farmer-labor movement. The farmers and laborers and little people have been so ill-treated by this Government and its agencies under the reactionary leadership of the Republican Party that they have abandoned all parties in some States and are trying to organize a new party in order to find some relief, because they are in despair.

Do I exaggerate what has occurred? I put in the CONGRESSIONAL RECORD on June 4 the vital facts set forth in a letter from the Comptroller of the Currency. It appears on page 10717 of the RECORD. The loans and discounts of the banks as of June 30, 1920, were $34,087,000,000.

On June 30, 1922, they were $28,483,000,000—a contraction of loans and discounts of over five and a half billion dollars. Mr. President, such a contraction of loans and discounts never has been known before in the history of this country. Is it any wonder that the sheepmen of Nevada and of all the western country, that the stockmen of Texas and Oklahoma and Kansas and Nebraska and all of the agricultural areas of America are bankrupt? This self-praise of the conservative Republican leadership by the Senator from Utah [Mr. SMOOT] as their chosen mouthpiece, claiming to have rendered gigantic benefits to the country, will not be heard or believed by those who have been bankrupted by this wicked policy of the stand-pat, money-loving Republican leaders.

Do I exaggerate it? What have they done to the currency itself, the Federal reserve notes?

On June 25, 1920, within a few days after the famous resolution of the Senator from Illinois [Mr. MCCORMICK] favoring deflation of credit and currency passed the Senate there were in actual circulation $3,117,000,000 of Federal reserve notes and $184,000,000 of Federal reserve bank notes, a total of $3,301,000,000. On June 5, 1924, it had shrunk to $1,884,000,000, a contraction of the currency of this country of $1,517,000,000.

Senators, when you reflect upon the fact that the history of the banking system of the United States has demonstrated that $1 of currency in the national banks of the country has uniformly, from the beginning to the end of that system, supported $10 of loans and discounts, $10 of credit, is it any wonder that the shrinkage of fifteen hundred millions has caused a substantial diminution of credit of fifteen thousand millions? Is it any wonder that the people are feeling hurt? Well, they do feel hurt. Believe me, they feel hurt. In my own State I know what has happened.

I put in the RECORD, page 10717, this report from the Comptroller of the Currency showing the bank failures that have taken place. Why, in the year ending June 30, 1919, only one bank failed in the national banking system—one bank! Since last June 121 national banks have failed up to this time and about 300 State banks. When this policy was put over the following year, ending June 30, 1921, 330 State banks and 28 national banks failed. The next year, ending June 30, 1922, 364 additional State banks and 33 national banks failed; and the next year, ending June 30, 1923, 237 State banks and 37 national banks failed. Since last June 121 national banks and over 300 State banks have failed.

Such wholesale financial, industrial, and commercial disaster has had no equal in our banking history.

Why did these banks fail? Because of this sinister, unintelligent, selfish policy trying to make the dollar more difficult to get, a policy against which I protested with all my might in the spring of 1920, and I got no adequate support. I made four speeches against it in the Senate between January and May, 1920, and printed in the CONGRESSIONAL RECORD three letters of protest to the Reserve Board and one letter to the President of the United States. I called the attention of the country then to the fact that this policy of raising the interest rates and without discrimination contracting credit would be ruinous to the country. I pointed out with all the energy at my command that it would produce a great industrial depression and ruin many of our people. After it all happened I did not feel disposed to make the welkin ring with my complaints against the members of the Reserve Board or the officers of the reserve banks whose unspeakable folly I could not prevent. They were acting as the agents of the Republican Party in power. I have been silent; but when I sit here and hear the recounting of these vainglorious deeds of the Republican Party by the Senator from Utah it is too much. I can not resist calling the attention of the Senate and of the country to what is occurring and how it occurred.

Let me read the Republican national platform of 1920 on this point:

> But as the political party that throughout its history has stood for honest money and sound finance, we pledge ourselves to earnest and consistent attack upon the high cost of living—

Wonderful!

> upon the high cost of living by rigorous avoidance of further *inflation* in our Government borrowing, by *courageous and intelligent deflation* of overexpanded *credit and currency*.

It was not intelligent, and it was damned cowardly. It was ruinous to the country and was dictated by a few men determined to increase the power of their dollars and to deflate labor and to deflate the farmers and stock raisers and to deflate the little producer and borrower for the benefit of the creditor class.

You need not fool yourselves and think you are fooling the country. You can not fool the country. You can fool some of the people all the time, but you can not fool all the people all the time, and there is coming upon you a judgment next November which you thoroughly deserve. You organized both Houses of Congress in 1919, and you won a glorious partisan victory in 1920. You used your power to put over the deflation policy, and used as your agency the Federal Reserve Board, a majority of whose members were ultraconservative and fundamentally of conservative opinions, entitled to be classed as stand-pat Republicans on the question of deflation.

Mr. HEFLIN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Alabama?

Mr. HEFLIN. I thought the Senator had finished. I do not want to interrupt him. I agree with the Senator.

Mr. OWEN. I wish to call attention to the conditions of employment in this country.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Massachusetts?

Mr. OWEN. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. Will the Senator yield to me to present some statistics of unemployment in the country?

Mr. OWEN. I yield.

FINANCIAL DEPRESSION AND UNEMPLOYMENT

Mr. WALSH of Massachusetts. I would not take the time of the Senate to present these statistics from Government reports were it not for the misleading statement of the administration to the effect that the country is prosperous and that there is

little unemployment. Fortunately we have a recent record from the Department of Labor concerning unemployment. The last report is for the month of April, and it shows that since April, 1923, there has been a decrease in employment in 33 of the leading industries of the country and an increase in only 13; that the losses in dollars and cents on the pay roll in various industries in one year has been 22.5 per cent in men's clothing; 20.7 per cent in cotton goods; 19.6 per cent in automobile tires.

Only one of the 12 leading groups of manufacturing industries of the country shows an increase over last year, and that is one that is relatively small. That is the group dealing in the manufacture of glass and clay.

One great textile group of industries as a whole shows a decrease of 11 per cent in the number of workers on the pay roll and 13 per cent in wages since last year.

From the figures of the Department of Labor it is evident beyond a shadow of a doubt that over 400,000 more workers are out of employment in the manufacturing industries now than a year ago, with a total loss in wages of about $5,000,000 monthly.

Comparing unemployment in March and April of this year, we find in one month alone a decrease of 11.4 per cent in the number of employees on the pay rolls in the men's clothing industry and 16.6 per cent in wages.

The report also shows, out of every five persons employed in this country in 1920, there is one in five out of employment today. It must be noted that these statistics only record the unemployment caused by reason of having names taken from the pay roll, and it makes no record of hundreds of thousands of people of this country who are working short hours or reduced time. The records for May not yet available will increase these figures.

I thank the Senator for yielding, and I ask permission to have the statement from which I read printed in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

STATEMENT OF UNEMPLOYMENT IN THE UNITED STATES IN 1924

(By Senator DAVID I. WALSH of Massachusetts)

The latest official statistics compiled by the United States Bureau of Labor of employment in the leading manufacturing industries of the country during April, 1924, show that there have been gains in only 13 of the leading industries and losses in 33 of the leading industries since April, 1923. The report states that "the decreases in employment in this 12-month period were exceptionally large in a majority of these 33 industries which lost in employment." It is to be noted that these figures do not relate to partial employment, only the actual decrease in number on pay rolls:

| Employment decreased: | Per cent. |
|---|---|
| Steam railroad shops | 19.7 |
| Agricultural implements | 18.2 |
| Foundry and machine shops | 18.0 |
| Men's clothing | 16.5 |
| Automobile tires | 15.9 |
| Cotton goods | 14.7 |
| Carriages | 13.7 |
| Leather | 13.1 |
| Shipbuilding | 12.4 |
| Shirts and collars | 12.2 |
| Sugar refining | 11.8 |
| Woolen goods | 11.6 |
| Stoves | 11.4 |
| Millinery and lace goods | 10.8 |
| Boots and shoes | 10.3 |

Besides the losses in dollars and cents on the pay rolls were:

| | Per cent. |
|---|---|
| Men's clothing | 22.5 |
| Cotton goods | 20.7 |
| Automobile tires | 19.6 |

Only 1 of the 12 leading groups of manufacturing industries of the country showed an increase over last year, and that is one of the relatively smallest, namely, the stone, clay, and glass group.

Our great textile group of industries as a whole shows a decrease of 11 per cent in number of workers on pay rolls, and 13.4 per cent in wages since last year.

The iron and steel group showed a decrease of 2 per cent, and the leather group a 11 per cent decrease, chemicals a 7 per cent decrease, and tobacco a 6 per cent decrease.

From the figures of the Department of Labor it is evident beyond a shadow of a doubt that over 400,000 more workers are out of employment in the manufacturing industries now than a year ago, with a total loss in wages of about $5,000,000 monthly.

Comparing employment in March and April of this year, we find in one month alone a decrease of 11.4 per cent in number of employees on the pay rolls in the men's clothing industry and 16.6 per cent in wages.

Index numbers of employment of the United States Department of Labor show that since 1920, 22 per cent of the workers then employed are now idle. (See U. S. Department of Labor Statistics: "Employment in Selected Industries, April, 1924," especially pp. 3, 4, and 11.)

The PRESIDENT pro tempore. The Chair recognizes the Senator from Oklahoma for his second address upon this motion.

INJURIOUS EFFECTS OF DEFLATION POLICY

Mr. OWEN. Mr. President, when I was in Oklahoma a few days ago attending a bank directors' meeting, in discussing the agricultural conditions in that section of the country I was advised by men who know, by men who themselves are cultivating large areas of land, that they are paying $1.25 a day for laborers on the farm, and the laborer has to feed himself. Believe me, the man who is laboring on the farm under those conditions, with a woman and two or three children depending upon him for support, is not contented. He should not be contented.

If you want to make Bolsheviki, that is the way to manufacture them. If you want to cause violence and discontent, all you have to do is to contract credit and currency until you bankrupt hundreds of thousands and millions of people in this country.

Mr. FESS. Will the Senator yield for just one question?

Mr. HEFLIN. The Senator would lose the floor.

Mr. OWEN. I can not yield. I will thank the Senator to permit me to finish. I will yield the floor in one moment.

The responsibility for this policy can not be escaped. The majority in control of this Chamber on May 17, 1920, was Republican. A Republican Senator, the Senator from Illinois [Mr. MCCORMICK], offered a resolution purporting to be a resolution merely calling for information. In reality it was a resolution favoring the deflation of credit and currency. It was the answer to my protests against the policy of deflation, the assumption of responsibility by the Republican Party, and the cloak of protection by that party of its agents on the Federal Reserve Board who were being criticized by me for pursuing that evil course. The resolution was agreed to. I was not present, but the following day—May 18, 1920—I registered my vehement protest.

In June, 1920, immediately following, the Republican Party leaders in national convention assembled put a plank in their national platform declaring for the policy of deflating credit and currency.

A chosen representative of that convention, as a candidate for the Presidency of the United States, Senator Warren G. Harding, put it in his speech of acceptance, declaring for a "courageous and intelligent deflation of credit and currency."

The Republicans took the full and complete responsibility of deflating the credit and currency of the country and the terrible consequences ensued. They can not now evade or escape the consequences of deflating and ruining our industry and commerce.

It is in vain for them to say that members of the reserve board were appointed as Democrats. The board was an agency of the Government and subject to the domination of the party in power, and the majority of that Federal Reserve Board entertained the view expressed in the Republican Party platform on deflation, and therefore were Republicans and not Democrats.

The Republican Party, which passed the McCormick resolution favoring deflation of credit and currency, May 17, 1920, which passed the resolution in the national platform favoring deflation of credit and currency, and nominated and elected a President who pledged himself in his speech of acceptance to deflate credit and currency, can not now hide itself behind any subterfuge. Its responsibility and conviction is complete.

Mr. FESS. Mr. President, the Senator from Oklahoma [Mr. OWEN] assaulted the deflation policy and placed the responsibility for it upon the Republican administration. I want to read into the RECORD the personnel of the Federal Reserve Board when the deflation policy was inaugurated. I say, in the outset, that I do not think there is strength in what the Senator has said in his assault on that policy. If it was an error, as I do not now admit, it was error of the Democratic administration.

The Federal Reserve Board, every member of which was appointed by Woodrow Wilson, was composed, at the time of the deflation policy, of David F. Houston, Secretary of the Treasury, chairman; John Skelton Williams, Comptroller of the Currency; ex-officio members: W. P. G. Harding, governor; Adolph C. Miller, Charles S. Hamlin, and Henry A. Moehlenpah, all of whom were appointed by President Wilson, and all

of whom, unless it would be Mr. Miller, notable members of the Democratic Party.

I want to put this fact in the RECORD simply to indicate whether the policy of deflation of 1920 was a Republican policy or whether it was a Democratic policy.

LAUSANNE TREATY AND CHESTER OIL CONCESSION

Mr. LODGE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Secretary of State to the Foreign Relations Committee.

There being no objection, the letter was ordered printed in the RECORD, as follows:

DEPARTMENT OF STATE,
*Washington, June 7, 1924.*

The Hon. HENRY CABOT LODGE,
*United States Senate.*

MY DEAR SENATOR LODGE: My attention has been called to a resolution introduced into the Senate by Senator KING (CONGRESSIONAL RECORD of June 3, p. 10571 ff.) with regard to the Lausanne treaty and the so-called Chester concession. The treaties concluded with Turkey are now before the Foreign Relations Committee of the Senate together with the information which I felt might be useful to the committee in its consideration of these instruments. I do not feel therefore that it would be appropriate for me at this time to enter into any detailed discussion of the various allegations contained in the statement accompanying Senator KING's resolution. At the appropriate time and as desired by the Foreign Relations Committee I shall be glad to give full information with regard to any matters pertinent to the consideration of these treaties.

Certain of the statements of Senator KING are of such a character, however, that I did not feel that I should allow them to pass unnoticed, although their inaccuracy has been indicated in the information which I have already laid before the committee.

1. The charge "that the United States participated in the Lausanne conference apparently for the sole purpose of securing and confirming the Chester oil concession, and that in pursuance of that purpose vested and essential rights of American nationals in Turkey were sacrificed and Armenia forsaken, if not betrayed," is absolutely unfounded. As I stated in January last, "At no stage in the negotiations was the American position determined by the so-called Chester concession. This had been granted before negotiations of our treaty with Turkey had been begun. This Government took no part in securing it; this Government made no barter of any of its rights for this or any other concession."

Senator KING, in referring to the date of our negotiations with Turkey, has apparently confused the negotiations between the allied powers and Turkey with the negotiations of the American plenipotentiary at Lausanne and the Turkish representatives. The latter negotiations were not initiated until subsequent to May 1, 1923. While the United States was represented at Lausanne during the earlier phases of the conference, it had not prior to May, 1923, undertaken the negotiation of a treaty.

2. Senator KING contrasts the action of this Government in 1920 with respect to the Sevres treaty with that of 1923, indicating that there was in 1923 a reversal of the earlier attitude toward Turkey. It is possible that the Senator does not recall that the United States was represented at the San Remo conference in 1920, which had under consideration the treaty of Sevres, in the same capacity as at Lausanne. The United States, however, was neither a party to the treaty of Sevres nor to the Lausanne treaty of peace between the allied powers and Turkey.

3. In view of the fact that the reference in Senator KING's statement to my memorandum of October 30, 1922, with regard to the near eastern settlement is inaccurate I beg to inclose a copy of the full text of this memorandum which was given to the press at that time. At the Lausanne conference this Government stood for the principles outlined in this memorandum and was able to obtain substantial guaranties with respect to the points of interest which this communication outlined.

4. Senator KING states:

"The Allies declined to make concessions to the Turks, both on the subject of the capitulations and upon the Armenian case. The conference was deadlocked largely upon these two points, and it was finally suspended on February 4, 1923.

"Meanwhile, on April 10, 1923, the crafty Turks ratified the Chester concession. The conference was resumed on April 23, 1923, and the American observers who, during the first session of the conference, had supported the Allies, whole-heartedly in some matters, half-heartedly in others, transferred their support in all matters to the Turks, with the result that the Turks were enabled to impose their views and will upon the Allies."

This statement is totally inaccurate. In the draft treaty of peace as communicated to the Turks by the Allies on January 31, 1923, it is provided in article 26:

"The high contracting parties agree to abrogate the capitulations relating to the régime of foreigners in Turkey, both as regards conditions of entry and residence and as regards fiscal and judicial questions."

Thus prior to the adjournment of the conference on February 4 the Allies had agreed to abrogate the capitulations. This was not one of the points which brought about the interruption of the conference. Nor was the issue with respect to the Armenians instrumental in deadlocking the conference in February, 1923, since the Turkish plenipotentiary had agreed to the provisions of the allied treaty as communicated on January 31, which related to the protection of minorities. The statement that the American representatives after the adjournment "transferred their support in all matters to the Turks, with the result that the Turks were enabled to impose their views and will upon the Allies," is utterly false.

5. In answer to the allegation that the treaty surrenders American rights and interests, I would call your attention to the fact that the Americans who have interests in Turkey, whether philanthropic or commercial, have urged its ratification.

6. Senator KING's remarks with regard to the status of American philanthropic and missionary work in Turkey are both inaccurate and misleading. In this connection it is significant that the Americans who are responsible for carrying on this work in Turkey have indicated their view that their work could best be aided by the ratification of the treaty with Turkey, and have submitted encouraging reports of recent progress.

In case there are any further points in Senator KING's statement on which the committee might desire to obtain additional information, I shall be most happy to furnish it.

I am, my dear Senator LODGE,
Very sincerely yours,

CHARLES E. HUGHES.

(Inclosure: Aide-memoire of October 30, 1922.)

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DEPARTMENT OF STATE

The following communication was transmitted to the British, French, and Italian Governments through the American embassies at London, Paris, and Rome on October 30:

"AIDE-MEMOIRE

"The conference proposed for the purpose of drawing up a treaty of peace with Turkey will have primarily to deal with the problems resulting from the state of belligerency between the allied powers, Turkey, and Greece. The United States was neither at war with Turkey nor a party to the armistice of 1918 and does not desire to participate in the final peace negotiations or to assume responsibility for the political and territorial adjustments which may be effected.

"While maintaining this reserve in regard to certain phases of the Near East settlement the Government of the United States does not desire to leave the impression that it regards its interests as less entitled to consideration than those of any other power, or that it is disposed to relinquish rights enjoyed in common with other powers, or proper commercial opportunity, or that it is unconcerned with the humanitarian interests involved.

"For the purpose of clarity certain subjects of particular American concern may be briefly summarized:

"(1) The maintenance of capitulations which may be essential to the appropriate safeguarding of non-Moslem interests.

"(2) The protection, under proper guaranties, of philanthropic, educational, and religious institutions.

"(3) Appropriate undertakings in regard to the freedom of opportunity, without discrimination or special privilege, for commercial enterprise.

"(4) Indemnity for losses suffered by Americans in Turkey as a result of arbitrary and illegal acts.

"(5) Suitable provisions for the protection of minorities.

"(6) Assurances touching the freedom of the Straits.

"(7) Reasonable opportunity for archeological research and study.

"This brief summary, while not exhaustive, may serve to indicate the general nature of American interests. To safeguard such interests and to facilitate the exchange of views the Government of the United States is prepared to send observers to the proposed conference if this action is agreeable to the powers concerned. Without participating in the negotiations of the treaty of peace, these observers would be able to indicate this Government's position in greater detail than is possible in this aide-memoire, and they could also inform the American Government of the attitude of other powers in matters where there are mutual interests.

"As the object in view in submitting this suggestion is the elimination of any possible cause of misunderstanding, it is considered appropriate to call attention to the attitude of the United States in respect to secret treaties and agreements. It is not felt that arrangements previously made with respect to Turkish territory, which provide for the establishment of zones of special commercial and economic influence, such, for example, as the tripartite agreement of 1920, are con-

sonant with the principle of the equality of economic opportunity. It is assumed that the allied powers will not now desire, and do not now intend, to carry into effect previous arrangements of this nature.

"The United States has no desire to take any action which might embarrass the allied powers in the proper effort to secure peace. It desires nothing which need conflict with the interests of other countries, if the principle of commercial opportunity for all nations is recognized at the outset. The United States has no intention of seeking for itself or its nationals a position of special privilege, but it desires to protect its rights and to assure the open door. Finally, it wishes to afford protection to its citizens who wish to continue the humanitarian work which has been carried on for generations in the Near East and is rendered more essential than ever by the present conditions."

PIMA INDIANS

Mr. McNARY. Mr. President, I ask permission to have printed in the RECORD a letter addressed to me by a former citizen of Sacaton, Ariz., with reference to the Pima Indians.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

611 MARYLAND AVENUE NORTHEAST,
*Washington, D. C., June 6, 1924.*

Hon. CHARLES L. MCNARY,
*Senate Office Building, Washington, D. C.*

MY DEAR SENATOR MCNARY: On September 8, 1910, I was commissioned as missionary by the Board of Home Missions of the Presbyterian Church of the United States of America and assigned to assist the Rev. Charles H. Cook, D. D., missionary in charge of the work among the Pima Indians at Sacaton, Ariz. Doctor Cook carried on the work among the Pimas since December 23, 1870. Doctor Cook being honorably retired in 1914, I succeeded to the work founded by him. When Doctor Cook went among the Pima Indians they were an agrarian people, cultivating and farming their own lands by irrigation, and from the reports of the earliest travelers through that section of the country the Pimas were one of the first original people to irrigate their lands from the Gila River. The country to the east of them was taken up by white settlers and the water appropriated from the river that had plenty of water to irrigate their crops. Gradually, by the appropriation of the water from the river by the whites, the supply of the Indians was reduced until all the land which had been cultivated by them for centuries became a barren waste.

The Pimas have always been a law-abiding peace-loving tribe of Indians, and one of their boasts is that they have never shed the blood of the white man, and by reason of their unbroken friendship to the Federal Government the Pimas aided the Government troops to subdue the Apaches in campaigns costing the Federal Government more than $12,000,000.

Gradually, by reason of the white settlers above them diverting the waters from the river, the cultivated land of the Pimas was reduced to barren and desert lands. Being wards of the Government they could not protect their rights through the courts. Therefore, the future looked dark, for they did not want to become ration Indians.

At this time Doctor Cook, with the help of several high officials of the Presbyterian Church, the Indian Rights Association, and other friends, brought this matter to the attention of the late President McKinley, who gave his word to Doctor Cook that this injustice would be righted and that the Pimas, who are a proud people and who glory in their agricultural supremacy of ancient times, would have a portion of the waters of the Gila restored to them, which would revive their pristine vigor and the fruits of their industry would not perish from the earth. The untimely death of the late President McKinley retarded the work of righting the wrong done the Pimas and Doctor Cook passed to his reward in 1917 without the work being accomplished. And it was at this time that I undertook to complete the work begun by Doctor Cook 25 years prior to his death.

In February, 1923, the Arizona Christian Endeavor Union held its State convention at Sacaton and bestowed the high honor of the office of president of this worthy organization upon me. I was assured by this organization that it would back me in the fight we were making to get justice for the Pimas. I was sent as one of the delegates to the World's Christian Endeavor Union, held in Des Moines in the first part of July, 1923.

On Friday, July 6, 1923, I had the honor to deliver an address before 13,000 delegates at that convention. Those delegates, by rising vote, pledged to work until the battle for the rights of these original Americans, the Pima Indians, should have been won. I spoke before numerous chambers of commerce, Rotary and Kiwanis Clubs throughout the country in behalf of these Indians.

As a result of this long chain of circumstances I was sent to Washington to assist in securing an adequate bill for the proper relief and care of the Pima Indians. This is an accomplished fact. The so-called Cameron San Carlos bill has passed the Senate and House. Therefore, my dear Senator, in writing this I can, through you, express to all the full appreciation of the citizens of Arizona and voice the sentiment of the great church organizations and the various national societies interested in a full measure of Government recognition, righting a wrong of more than half a century to the Pima Indians, as provided in this legislation, better known as the Cameron bill.

No individual can claim the sole honor of this splendid accomplishment of right and justice, nor do I believe any individual expects all the credit. Perhaps I have a better personal knowledge of the work done by individuals and organizations than any other, because I came here and saw the first steps taken and have remained here actively engaged, with full knowledge of every move made by all until the final happy ending. Therefore I feel it befitting to mention some of those most active and important. Full praise and glory are given to the various church organizations, Protestant, Catholic, and Morman; to Kiwanis and Rotary clubs throughout the United States; to women's clubs and their various organizations; Indian Rights and Welfare Association; chambers of commerce and other similar civic organizations; also, to newspapers and other publications. Individually allow me to mention the untiring efforts of Judge O. J. Baugn, president of the San Carlos Association, and its members; Senator HENRY F. ASHURST; Congressman HOMER P. SNYDER, chairman of the Indian Affairs Committee of the House; Congressman HARRIS J. BIXLER, of the Rules Committee of the House; Senator C. L. MCNARY, chairman of the Reclamation Committee of the Senate; Senator JOHN W. HARRELD, chairman of the Indian Affairs Committee of the Senate; Senator WESLEY L. JONES; Speaker GILLETT, of the lower House; Congressman NICHOLAS LONGWORTH, floor leader; Congressman LOUIS C. CRAMTON; Gov. G. W. P. Hunt, of Arizona; Hon. Hubert Work, Secretary of the Interior; Hon. Charles H. Burke, Commissioner of Indian Affairs; Gen. Lord, Director of Federal Budget; and Hon. Bascom Slemp, secretary to the President. More specifically may I point out the splendid work and cooperation of Hon. CARL HAYDEN, who, with his friends of the lower House, was vigorous in passing the bill in that body. He received wonderful support from Congressman SNYDER, chairman of the Committee on Indian Affairs, which will long be remembered by us.

Also I must mention with all emphasis the interest and personal efforts of our great President, Calvin Coolidge, who in the darkest eleventh hour came to the rescue to make sure our hopes were not in vain, and to this great and peerless leader we extend our heartfelt thanks for his noble and humane consideration. With all the tributes thus paid I would be derelict should I not say with all earnestness and candor that to RALPH H. CAMERON, the junior Senator from Arizona, belongs by far the greatest credit of all in passing this legislation. Senator CAMERON was commissioned by the people of Arizona with the pledge to secure the San Carlos Dam. He came to Washington with everything against him to do what had often been said was the impossible. He realized his task and was undaunted. He smiled at defeat and renewed each time his determination to win. He was even buried in effigy in Casa Grande, Ariz., but, true to his promise, nothing seemed to deter him.

When I came to Washington December last to feel out the situation nothing was on the horizon but dark clouds of impossibility. I spent days talking with officials, from the highest to the lowest, and without exception they all said, "It can not be done." One day after much study and thought I entered the office of Senator CAMERON, and there in the outer office received no encouragement, but was admitted courteously into the Senator's private office. After the usual greeting so characteristic of the genial statesman I handed him the rough draft of a San Carlos bill and seated myself opposite him. He read it with silent emotion, and when through he rose and with his usual vigor pounded his fist upon the broad desk between us and said, "If God lets me live until the United States Senate meets again I will introduce this bill and pass it this session." This was my first and only encouragement.

Like a whirlwind the battle was on. CAMERON in rapid succession secured a unanimous report of the Indian Affairs Committee of the Senate, passed the bill by a unanimous vote, even in the face of opposition of those old-time leaders. Well do I remember seeing him in action on the Senate floor one day with all the force in him pound his fist, in a passionate appeal, on the desk of one of the leaders opposing him, which sent shivers to my heart, but evidently it carried the day, for the bill passed.

Senator CAMERON did not stop there. He immediately followed up his victory and helped marshal all forces for the battle in the lower House where Congressmen SNYDER and HAYDEN extended splendid assistance. Time passed. A vote seemed impossible because of the nearing of the adjournment of Congress and the impending legislative jam which always occurs. CAMERON was more determined than ever. Letters, telephone calls, and personal visits were made daily by him to House leaders, Interior Department, Director of the Budget, and especially to the President and the White House. Finally, on Monday, June 2, 1924, the critical hour came. Only four more days remained until Congress was to adjourn. A vote seemed doomed. Senator CAMERON called me into his office and said:

> "Lay, we are at the breaking point; all our ammunition has been used without avail; all except one load. That will be used this very morning."

He called a stenographer and hurriedly dictated a letter to the President, as follows:

"MY DEAR MR. PRESIDENT: You will recall that I have conferred with you several times about legislation providing for the construction of the San Carlos Dam in Arizona, as embodied in my bill, S. 966, which passed the Senate unanimously on April 3, 1924. Since that time it has been considered by the Committee on Indian Affairs of the House and reported favorably to the House by a unanimous vote of that committee.

"The first of the week Chairman SNYDER of the House Committee on Indian Affairs and Congressman THEODORE E. BURTON called upon the Speaker and asked special recognition under suspension of the rules for the consideration of the San Carlos bill. The Speaker gave them no encouragement, and I hope you will pardon the presumption on my part in making the personal request that, if consistent, you express your interest in this matter to the Speaker. I am sure, if this is done, special recognition will be given, and, if so, it would only require a few minutes to pass the bill, as a poll of the House discloses no opposition to it in either party. As this legislation has been favorably indorsed by the Interior Department, and the Commissioner of Indian Affairs has been working diligently for it and is urging its enactment at this session, there is no occasion for debate, so I feel I am not inconsistent in preferring this request.

"My dear Mr. President, if this were merely a political measure affecting me or my State locally, I would not feel justified in trespassing upon your time in this way, but there is a deep moral issue involved, as is attested by the support that has been given to this legislation by the heads of the Protestant, Catholic, and Mormon Churches of this country from coast to coast. I venture there is not a Member of Congress who has not received appeals in behalf of this legislation. As the head of our Nation, I can appreciate your feeling of deep responsibility to the Indians who are the wards of the whole Nation, and it is on this ground that I now appeal to you, as this bill will right a wrong which the Pima Indians have suffered at the hands of the white people for the past half century or more. The Pimas have always been the outstanding friends of the white men among the Indians of the West, and have an unbroken record of never having shed the blood of a white man. But the white settlers have done them an almost irreparable injury. They have absolutely deprived these Indians of their water, and as a consequence the Indians have been for the past few years in destitute circumstances and are now facing starvation.

"Permit me to again call your attention to the fact that President McKinley sponsored in the main this same relief legislation, and had it not been for his untimely death this grave wrong would have been righted during his administration.

"Inasmuch as I have exhausted every means of securing a vote in the House on this measure, I am appealing to you as a last hope, and I know you will not fail us.

"Expressing the very earnest hope that you will find time to give this your personal attention, I am,

Faithfully yours,

"RALPH H. CAMERON.

"To the PRESIDENT, *the White House.*"

A few minutes elapsed, it was signed, and CAMERON went to the White House, saw President Coolidge, handed him the letter above, and stood by his side until he read it, and then explained his mission, the critical condition of the San Carlos bill, and told the President that he alone could secure consideration in the lower House. The President paused and said, "Senator, I will get in touch immediately with the Speaker and see what can be done." The President kept his word and that very afternoon Speaker GILLETT announced the Cameron bill was on his list to be passed, and on June 4 it was approved. Thus did RALPH H. CAMERON keep his word to the people of Arizona who sent him to the Senate. By so doing he did what others said was the impossible, and by so doing he righted a wrong of more than half a century against the Pima Indians. His work will make an Eden out of a desert, where thousands of homes will be erected; he has builded for his name and career a monument which will last forever for the good of all.

My dear Senator MCNARY, I have written this letter to you because you are one of the outstanding statesmen of the West, a friend of reclamation, and for the further reason that this may serve as a testimonial that your work has been fully appreciated.

Sincerely yours,

DICK LAY, *Sacaton, Ariz.*

Mr. CAMERON. Mr. President, in connection with the letter just referred to by the Senator from Oregon, I ask permission to have printed in the RECORD a few verses entitled "Pima Land."

There being no objection, the verses were ordered to be printed in the RECORD as follows:

PIMA LAND

[Tune, "Maryland, my Maryland"]

You ask what land I love the best,
Pima Land, dear Pima Land,
A country in the Golden West,
Pima Land, dear Pima Land.
From where the River Gila flows,
The landscape in the sunlight glows;
The desert blossoms as the rose,
Pima Land, dear Pima Land.

See yonder fields of richest grain,
Sacaton, dear Sacaton;
It grows so well in sun and rain,
Sacaton, dear Sacaton;
The desert has a charm for me,
The mountains all around I see,
I scarce can tell what charm there be,
Sacaton, dear Sacaton.

Adobes scattered here and there,
Pima Land, dear Pima Land;
Coyote howls ring through the air,
Pima Land, dear Pima Land.
The children love the cacti grand
That on the foothill mesa's stand;
And from their youth they understand
Pima Land, dear Pima Land.

The sunny skies and genial clime,
Sacaton, dear Sacaton,
Bring rosy cheeks and health sublime,
Sacaton, dear Sacaton.
In merry games we find delight
Before the evening takes its flight;
Till sweet the bugle blows good night,
Sacaton, dear Sacaton.

MARINE HOSPITAL RESERVATION AT DETROIT

Mr. FERRIS. Mr. President, I ask unanimous consent—and this is the first favor I have asked in this session of Congress—for the immediate consideration of House bill 8588, just sent over from the House.

The PRESIDENT pro tempore laid before the Senate the bill (H. R. 8588) authorizing the Secretary of the Treasury to sell the United States marine hospital reservation and improvements thereon at Detroit, Mich., and to acquire a suitable site in the same locality and to erect thereon a modern hospital for the treatment of the beneficiaries of the United States Public Health Service, and for other purposes, which was read twice by its title.

Mr. FERRIS. Mr. President, I ask for the immediate consideration of the bill. This has been voted on in the House, two votes having been taken, the standing vote resulting in 103 in favor of the bill and 2 against it, and on a roll call, 316 to 5, and the President to-day has indorsed the sale of this property. It does not involve the taking of a dollar out of the Treasury, but it is for sale of the present marine hospital, which is unfit, and for the purchase, with the funds derived from that sale, of grounds for an appropriate marine hospital. The ex-service men of Michigan and all concerned are in favor of the bill.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

Mr. NORBECK. Reserving the right to object, I do not care to object unless this would lead to debate. I do not want it to supplant the unfinished business.

The PRESIDENT pro tempore. It will have no effect on the motion of the Senator from South Dakota. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

THE DOINGS OF THE REPUBLICAN ADMINISTRATION

Mr. HEFLIN. Mr. President, I have listened with keen interest to the speech of the Senator from Utah [Mr. SMOOT]. The Senator has praised what he calls the achievements of the Republican Party. This administration is marked with the wreck and ruin of the legitimate business of the masses of the people, while millionaires multiplied under Republican rule into thousands and tens of thousands. Because these tens of thousands who are rich and prosperous on special privileges are reveling in increased riches, the Republican leaders say we

have prosperity. There is no real prosperity amongst ninety-odd millions of American people. There is a state of uncertainty, a feeling of anxiety and unrest, and general dissatisfaction with economic conditions throughout the country.

The Senator from Oklahoma [Mr. OWEN] in his able and unanswerable speech has told you how the Republican Party literally struck down and destroyed legitimate business in 1920 and 1921. Think of those who control the lifeblood of business, the currency and the credit of the people, withdrawing it in vast quantities from circulation, and leaving an inadequate supply to meet the business needs of the people. We have had that situation under Republican rule. We are suffering from it now. The Senator from Ohio [Mr. FESS] undertakes to say that the Federal Reserve Board during the period of ruinous deflation was a Democratic board. I deny it. Mr. Willis, of Cleveland, Ohio, was on the board. He is a Republican. Mr. Platt, of New York, was a member of the board. He is a Republican, as was Governor Harding, who supported the Republican ticket in the election of 1920. Three out of the five, then, were Republicans and doing the bidding of the Republican Party.

The Republicans were in control of both branches of Congress. The progressive interest rate amendment to the Federal reserve act was introduced in both branches of Congress by Republicans, and that amendment was passed by a Republican Congress. Under that amendment progressive interest rates ranging from 6 to 8¼ per cent were charged to the people of the South and West, while the eastern section of the country got money at about 6 per cent.

Mr. President, I want to print in my speech at this point what the able Senator from Oklahoma [Mr. OWEN] has just said:

REPLY TO MR. SMOOT

Mr. OWEN. Mr. President, the Senator from Utah [Mr. SMOOT] has with fulsome praise recounted the accomplishments of the Republican leaders during the last four years. There is one thing that the Senator from Utah has omitted. He has omitted to point out that the Republican leaders demanded the deflation of credit and currency in their national platform of 1920, that they put that policy upon the country, and have brought about in America the greatest industrial depression which this Republic has ever known. This ridiculous self-praise of the Republican Party comes with poor grace from the conservative, reactionary, stand-pat Republican leaders who have bankrupted millions of people by the cruel and harsh policy of deflating credit and currency in this country.

That I do not exaggerate the condition is known to all of those Senators who live west of the Mississippi River; to all of those Senators east of the Mississippi River who have in their States farmers, stock raisers, and small producers who have been injured or ruined by this criminally bad policy. That is the real cause of the farmer-labor movement. The farmers and laborers and little people have been so ill-treated by this Government and its agencies under the reactionary leadership of the Republican Party that they have abandoned all parties in some States and are trying to organize a new party in order to find some relief, because they are in despair.

Do I exaggerate what has occurred? I put in the CONGRESSIONAL RECORD on June 4 the vital facts set forth in a letter from the Comptroller of the Currency. It appears on page 10717 of the RECORD. The loans and discounts of the banks as of June 30, 1920, were $34,087,000,000.

On June 30, 1922, they were $28,483,000,000—a contraction of loans and discounts of over five and a half billion dollars. Mr. President, such a contraction of loans and discounts never has been known before in the history of this country. Is it any wonder that the sheepmen of Nevada and of all the western country, that the stockmen of Texas and Oklahoma and Kansas and Nebraska and all of the agricultural areas of America are bankrupt? This self-praise of the conservative Republican leadership by the Senator from Utah [Mr. SMOOT], as their chosen mouthpiece, claiming to have rendered gigantic benefits to the country, will not be heard or believed by those who have been bankrupted by this wicked policy of the stand-pat, money-loving Republican leaders.

Do I exaggerate it? What have they done to the currency itself, the Federal reserve notes?

On June 25, 1920, within a few days after the famous resolution of the Senator from Illinois [Mr. MCCORMICK] favoring deflation of credit and currency passed the Senate, there were in actual circulation $3,117,000,000 of Federal reserve notes and $184,000,000 of Federal reserve bank notes, a total of $3,301,000,000. On June 5, 1924, it had shrunk to $1,884,000,000, a contraction of the currency of this country of $1,517,000,000.

Senators, when you reflect upon the fact that the history of the banking system of the United States has demonstrated that $1 of currency in the national banks of the country has uniformly, from the beginning to the end of that system, supported $10 of loans and discounts, $10 of credit, is it any wonder that the shrinkage of fifteen hundred millions has caused a substantial diminution of credit of fifteen thousand millions? Is it any wonder that the people are feeling hurt? Well, they do feel hurt. Believe me, they feel hurt. In my own State I know what has happened.

I put in the RECORD, page 10717, this report from the Comptroller of the Currency showing the bank failures that have taken place. Why, in the year ending June 30, 1919, only one bank failed in the national banking system—one bank! Since last June 121 national banks have failed up to this time and about 300 State banks. When this policy was put over the following year, ending June 30, 1921, 330 State banks and 28 national banks failed. The next year, ending June 30, 1922, 364 additional State banks and 33 national banks failed; and the next year, ending June 30, 1923, 237 State banks and 37 national banks failed. Since last June 121 national banks and over 300 State banks have failed.

Such wholesale financial, industrial, and commercial disaster has had no equal in our banking history.

Why did these banks fail? Because of this sinister, unintelligent, selfish policy trying to make the dollar more difficult to get, a policy against which I protested with all my might in the spring of 1920, and I got no adequate support. I made four speeches against it in the Senate between January and May, 1920, and printed in the CONGRESSIONAL RECORD three letters of protest to the Reserve Board and one letter to the President of the United States. I called the attention of the country then to the fact that this policy of raising the interest rates and discriminatingly contracting credit would be ruinous to the country. I pointed out with all the energy at my command that it would produce a great industrial depression and ruin many of our people. After it all happened I did not feel disposed to make the welkin ring with my complaints against the members of the Reserve Board or the officers of the reserve banks whose unspeakable folly I could not prevent. They were acting as the agents of the Republican Party in power. I have been silent; but when I sit here and hear the recounting of these vainglorious deeds of the Republican Party by the Senator from Utah it is too much. I can not resist calling the attention of the Senate and of the country to what is occurring and how it occurred.

Let me read the Republican national platform of 1920 on this point:

> "But as the political party that throughout its history has stood for honest money and sound finance, we pledge ourselves to earnest and consistent attack upon the high cost of living"—

Wonderful!

> "upon the high cost of living by rigorous avoidance of further *inflation* in our Government borrowing, by *courageous and intelligent deflation* of overexpended *credit and currency*."

It was not intelligent, and it was damned cowardly. It was ruinous to the country and was dictated by a few men determined to increase the power of their dollars and to deflate labor and to deflate the farmers and stock raisers and to deflate the little producer and borrower for the benefit of the creditor class.

You need not fool yourselves and think you are fooling the country. You can not fool the country. You can fool some of the people all the time, but you can not fool all the people all the time, and there is coming upon you a judgment next November which you thoroughly deserve.

And, Mr. President, I will print in my speech following the statement from the speech of the Senator from Oklahoma a very interesting statement entitled "Retrospect and outlook."

RETROSPECT AND OUTLOOK—A COMPARISON OF BANK FAILURES AND BUSINESS FAILURES LAST THREE YEARS UNDER WILSON AND PAST THREE YEARS UNDER HARDING AND COOLIDGE—THE OUTLOOK FOR 1924

The business record of the past year has not been satisfactory for the country as a whole. Certain special interests have prospered and grown fat while many others have languished or been ruined.

The great farming classes have suffered because in vast sections of the country the farmer has received unusually low prices for what he had to sell, and largely as a result of the protective tariff has been forced to pay high prices for the things he had to buy, whether they were necessities or luxuries.

A little study of business and industrial conditions for the past three years under the Republican administration as compared with the last three years under President Wilson will show how badly the voters of the country were flimflammed by Republican promises when they consented to a change of administration in the autumn of 1920 and repudiated for a while the men and policies under whose direction and guidance our country had not only won the greatest war in all history but had established here the greatest prosperity which any country had ever seen.

The official records compiled by the Dun Mercantile Agency are illuminating in this connection. They tell us that in the one year 1923 there were nearly twice as many bank failures in this country as there were during the whole of the last five years of the Wilson administration, or, say, for the calendar years 1916 to 1920, both inclusive.

Furthermore, the total liabilities of the failed banks in the one calendar year 1923 amounted to more than the total liabilities of all failed banks, both national and State, for the entire seven-year period from 1914 to 1920, both inclusive. The following figures are compiled from reports of R. G. Dun & Co.:

| | Total number of bank failures | Liabilities |
|---|---|---|
| Under Wilson administration: | | |
| 1918 | 20 | $5,131,887 |
| 1919 | 50 | 16,520,962 |
| 1920 | 119 | 50,708,300 |
| Total, 3 years | 189 | 72,361,049 |
| Under Harding-Coolidge administration: | | |
| 1921 | 406 | 175,027,776 |
| 1922 | 277 | 77,735,551 |
| 1923 | 540 | 196,790,000 |
| Total, 3 years | 1,221 | 447,553,327 |

Both in number and in the aggregate of liabilities the bank failures in the past three years have been six times as great as for the preceding three years under President Wilson.

The reports also show that in the past calendar year there were failures of 70 national banks. More national banks failed in this country last year than during the entire period of seven years under the Wilson administration from 1914 to 1920, both inclusive, including the period of the World War and the two years of reconstruction which followed.

In the year 1923 alone there were seven times as many failures of national banks as in the three fiscal years 1917, 1918, and 1919 all combined under President Wilson.

Business men who were promised flush times and prosperity with a Republican victory will find the following figures very instructive as to business failures in the three years under Republican rule as compared with the three years immediately preceding:

*Business failures under Wilson and under Harding and Coolidge*

| | Number of business failures | Liabilities of failed firms |
|---|---|---|
| Under Wilson: | | |
| 1918 | 9,982 | $163,019,979 |
| 1919 | 6,451 | 113,291,237 |
| 1920 | 8,881 | 295,121,805 |
| Total | 25,314 | 571,433,021 |
| Under Harding and Coolidge: | | |
| 1921 | 19,652 | 627,401,883 |
| 1922 | 23,676 | 623,896,251 |
| 1923 | 18,720 | 530,532,000 |
| Total | 62,048 | 1,781,830,134 |

| | |
|---|---|
| Total number of business failures last three years under President Wilson | 25,314 |
| Total number of business failures past three years under Harding-Coolidge | 62,048 |
| Increase in number of business failures in past three years under Republican rule as compared with the last three years under the Wilson administration | 86,734 |
| Liabilities of failed firms last three years under President Wilson | $571,433,021 |
| Liabilities of failed firms past three years under Harding-Coolidge | $1,781,830,134 |
| Increase in business failures past three years under Republican rule | $1,210,397,113 |

These ghastly totals from the business casualty list are exclusive of tens of thousands of farmers, cattle growers, and individuals who have been ruined during the past three years and who have been sold out under the sheriff's hammer, but whose failures are not recorded with the mercantile agencies.

The above statement, furnished me by my good friend John Skelton Williams, should command the attention and receive the thoughtful consideration of every intelligent voter in the country.

It tells the story of Republican incompetency and subserviency to predatory interests.

A Republican Congress found the country prosperous and happy March 4, 1919, and in less than two years' time turned it into a land of business lamentation and sorrow.

Mr. President, some people do not seem to realize how important a part money and credits play in the economic life of the masses of the people.

Money is the measure of value and is given in exchange for the things that the people have to buy and sell. Hence the necessity of having enough money in circulation to meet the business needs of the people.

Money is the lifeblood of business, and in order that the body of business may be kept healthy and strong it is necessary that money in sufficient quantity be kept constantly circulating in the body of business.

They who toil and produce and they who use their sense and strength in legitimate activities of any kind are entitled as a matter of right to demand that the circulating medium, or money supply, be sufficient to meet business needs in such a way as to enable them to make their business a success. In other words, if losses or failures should come, they should be from other causes and not because the money supply was insufficient to fully meet the business needs of the community. The Government, and rightly so, reserves to itself the right to print bills and coin metal into money. Then it is clear that it is the duty of the Government to see to it that the circulating medium, or the money supply, is large enough to meet the business needs of all the people all the time. No right-thinking person can deny the soundness of that proposition.

The failure to have in circulation money sufficient to meet the business needs of the people places their business at a disadvantage and leaves them helpless in the hands of those who control the insufficient measure of value that they must accept in exchange for that which represents their toil, skill, and investments.

It is easy to understand that if it requires a million dollars to handle the business of a certain community and you withdraw from that community a half million dollars, you have reduced the measure of value for the goods and products of that community to just half of what it was before, and you have reduced the purchasing power and debt-paying power of the products of that community to just half of what they were before. So it is a serious thing with the business of the masses of the people when the money which measures the value of their products is reduced in quantity and the instrument of exchange made too small to enable them to obtain a profit and make a success of their business.

THE PANIC OF 1920 AND 1921

In the early fall of 1918 certain conscienceless Wall Street financiers, who under Republican rule used to own and manipulate the old panic-breeding banking system in New York, realizing that the end of the war was near, commenced to do everything in their power to elect a Republican Congress. They saw in Republican success, in the election of a Republican Congress, an opportunity to so change and cripple the Federal reserve banking system as to enable them to use it in such a way as to produce a panic. They who used to produce a panic every few years and threaten to bring one on under the old banking system whenever they wanted to beat down the price of cotton, grain, or stocks on the exchange had been deprived of that power for nearly six years under the Federal reserve banking system.

The Democratic Party had been in power during that time and Wall Street was keen and hungry for a financial feast, such as they used to enjoy in the old panic days when the Republicans were in power. To that grewsome gang the field was an inviting one. A panic would enable them to make millions on the falling prices of cotton, grain, and Liberty bonds. The first step to that end was to elect a Republican Congress. They succeeded in doing that. Then they commenced to set the trap for a panic.

The first thing they did after electing a Republican Congress was to throw the Federal farm loan banking system into the Supreme Court and shut off loans from that source.

The farmers of the South and West had borrowed from the farm-loan banks more than $300,000,000. They had lifted old mortgages, hoary with age, from the family roof tree and bought homes and farms for hundreds of thousands of young farmers. But the doors of the farm-loan banks were now closed and we could not get a dollar from that source.

The plot thickens, and the panic-producing machinery is being rapidly arranged for the deadly work that was done later on.

The next move in the deep-laid plan to produce a panic was to fasten on the Federal reserve banking system, by amendment, a progressive interest or rediscount rate, under which usurious interest could be charged, ranging from 10 to 100 per cent. The South and West and the other agricultural sections had a right to demand and a right to expect that a sufficient amount of money be sent into the two sections to enable the cotton and grain producers to market their products so as to obtain a profit and make a suc-

cess of their business. The Republican Congress succeeded in passing that amendment and thus perfecting their plans for bringing on a panic. The stage is now set and the dreadful tragedy is ready to begin. On May 18, 1920, a Republican Senate passed a resolution in favor of deflation. Senator OWEN, of Oklahoma, an able and courageous Senator, one of the authors of the Federal reserve banking system, stated in the Senate at the time the deflation resolution passed that it was a peg on which they intended to hang their plan for a panic, and he was right about it.

The Republican convention met at Chicago in June, 1920, to nominate a candidate for President and write a platform. It will be remembered that Senator BORAH, a Republican Senator from Idaho, stated at Chicago on that occasion that what he saw there on the part of the big financiers, who were trying to control the Republican convention, reminded him of the corrupt and degenerate days when the emperorship of Rome was bought outright—sold on the auction block to the highest bidder.

That Republican convention in its platform declared in favor of a policy of deflation. Hon. Warren G. Harding was nominated by the Republican convention for President. In his acceptance speech he declared in favor of a policy of deflation.

The time had come for action. No longer was it necessary to keep their purpose hid. All of the arrangements for bringing on the panic had been made. The farm-loan banks were closed; the War Finance Corporation was closed; and the Republican Congress had fastened on the Federal reserve banking act that cruel and criminal progressive interest rate amendment, under which the panic of 1920 and 1921 was brought about and under which a bank in Alabama was charged 87½ per cent. They never disclosed to the public their purpose to produce a panic until it was too late for the farmers, merchants, and bankers of the South and West, and honest business men of the country generally, to take the steps necessary to protect their interests. If they had started their deflation panic in January, the farmer would have known how to shape his business so as to make his losses on the year's transactions as light as possible. He would not have involved himself and his property on such a large scale as he did if he had known what was going to happen to reduce his debt-paying power and destroy the value of agricultural products. But they did not start it in January—oh, no! The big eastern manufacturer and wholesale merchant said wait. The Fertilizer Trust said wait. Wait until we unload our goods at top-notch prices on the merchants of the South and West. Wait until we can dispose of our fertilizer on the basis of 40-cent cotton. Wait until we can sell our agricultural implements to the farmers of the South and West. Wait until southern and western bankers commit themselves and back the merchants and farmers in buying our goods at high prices and tie themselves up so they can not get out. Wait until these things have been done and a large crop has been planted and then you can bring on your panic.

A splendid southern gentleman and the distinguished editor of one of the South's greatest newspapers told me that a manufacturer told him that the manufacturers succeeded in having the panic held off until they had disposed of their goods.

Think of the banking system of the Nation—the currency and credit facilities of a hundred millions of people—being manipulated in the interest of a favored few to the embarrassment and hurt and injury of millions of people!

One day I was speaking in the Senate on this phase of the deflation panic, and when I finished a Republican Senator from the West, himself a millionaire, came to me and said: "You are right about them sending word to certain people that the panic was coming. They sent me word several days before it came and suggested that I do the thing necessary to protect myself and prevent losses." He told me that the panic cost him thousands of dollars.

The laboring men and the wage earners were not notified. The doctors, lawyers, preachers, and teachers were never told that business disaster was drawing near, that a financial panic was on its way to destroy prosperity and devour the substance of the people. Why were the big financial high-brows singled out and notified in advance of the panic and the masses of the people left without warning to the furies of a storm that left wreck and ruin and death in its wake?

If the big financiers and manufacturers were entitled to have information in advance that a panic was coming, by what rule of right and law of justice should such vital information be withheld from the other people of the United States? By giving notice to the big financiers and manufacturers they enabled them to shape their business and prevent losses that otherwise would have come before anybody else knew that financial trouble was brewing. Not only that but by telling them in advance that the panic was coming at a certain time they enabled them to speculate on a certainty on the falling prices of cotton, grain, and Liberty bonds, and acting on their advice the big fellows made millions of dollars.

I have never criticized the Federal reserve banking system. I helped to create it. I have simply fought to hold it true to the purpose of its creation. I felt that it was my duty to the people that I represent, and to the whole people, to do my utmost to have that great banking system serve the business needs of the people everywhere, honestly and effectively, just as it was capable of doing and had done.

CRIPPLING DEBT-PAYING POWER

Bankers, merchants, farmers, and others with whom I have talked agree with Democratic leaders that the circulating medium, or volume of money, under which the year's business is commenced in January should not be reduced or curtailed until the business commitments and contracts for that year have been settled. They agree with me that it is unfair and unjust to permit our people to commit or obligate themselves in business transactions at the beginning of the year when the supply of money and credit is sufficient and satisfactory, and then to change both before the year's business is closed so as to injuriously affect the market value of their products and cripple their debt-paying power.

If everyone knew that the adequate currency and credit arrangements in existence at the beginning of the year would not be hampered or impaired during that year, there would be peace of mind in business, business stability, and increased business activity in every avenue of human enterprise and industry.

The refusal to supply us with currency and credit necessary to prevent the loss of our property and the destruction of our business in 1920 and 1921 was a crime against our people and a crime against the country. It has been said truly by Lincoln, "That any change in the circulating medium under which a debt is contracted before the debt can be paid is a crime."

The Federal reserve banking system is the greatest system ever devised by the genius of man. If honestly administered it is positively panic proof. For six years it held at bay the panic-breeding agencies of New York, and there was not the slightest financial trouble anywhere in the United States. As long as it was permitted to function properly our people were busy, prosperous, happy, and contented.

THE HOLY GRAIL

We are told in the beautiful lines of Tennyson that the Holy Grail, or silver cup from which Jesus drank wine at the last supper with the disciples, hung for a long time on the wall of the home of Joseph of Aramathea. So long as it remained there all was well in the home; the inmates were happy and contented; the voice of song and laughter was heard, the birds sang joyously in the trees, and the flowers and roses flourished as they sweetened the air with their perfume.

But one day the hand of the invader came and plucked the silver cup away. So soon as that evil thing was done clouds of gloom and despondency hovered over the home. The voice of song and laughter was hushed, the inmates were sad and sorrowful, birds ceased singing, and the flowers and roses drooped and died. Sir Galahad, a gallant knight, registered a vow that he would go out in search of the Holy Grail and would not return until he could restore it to its time-honored place upon the wall.

Prior to the Republican conspiracy to bring about deflation and produce a panic all was well with the Federal reserve banking system, and all was well with the country. A new day had dawned in the Nation. Everyone who wanted to work found work to do. Everyone who wanted money and credit with which to carry on his business found both responsive to his call. Labor was constantly and profitably employed. Capital was busy in every avenue of human enterprise and industry and we enjoyed an era of national prosperity unparalleled in the history of the country. But in an evil hour the criminal forces of greed swooped down upon the people like some mighty besom of destruction and the Federal reserve banking system was made to strike down and destroy where it was intended to serve and save.

Property values vanished by the billions. Labor was driven from employment, and 7,000,000 men and women roamed the country with nothing to do. Liberty bonds were forced out of the hands of our people, while every avenue of financial aid was shut in our faces. Factories closed and the hum of whirling wheels was hushed. Agriculture fell down and all but perished. Commerce was paralyzed, and the cry of distress was heard in the land, while millions of people in the South and West were literally robbed, many of them stripped of the

accumulations of a lifetime. Hundreds of men and women, driven to desperation, died by their own hands.

These are the fruits of Republican policies and practices, and by their fruits ye shall know them.

The Democratic Party has registered a vow that if successful in the election in November it will take control of the money supply and credits away from Wall Street and restore the great Federal reserve banking system to the purposes for which it was created.

When the currency and credit instrumentalities are permitted to function again as they should, and as they did under Democratic rule, then and not till then will there be genuine prosperity amongst the American people.

The trouble with Republican leadership is it does not know and apparently can not learn the difference between inflation and expansion. When business begins to pick up or improve and more money is required to meet the needs of business expansion Republican leaders have the word sent out to be careful not to bring about inflation. They keep the bankers and business men generally in a state of uneasiness and fear. What the country needs is adequate currency and credit facilities, honestly administered, so as to meet the business needs of all the people all the time.

THE TARIFF BARONS AND WALL STREET FINANCIERS

The tariff barons of the United States in order to tax the people to enrich themselves used to say that the tariff tax was levied in the interest of the laboring man, done to protect him from competition with the cheap labor of Europe. The American laboring man called attention to the fact that while they were shutting out some of the products of cheap labor in Europe they were bringing cheap European labor here to compete with American labor and pull down the wage scale of the American laboring man. Then there arose a demand for a law that would keep out these cheap laborers, and the same tariff barons who said they wanted a tariff tax levied so as to protect the American laboring man bitterly opposed the passage of an immigration law that would keep out the cheap European laborer. The Democrats led the fight and vigorously supported the plan for restricted immigration until we succeeded in passing the best bill ever enacted on the subject. But the tariff barons or big manufacturers are now ignoring the law, and tens of thousands of foreigners are coming in through the corrupt and disgraceful conduct of crooked immigration agents and officials. They are growing rich in their dangerous traffic, which is slipping into our country for so much per head thousands of foreigners who are prohibted from coming in by law.

So the tariff baron, as the big income-tax payer, has his way under Republican rule, law or no law. He wants the cheap European laborer to come in, and he has a crooked immigration official to suspend or set aside the law. Scores of big income-tax payers who are compelled by Congress to pay the tax get it back through the Republican Secretary of the Treasury, Mr. Mellon, who has handed back or refunded to them in the last three years $300,000,000.

Now the leaders of the Republican Party, following the suggestions of their masters, the tariff barons, are taking the ridiculous position that the present obnoxious and oppressive tariff law was necessary to give work to the unemployed. The Washington Post not long ago, in an editorial, said:

> There were nearly 5,000,000 unemployed men in the United States before the present tariff law was enacted.

The question is, Why did we have two years ago an army of unemployed 5,000,000 strong? What party was in power when our economic and industrial conditions were so upset and demoralized?

The country had prospered as never before under the Underwood-Simmons tariff law. Labor was constantly and profitably employed. Even the "tramps," who used to roam the country under Republican rule, had disappeared. Every human being who wanted to work found work to do.

I will tell you what it was that struck business a body blow, silenced the voice of industry, and threw millions of men and women out of employment. It was a financial panic brought about by a drastic and murderous deflation policy deliberately planned and carried out by the leaders of the Republican Party. More than a thousand banks have failed. Thousands of merchants who were at that time prosperous are bankrupt. Manufacturers who were then doing a good business are broke, and hundreds of thousands of farmers who owned their homes and farms and were prosperous have lost them and are now in dire financial distress.

These dreadful conditions drove millions of laborers from employment and the tariff had nothing to do with it. The tariff barons and money lords of Wall Street both contributed large sums to the Republican campaign fund. Both expected to profit financially if the Republicans got control of the Government, and when a Republican Congress had been elected and President Wilson was stricken down and near death's door, the Wall Street forces that used to produce financial panics at will and clean up millions in the operation, came to the Capitol and secured the passage through a Republican Congress of an amendment to the Federal reserve banking law which destroyed the panic-preventing power of the Federal reserve banking system. The banking system that had been used for six years to prevent panics was now, under Republican control, used to produce the worst panic that ever came upon the country. That panic not only increased the colossal fortunes of the millionaires' club by millions and hundreds of millions but it added thousands to its membership.

While it was greatly enriching and increasing the fortunes of those who felt that they had bought the privilege to plunder the American masses, it was working ruin to the livelihood and business of nearly a hundred million Americans.

After the money lords of Wall Street had fed and fattened on the financial feast that their panic had prepared, they looked with ghoulish glee upon business failures, silent industries, and millions of unemployed laboring men, the fruits of the panic that they themselves had produced.

Then came the tariff baron and said, "Here is where I come in. I will take advantage of this situation and tell those in authority that if they will permit me to levy a tariff tax on millions of American consumers I will give employment to labor." But before the tariff bill was written the Democrats, by the aid of a few progressive Republicans, had passed a bill reviving the War Finance Corporation. We put back into circulation from this source more than $700,000,000. This forced for a time a more liberal distribution of currency and credits by the Federal reserve banks, and conditions improved.

Mr. President, that situation showed that what was needed was more money in circulation and better credit facilities. The labor that returned to employment went back in large part before the tariff bill was enacted into law.

The truth is, labor was more fully employed under the Underwood-Simmons tariff law than ever before its enactment or since its repeal. The lack of a high protective tariff did not produce the Republican panic of 1920 and 1921. It was made to order by New York speculators and financiers, who made hundreds of millions out of it. It simply furnished a band of tariff marauders the opportunity to feather their nests while they imposed additional burdens upon an already overburdened people. They simply caught us going and coming.

The big speculators and big financiers of Wall Street caught us with a destructive panic while we were going good on the road of prosperity, and the tariff barons caught us and slugged us as we were "coming to" after we had been sandbagged by the panic bandits. They show their ignorance or their lack of faith in the intelligence of the American people when they claim that the number of unemployed in Great Britain is due to the lack of a protective tariff. Business demoralization and business disaster and unemployment of labor were produced in England just as they were produced in the United States—by unwarranted and indefensible deflation.

Let me read from a statement prepared by Hon. John Skelton Williams, in which he quotes the opinions of some of the world's ablest men:

> The paralyzing and destructive deflation policies which have been so world wide in their effect contrast most vividly with the views of the ablest and best thinkers and leaders of our own and other countries.
>
> The following extracts from the expressed opinions of eminent authorities are merely examples of countless others:
>
> Hon. Reginald McKenna, of England, formerly chancellor of the exchequer, now president of the London Joint City and Midland Bank, the largest bank in the world:
>
> > "I think I have said enough to show that an attempt at monetary deflation of this kind can only end in the strangulation of business and widespread unemployment. * * *
> >
> > "The consequences of a continuous fall in prices entailed by dear money and restriction of credit, and accentuated by heavy taxation, must be complete stagnation of business." * * *
>
> Sir Edward Holden, late president of the London Joint City and Midland Bank:
>
> > "The president of the British Banking Reform League in referring to an address delivered several years ago by Sir Edward Holden on the 'Depreciation of securities in relation to gold,' said:

"'In that illuminating address Sir Edward showed conclusively that the maximum amount of trade which is possible depended upon the volume of bank loans allowed, and that the extent to which loans could be granted depended not upon the demands of trade nor upon the amount of securities offered but upon the amount of legal-tender reserves controlled by the banks.'"

Lord Leverhulme, probably the greatest industrial leader in the British Empire:

"The process of too rapid deflation is undoubtedly the cause of the present unemployment and trade stagnation.

"The prices of commodities rose to the extreme limit during the war, and their reduction was a prime necessity, but the fall has been too sudden for adjustment. This deflation has been accomplished through the banks calling in loans which were used to finance stocks at high prices, and the effect of the forced realization of these stocks has been to drive down prices of commodities below the cost of production."

Of Lord Leverhulme, a distinguished English writer in his well-known book, The Mirrors of Downing Street, says:

"I suppose that nobody will now dispute that Lord Leverhulme is easily the foremost industrialist, not merely in the British Isles but in the world. I can think of no one who approaches him in the creative faculty. Not even America, the country of big men and big business, has produced a man of this truly colossal statue."

The president of the British Banking Reform League, Mr. Arthur Kitson, in acknowledging receipt of one of John Skelton Williams's addresses on the deflation policies of the Federal Reserve Board, which had been sent him by request, said in his letter to Mr. Williams:

"I agree with all that you have written. We have been experiencing the same troubles in this country that you have had in the United States, and from identically the same cause. Our treasury officials, under the influence of the big money lenders, undertook to deflate our currency. * * *

"The public stopped buying, business collapsed, firms closed their doors, and we have at the present time the greatest roll of unemployed that we have ever had since the 'hungry forties.'" * * *

The same well-known authority, in an address published in 1920, said:

"The contraction which followed the Napoleonic wars, when our statesmen destroyed the 'cheap' money which had enabled Great Britain to carry on industries during the long war period from 1797 to 1815, and substituted the costly and inadequate gold basis brought about the great fall in prices and that era of business depression which gave rise to the corn law agitation, resulting in the Chartist riots and the rise of the free-trade movement.

"Neither free traders nor tariff reformers seem to have understood that that period of social misery was directly attributable to the Government's contraction of the money supplies."

Moreton Frewen, eminent English economist and publicist, a year ago, in discussing the world crisis, said:

"What, then, are the common denominators which best account for the universality of that disaster now impending over the new year? I have pointed out one, namely, the deflation of credits and currencies. It is enough to say that if this intentional and malevolent destruction of credit is followed to its logical conclusions men's hearts may well fail them everywhere for the days that are at hand."

The governor of the Bank of France, properly regarded as one of the world's most eminent banking authorities, in his annual report a year ago, declared:

"We have welcomed, whether by means of rediscount or by direct discount, all paper whose creation responded to the legitimate needs of commerce and production. By this liberal policy, to which we have remained and always will remain faithful, we expect to support with all our power the activities of widely varying business enterprises which in France are needed to lessen the violence of the crisis."

Prof. Gustav Cassel, an economist of international reputation, in his recent report submitted to the League of Nations:

"The downward movement of prices has not, as is sometimes assumed, been merely a spontaneous result of forces beyond our control. It is essentially the result of a policy deliberately framed with a view to bringing down prices and giving a higher value to the monetary unit. * * *

"The world's work has been brought to a standstill to a degree that we have never witnessed before, and unemployment has risen to alarming figures, particularly in countries where the policy of deflation has been applied most severely."

Prof. J. Laurence Laughlin, professor emeritus of the School of Political Economy, University of Chicago:

"A crisis comes because credit has been unduly expanded in a period of prolonged prosperity; in an optomistic spirit men have entered into transactions beyond their actual means, as is shown when the test of actual payment is exacted, and in a time of fright collateral as well as goods fall in price. In such a situation liquidation needs time if disaster is to be prevented."

"* * * the great need is some means—whatever it may be—which will enable a bank to make loans to a client, who can thereby be saved from failure and from hasty and ruinous liquidation."

Prof. Irving Fisher, professor of political economy, Yale University:

The newspapers of January 31, 1922, in dispatches from London quote Professor Fisher as pointing out in an address before the London School of Economics, at the London University, that the fundamental cause of the collapse in prices in this country was the abrupt way in which the Federal reserve system raised discount rates under the "false idea that they must get back to the so-called normal of pre-war." Continuing, the press dispatch, quoting Professor Fisher, says:

"The idea of suddenly wrenching back price levels when they had reached the heights of 1920 to 1913 level, whilst it did bring about justice to contract parties who had entered into contracts before 1913, produced a frightful injustice to the much larger number who had contracted at these high-price levels."

"Consequently," says the dispatch quoted, "Professor Fisher held it to have been a very great mistake of policy of the Federal Reserve Board to have raised the rates of discount so high and to have produced this fall of prices."

The late A. Barton Hepburn, a leading financier of New York and former Comptroller of the Currency, upon his return last summer from a visit to the Far East was quoted by the Associated Press as follows:

"Japan is backing up the banks in lending funds at a low rate of interest to struggling farmers, who would otherwise go under, to the detriment of commercial life."

Contrast the intelligent policy of the banks of Japan with the Federal reserve, which, for example, in Colorado, Mississippi, and Alabama charged in some cases 22 per cent and 31 per cent, and in one instance as high as 87½ per cent, to member banks whose loans were mainly to farmers.

A newspaper published in Tokyo, Japan, in April, 1921, discussing trade between the United States and China referred to an instance of machinery purchased by a Chinese firm on a four months' sight draft, and said significantly:

"When the Federal Reserve Board called in credits, the firm was told that they would have to pay cash on delivery. This almost threw them into bankruptcy."

The newspaper pertinently adds:

"The Chinese memory is a long one."

VIEWS OF UNITED STATES SENATORS AND REPRESENTATIVES

The Joint Commission on Agricultural Inquiry, composed of prominent Senators and Representatives of both political parties, says in its report recently submitted to Congress:

"The debacle of prices in 1920 and 1921 reduced the farmer to a condition worse than he has suffered under for 30 years. * * * Farmers are having the greatest difficulty in paying the debts incurred in producing the crops of 1920 and in securing credit necessary for new production. The commission believes that these difficulties are due in a measure to the credit restrictions and limitations of the past 18 months and in part to the fact that the banking machinery of the country is not adequately adapted to the farmers' requirements. * * * The commission is of the opinion that a more liberal policy could have been adopted in the latter part of 1920 and the early part of 1921 and that the adoption of such a policy would have served to arrest in part the tide of deflation and to reduce the hardships and losses incident thereto."

Mr. President, I commend these enlightening and convincing statements to the leaders of the Republican Party.

DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. NORBECK. Mr. President——

Mr. WARREN. I ask——

Mr. NORBECK. Reserving the right to object, I desire to say that there is an agricultural matter which has been before the Senate for several hours, and we have been asked to yield for this and to yield for that. Will the Senate not let us take a vote on that question? We can dispose of it in three or four minutes. Senators on the other side of the Chamber have taken all of the time of the Senate and are keeping the farmers from receiving relief.

Mr. WARREN. I ask my friend to let the conference report be considered, because it involves a matter of $194,000,000.

Mr. NORBECK. The farmers are suffering more than $194,000,000 of damage. There are all kinds of subterfuges resorted to here when we try to bring up something for the relief of the farmer.

Mr. WARREN. I trust the Senator will permit us to proceed with the consideration of the conference report.

Mr. NORBECK. I object if we can not proceed with the regular order.

The PRESIDING OFFICER (Mr. LENROOT in the chair). Objection is made. The Senator from Alabama will proceed.

Mr. HEFLIN. Mr. President——

Mr. ASHURST. The conference report has not been received, Mr. President?

Mr. WARREN. Of course, the presentation of the conference report is a privileged matter.

Mr. ASHURST. But objection was made, and the report was not received. Am I correct as to that?

The PRESIDING OFFICER. No; the report was not received.

Mr. HARRISON. Mr. President, will the Senator from Alabama yield to me to submit an inquiry?

Mr. HEFLIN. No; I do not want to be taken off my feet.

Mr. HARRISON. I desire to make an inquiry with the understanding that it will not take the Senator off the floor.

Mr. HEFLIN. I think I had better proceed.

Mr. WALSH of Massachusetts. A parliamentary inquiry, Mr. President.

Mr. HEFLIN. I can not yield now to any other Senator.

Mr. WALSH of Massachusetts. But I desire now to submit a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. WALSH of Massachusetts. I should like to know if the clerks of the Senate, who were instructed several hours ago to enter upon the Journal the President's veto message, have dropped dead or have they finished their work so that the President's veto message has been entered upon the Journal? If so, that is the immediate business before the Senate.

Mr. NORBECK. I withdraw my objection to the request of the Senator from Wyoming [Mr. WARREN].

Mr. WARREN. The Secretary has the conference report at the desk, and I ask that it may be read.

Mr. HEFLIN. I yielded to the Senator from Wyoming for the purpose of presenting the conference report.

Mr. WARREN. I move that the report be adopted.

Mr. PITTMAN. Mr. President, before that question is put I wish to discuss the report.

Mr. MOSES. Mr. President, the question is not debatable.

Mr. WARREN. The matter will be decided simply by a vote as to whether the conference report shall be adopted or not.

Mr. PITTMAN. I object to the submission of the report.

The PRESIDING OFFICER. The submission of a conference report is a matter of privilege. Whether or not it shall be considered is a matter for the Senate to determine. The report will be presented, unanimous consent having been given for that purpose.

Mr. ASHURST. What is the report?

The PRESIDING OFFICER. The Secretary will read the report.

Mr. ASHURST. We want to identify the report.

The PRESIDING OFFICER. The Secretary will read.

The READING CLERK. Conference report on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 32, 35, and 36.

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: At the end of the matter inserted by said amendment insert the following: "*Provided*, That no part of the sums herein appropriated shall be used for the commencement of construction work on any reclamation project which has not been recommended by the Commissioner of Reclamation and the Secretary of the Interior and approved by the President as to its agricultural and engineering feasibility and the reasonableness of its estimated construction cost"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$375,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$315,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert: "$375,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 29, 34, 58, and 59.

F. E. WARREN,
CHARLES CURTIS,
W. L. JONES,
LEE S. OVERMAN,
WM. J. HARRIS,
*Managers on the part of the Senate.*

MARTIN B. MADDEN,
D. R. ANTHONY, JR.,
*Managers on the part of the House.*

Mr. PITTMAN. I object to the consideration of the report.

Mr. WARREN. Mr. President, let us have the report read. Nobody will know what the report is unless it may be read.

Mr. HEFLIN. I am not going to keep the floor very much longer myself. I am not going to try to hold the Senator from Wyoming back. I shall finish in just a moment.

Mr. PITTMAN. I object.

Mr. WARREN. Mr. President, if the Senator from Nevada will allow me just a moment, I desire to say that this is the conference report on the last appropriation bill. It covers every single department of the Government and carries an appropriation of about $194,000,000. If the conference report is not adopted within the next half hour, of course the bill will be lost. The bill carries the appropriation for the Veterans' Bureau; it carries the appropriation for the bonus and for various other governmental activities—indeed, for nearly every interest of the Government. It is one of those bills as to which a joint resolution passed by Congress will not continue during another year the appropriations for which it provides.

In order to supply the necessities of the different agencies of the Government this bill must either pass and go into operation, so that the money which it provides may be used, or it is entirely lost to all, and a number of activities will have to suspend.

Mr. HEFLIN. Mr. President——

Mr. PITTMAN. Will the Senator from Alabama yield to me?

Mr. HEFLIN. Mr. President, there is going to be opposition to the conference report, and I can not yield for its consideration just now.

Mr. PITTMAN. I ask the Senator from Alabama to yield to me in order that I may make a statement.

The PRESIDING OFFICER. The Chair must hold that unanimous consent has been given for the presentation of the conference report. The Senator from Nevada [Mr. PITTMAN] now objects to the consideration of the report. Under the rule the question of consideration must be determined by the Senate immediately without debate, but that does not apply to the question of the adoption of the report. That question will be open to debate if the Senate votes to consider the report.

Mr. KING. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KING. In order to proceed to the consideration of the conference report can a Senator be taken from the floor?

Mr. PITTMAN. I objected to the presentation of the report.

The PRESIDING OFFICER. The presentation of a conference report is always privileged. The report has been presented. The question now is, Shall the Senate proceed to the consideration of the conference report?

Mr. PITTMAN. To that I object. Now, then, with the consent of the Senator from Alabama——

Mr. WARREN. I move that the Senate proceed to the consideration of the conference report.

Mr. PITTMAN. I should like to explain the reason why I object to the consideration of the conference report.

The PRESIDING OFFICER. The question of proceeding with the consideration of the conference report is not debatable.

Mr. HEFLIN. I understand that I have the floor.

The PRESIDING OFFICER. No. The Senator from Alabama yielded the floor for the presentation of the conference report. The present occupant of the chair will say to the Senator from Alabama that he will immediately recognize him if there is any question about it when the pending motion is disposed of.

Mr. PITTMAN. I wish to say this: If an amendment which the conferees have knocked out of this bill—and I say wrongfully knocked out while they have left other amendments in—is not put back into the bill the bill will not pass at this session. That is all I have to say.

The PRESIDING OFFICER. The question is, Will the Senate proceed to the consideration of the conference report? [Putting the question.] The "ayes" have it. The motion prevails. The question now is upon agreeing to the conference report.

Mr. ASHURST. I wish to be heard on that question.

The PRESIDING OFFICER. The question is open to debate.

Mr. ASHURST. That is debatable.

Mr. HEFLIN. Mr. President——

Mr. ASHURST. I want to discuss the conference report.

Mr. McKELLAR. Mr. President——

Mr. ASHURST. I want to know who has the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. ASHURST. I thank the Chair.

Mr. HEFLIN. Mr. President——

Mr. ASHURST. I do not yield to anybody for any purpose. The Chair only may properly take me off the floor.

The PRESIDING OFFICER. The Chair will read the rule in reference to conference reports:

1. The presentation of reports of committees of conference shall always be in order, except when the Journal is being read or a question of order or a motion to adjourn is pending, or while the Senate is dividing; and when received the question of proceeding to the consideration of the report, if raised, shall be immediately put and shall be determined without debate.

The Senator from Alabama yielded for the presentation of the conference report, and the report is now before the Senate.

Mr. HEFLIN. Mr. President, the Chair was going to recognize me immediately after that was done.

The PRESIDING OFFICER. The Chair promised to recognize the Senator from Alabama after this question was disposed of.

Mr. HEFLIN. That was not my understanding. Had I so understood I would not have yielded for a discussion of the subject at all.

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. ASHURST. Mr. President, it is useless to cavil over the question as to who was recognized by the Chair. The Presiding Officer recognized me, and the question as to who should be recognized is not appealable, for that question is wholly for the Chair and is for the Chair only.

Much as I desire to see my own amendment and the amendment of my colleague retained in this conference report, I decline to assume the responsibility of killing this deficiency bill, as such action would starve many of the great energies of the Government. I have conferred with my colleague [Mr. CAMERON], but neither he nor I will assume the heavy responsibility of killing this vital bill, as such action would paralyze too many agencies of the Government, although the conferees have abandoned and thus defeated the legislation that we seek.

Let me now remind the Senate that these amendments, which the conferees have abandoned, were of vast importance to the water users and landowners on the Yuma Mesa auxiliary irrigation project and to the main Yuma project.

On that Mesa project 48 settlers who have made three-fourths of their payments to the Government and 55 other settlers who have made one-half of their payments and many other landowners who have made one-fourth of their payments will be now subjected to great distress, and I doubt not that some of them will be ruined, by the abandonment of this amendment.

Our Government should not drive hard bargains with farmers. Agriculture is the noblest of all occupations, the most dignified of all occupations, for it nourishes our race. The multitudes of the earth must subsist upon what agriculture produces. In Yuma County, Ariz., the citizens, with a valor neither showy nor vociferous, have fought as good a fight to reclaim a desert as is recorded in all history; how well they have succeeded let the farms, ranches, and greenery there testify. Consider a valley where the soil is of the richest and where the sun in summer comes down like a merciless flail; a valley that is one of earth's wonders, asking for justice, and denied justice by wanton pettishness of conferees.

As to the amendment I offered to this bill, and which the Senate adopted, I told the Senate on Thursday evening in simple, plain language that the Government of the United States built the Yuma project about a hundred miles above where the flashy and temperamental Colorado River debouches into the Gulf of California; that the Government built on the Mexican bank or side of that river a levee at Government expense costing $800,000, and that the construction of this levee threw these swirling waters, with a cutting edge like the claws of a steel giant, against the farms on the project, and those waters are destroying, as they have been destroying for 10 years, the farms of these industrious and worthy people who are landowners on the east side of this river.

Any man worthy to be a Senator, any man fit to represent his people, could not be otherwise than indignant at the treatment these landowners have received. Senator Root, of New York, said 10 years ago in the United States Senate, when the proposition had no more than been stated to him, that he would use every endeavor to correct this injustice. The Secretary of the Interior, who has taken a broad view of this question, told me no longer ago than this morning at the White House that he fully believed in the overwhelming equities of the landowners of the Yuma project, and in effect and spirit but not in exact text save voicing his view.

To say that these poor farmers of the Yuma project should be required to hold within a fixed channel these mighty floods of the Colorado River is a statement that would make a chancellor vomit. My amendment was as follows:

*Be it enacted, etc.*, That there is hereby appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $597,088, or so much thereof as may be necessary to reimburse landowners residing on Yuma project, Arizona-California, for all moneys they have heretofore been charged with or have paid into the United States Bureau of Reclamation for the operation and maintenance of the Colorado River front work and levee system of said project.

SEC. 2. That there is also hereby appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $100,000, or so much thereof as may be necessary, to be placed to the credit of the United States Bureau of Reclamation and to be expended under the direction of the Secretary of the Interior for the purpose of paying the operation and maintenance costs of said Colorado River front work and levee system on said Yuma project, Arizona-California, for the fiscal year ending June 30, 1925, and thereafter there is hereby authorized to be expended not to exceed $35,000 annually, or so much thereof as may be necessary, as the share of the Government of the United States of the costs of operating and maintaining said Colorado River front work and levee system: *Provided*, That the said sum of $35,000, or so much thereof as may be necessary, shall only be available if and when double such said amount of $35,000 shall have been provided by the States of Arizona and California, the county of Yuma, Ariz., and the Yuma project, or any of them, it being hereby declared to be the policy of the United States to assume one-third the obligation of caring for said river-front work and levee system on said Yuma project, Arizona-California.

Mr. BORAH and Mr. HEFLIN addressed the Chair.

Mr. ASHURST. I yield to the Senator from Idaho for a question.

Mr. BORAH. Well——

Mr. ASHURST. I do not wish to lose the floor, but I am going to conclude in one minute.

Mr. BORAH. I will not interrupt the Senator.

The PRESIDING OFFICER. The Chair will state the Senator would yield the floor if he yielded other than for a question.

Mr. ASHURST. Mr. President, I have concluded. If these facts for which the Secretary of the Interior vouches, for which the Bureau of Reclamation vouches, for which the fact finding commission vouches, and for which every man who has the impulse of integrity and fairness vouches, do not move the conferees to do justice, peace be with them.

## THE CONSPIRACY INVOLVING THE POST OFFICE DEPARTMENT IN LAND FRAUDS AND THE BARTER OF THE NAVAL OIL RESERVES

Mr. HEFLIN. Mr. President, in the fall of 1920 when we had a Democratic Postmaster General complaint was made to the Post Office Department that certain land companies doing business in the Lower Rio Grande Valley of Texas were,

through deception, misrepresentation, and the fraudulent use of the mails, defrauding hundreds of American citizens in the sale of lands in the valley. A Democratic Postmaster General ordered that an immediate and thorough investigation be made. J. M. Donaldson, of Kansas City, one of the most reliable and most effective inspectors in the service, was placed in charge of the investigation. He went whole-heartedly into the work and was proceeding to make a real investigation, but as soon as a Republican Postmaster General came into office in 1921, R. B. Creager, Republican national committeeman for the State of Texas, and a partner in the land company of C. H. Swallow & Co., and also a partner in the Alamo Land & Sugar Co., together with C. H. Swallow and W. F. Zumbrunn, who was general counsel of the Lower Rio Grande Valley Land Men's Association, and C. F. Ladd, general sales manager of the W. E. Stewart companies, and C. H. Jessup, representing the Lower Rio Grande Valley Water Users' Association, came to Washington and called on the Postmaster General, Mr. Hays, and on the Attorney General, Mr. Daugherty, for the purpose, I am convinced, of having the investigation stopped, and they succeeded in doing what they came to do. Several very suspicious and reprehensible things happened soon after their visit to Mr. Hays and Mr. Daugherty.

This Republican National Committeeman Creager wanted Donaldson removed and a more pliable and accommodating inspector put in charge of the investigation. It was up to Creager to show why Donaldson should be removed, and he told the chief inspector, Mr. Simmons, here in Washington, that Donaldson, who had started the investigation, had said that he, "Creager, ought to be in jail."

Donaldson denied having made such a statement, but he was removed just the same after Creager and the others mentioned called on Hays and Daugherty. Then an inspector by the name of Williamson from Pittsburgh, Pa., a man in every way agreeable to Creager and his associates, was placed in charge of the investigation.

Here the investigation ended, for what Williamson did was not in any honorable sense an investigation. After the understanding had with the Post Office Department by Creager and others, strange to say, those charged with violating the law took charge of Inspector Williamson and directed his investigation. They had him go through their books and letter files and when that was completed he returned to Washington, wrote his report, sent it into the Post Office Department and he acknowledged under oath before the Post Office and Post Roads Committee of the Senate investigating the land frauds and the failure of the Post Office Department to complete the investigation, that he never called upon a single victim of the land frauds—that not one of them had been seen or questioned in regard to the matter. So the inspector that Creager had named in place of Mr. Donaldson did just as Creager and the others wanted him to do. His investigation was a miserable farce and was the culmination of a conspiracy to prevent an honest and thorough investigation of Creager and the others who had had satisfactory conferences with Hays and Daugherty in Washington.

Think of an inspector quitting an investigation before he had questioned a single one of the hundreds of citizens who had complained of being defrauded out of hundreds of thousands of dollars. Think of him going to the homes of the accused and letting them direct his activities in the land fraud investigation. And think of him closing the investigation and leaving for Washington without permitting any one of the hundreds and thousands who had been defrauded to tell what they knew about the crimes that had been committed against them by the use of the United States mails.

These victims of the land frauds had been lured into the valley from Indiana, Ohio, Iowa, and ten or twelve other Northern States. They were carried into the valley on excursion trains provided by the land companies. They were kept together and not allowed to talk to any one except the agents of the land companies. They were escorted to show farms that were used as "decoy ducks." They were properly irrigated and were producing in abundance. The prospective buyers were told that all the land pointed out to them was under the same irrigation system and that all the water needed could be had in a few hours by phoning in to the irrigation plant. They were told that the lands were not overflow lands. Buyers were required to pay at least half in cash and in many instances they were induced by the representations made by them to pay cash every dollar they had and could borrow. Many of the victims of the frauds practiced upon them in the sale of these lands in the lower Rio Grande Valley found after they had paid to the land companies every dollar they had that the land was overflow land or that no water could be had to irrigate it so as to enable the farmers who had been deceived into buying it to make a crop. In addition to paying in cash all the money they had, they had given to the land companies vendors' lien notes for the other payments.

The failure of hundreds of farmers to get water to irrigate the land purchased caused them to fail to make a crop and their failure to make a crop meant failure to pay the first vendors' lien notes that came due and the land companies kept the farmers' money and got the land back and left these Indiana, Ohio, Iowa, and other northern and western farmers and their wives and children stranded in the valley. Hundreds of them lost the accumulations of a lifetime through the fraudulent and corrupt use of a governmental instrumentality by the crooked and corrupt land companies in the lower Rio Grande Valley. Hundreds of them were unable to pay their railroad fare back to the States from which they came.

The lands taken back from them have been sold and taken back and sold and taken back many times as the crooked land companies increase their riches and the names of their miserable victims increase by leaps and bounds.

Mr. President, after Creager, Republican National Committeeman from Texas and the other land men that I have mentioned came to Washington to get a Republican Postmaster General to call off the investigation which involved their land companies, nearly a thousand American citizens who stated that they had each been defrauded by land companies doing business in the valley petitioned the Postmaster General to continue the investigation. They mentioned the fact that Creager and others had been to Washington in an effort to stop the investigation and they begged the Postmaster General to permit those who had been defrauded to have an opportunity to give to their Government the truth regarding the matter. Did the Postmaster General continue the investigation? No. He stopped it.

The man that the Postmaster General sent down there to relieve Donaldson, who was making a real investigation, did nothing but confer with those who were charged with crime against citizens and crime against the Government. Williamson, Postmaster General Hays's Handy Andy and Creager's man Friday, closed the case in November, 1921, in less than six weeks after it was turned over to him without letting a single man defrauded by the crooked land companies give testimony as to how he had been treated by the landmen who had violated the laws of the Government that Williamson was supposed to represent and protect.

Nearly three years have come and gone since Creager and Hays and Daugherty conferred together about the investigation of the land frauds in the lower Rio Grande Valley. For nearly three years no attention has been paid by the Republican Postmaster General to the pitiful appeals of the distressed victims of the land frauds in the lower Rio Grande Valley.

I repeat, Williamson stated on the witness stand before the Senate investigating committee of which I am a member that he had not been to see a single one of the victims of the land frauds—that he had not given a one of them the opportunity to tell his story to a representative of the Government.

Mr. President, the petition of the unfortunate land victims was thrown into the waste basket and the investigation abandoned nearly three years ago. This investigation was abandoned and the fraud crooks permitted to continue their fraudulent practices to the shame of the Postmaster General and the Republican administration, and to the hurt and injury of hundreds and thousands of once prosperous American farmers. It was stifled and abandoned in the face of the fact that Donaldson when removed to make way for Williamson stated in his report to the Post Office Department that—

> From the evidence obtained through circularization of persons dealing with the companies in question, conditions have come to light, which the inspector describes as "most outrageous, outlandish, and reprehensible methods that can be conceived, which were used by these land companies in disposing of this land and swindling the public."
>
> Specific instances are cited showing that almost every claim made by these companies for the land sold by them is a fraudulent one. New victims are constantly being brought in. Banks, mercantile institutions, and police authorities are apparently controlled by the interests operating from Kansas City, and in the event that any of the victims attempt to warn newcomers, in order to prevent them from being swindled, an assassin is employed to harass or murder such informant.

Mr. President, think of a great department of our Government being maladministered so as to suppress the truth, shield crooks and criminals and brazenly used to defraud the citizen. Such reprehensible and despicable conduct on the part of those in control of our Government breaks down and destroys respect, not only for those in authority but for the Government itself.

The effect of the failure to proceed with the investigation is mentioned in Donaldson's report, when he said that the farmers in the Rio Grande Valley who have been swindled believe that the influence of these land companies is too great to fight and that the Government would not go through with the investigation.

Senators, have we reached the time when the American people are willing to remain silent and permit the Government to be put in the attitude of being indifferent and unresponsive to the cry of distress and injustice on the part of the humblest citizen in the country? Are we ready to accept the dangerous doctrine that Republican influences, corrupt and powerful, have set up to the effect that citizens in the common walks of life shall be subject to investigation and punishment for violating the law, but that the mendacious, rich in ill-gotten gain, may violate the law at will and escape its pains and penalties? Think of law-abiding, patriotic American citizens being robbed of the earnings of a lifetime through the use of a governmental instrumentality and when they petition their Government for relief and offer to furnish the evidence to convict the criminals responsible for the frauds practiced upon them they find the Republican Postmaster General not devising plans to apprehend and punish the guilty, but in conference with Creager, the Republican National Committeeman from Texas, and others accused of the crime complained of.

That is not all. They find that the conference in Washington has accomplished the result desired by those who have grown rich through frauds practiced upon American citizens and in their disgust and despair they tell Donaldson that they fear that the Government will not go through with the investigation. That presents a dreadful situation for our serious consideration. Senators, we owe it to ourselves and to those who sent us here to see to it that such conditions shall not continue. Such contemptible conduct on the part of Government officials ought to be denounced by every patriotic man and woman in the country.

Farmers who had been defrauded held mass meetings at several places in the valley for the purpose of bringing about unity of purpose and concerted action in obtaining an investigation and prosecution of land crooks by the Government. James R. Page, an attorney of Kansas City, was invited to address them, and he vigorously denounced those who had deceived and defrauded American citizens in the sales of lands in the valley. Immediately steps were taken by men in the employ of the defrauding land companies to intimidate and drive Page out of the valley. He was discussed at meetings of the Land Men's Association. It was strongly intimated that if the mass meetings and Page's speaking should continue and those accused convicted "everyone would be headed for the penitentiary."

At one of those meetings Mr. Zumbrunn stated that the telegrams he had received from Creager indicated that he was alarmed. Then one of the men present at the meeting said: "If you, as an association, send me down there as your representative with Mr. Creager, I will muzzle him (Page) or put myself out of business in the effort." They did everything in their power to frighten Page. They filed disbarment proceedings against him. They had him indicted in a lower Rio Grande Valley court, and he was told if he didn't leave the valley he would be killed.

Page advised the victims of the land frauds to mail their petition asking the Post Office Department to continue the investigation. And then what do you suppose happened? Why, the Creager crowd got the local judge of a district State court to issue an injuction against American citizens mailing a petition to Federal officials in Washington. Was there ever before anything like that brazen conduct in our country?

Here is a telegram which shows that there was an understanding between Creager and his companies and the Post Office Department that he was to escape investigation and prosecution. The Stewart mentioned in this telegram was indicted and convicted on Donaldson's report and I believe that Creager and others would have been convicted if Donaldson had not been displaced to accommodate Creager and his crowd. Here is the telegram that tells the story of a nasty conspiracy and a heinous crime in high Republican circles at Washington. It was sent from the Post Office Department here to the post-office inspector in charge at Kansas City, and reads:

> Take no steps to present any evidence to grand jury in case of Alamo Land and Sugar Company, C. H. Swallow & Company, or in any company in which R. B. Creager is interested, or involving R. B. Creager in any way pending completion of investigation by Inspector Williamson, who is covering all these companies including Creager, and we want no action taken at this time. So far as Stewart Land Company is concerned, you are at liberty to act provided it does not involve Creager or Creager's companies; and if it does, do not act, because no action in these matters must be taken until after Inspector Williamson completes his investigation and has submitted his report. Show this wire to Inspector Donaldson and answer by wire at once if presentation of evidence in Stewart Land Company case will in any way involve Creager or Creager's company.
>
> SHOOK, *Acting.*

Let me read a line or two from the testimony recently taken at the hearings.

> Mr. PAGE. Now, you did not send that telegram, did you?
> Mr. SHOOK. No, sir.
> Mr. PAGE. Who did?
> Mr. SHOOK. Williamson sent that, dictated it to Robinson, the chief inspector's private secretary.

Mr. President, the Williamson who sent that telegram preparing the way for Creager's escape from a real investigation and prosecution, and who signed Shook's name to it, is the same Williamson who was sent down to take Donaldson's place and who by his suspicious and reprehensible conduct in the matter has branded himself as one of the conspirators in this terrible thing.

The conspiracy to prevent an honest investigation by the Post Office Department of those who used the United States mail to defraud American citizens, has been established by testimony obtained from officials in the Post Office Department. The fact that the inspector did not question a single one of the citizens who complained of having been defrauded, and the fact that he stopped the investigation after consulting with those accused of the crime, show conclusively that the Post Office Department of the Government of the United States under Republican rule has knowingly and intentionally shielded and protected crooks and criminals in their robbery of hundreds and thousands of American citizens. God speed the day of deliverance from the shameful, disgusting, and disgraceful rule of those who misuse, abuse, and barter the instrumentalities of Government which in an evil hour were committed to their care.

Mr. President, we have not been permitted to proceed as we should have with the investigation of the fraud practiced upon American citizens in the sale of lands in the lower Rio Grande Valley. The chairman of the subcommittee, Senator MOSES, can not be said to be very sympathetic or in any way enthusiastic over the investigation. He has not impressed me that he possessed any considerable amount of zeal for a prompt and real investigation. Just the other day he arbitrarily ruled that no testimony touching transactions that took place in the valley could be taken here in Washington. We placed a witness from Kansas City, Mo., on the stand who had been an agent of one of the land companies accused of defrauding citizens in the sale of lands in the valley. He was permitted to testify how the mails were used to send out literature to prospective buyers and for sending letters back to the companies by the agents telling of the number of citizens who would be brought in on excursion trains at stated times. This witness, a Mr. Collins, had just related how he had gone into a northern State and had gotten a number of citizens to accompany his party into the valley. He told how they were kept in cars to themselves where nobody but the agents of the land companies could talk to them. They were now on the train going into the valley. Just then Mr. PAGE asked him what he and the other agents did to get the prospective buyer in the proper frame of mind to buy land when he arrived. Before he could answer the question Chairman MOSES told the witness not to answer the question because he said you are going to testify about what took place in the valley. I protested against his ruling and requested that this witness, who was here at Government expense, should be permitted to finish his testimony—that it seemed foolish to call him in again as a witness and put the Government to the extra expense that such a procedure would incur. But he insisted that all testimony regarding occurrences in the valley should be taken down there. We informed him that scores of the land fraud victims did not live in the valley and that it would be inconvenient for them to go to the valley and also that it might be months before we could get to the valley, but in spite of the protests of the Democratic minority of the committee he, with the use of the proxies of two other Republican members of the committee, Senator EDGE, of New Jersey, and Senator ODDIE, of Nevada, who had never attended any of the hearings, prevented the witness from proceeding, and stopped the hearings.

I appealed from that ruling and finally succeeded in getting Chairman Sterling of the Post Office and Post Roads Committee to call the full committee to meet and hear the appeal. The committee sustained my appeal and set aside the ruling made by Senator Moses with his proxies and authorized us

to proceed with the investigation here. I have been trying since that time to get Senator Moses to call a meeting of the committee to formulate plans for the continuance of the investigation in Washington. So far I have not succeeded. All of those who have attended the hearings know that we are seriously handicapped in conducting this investigation. I do not want to charge that anyone responsible for delay is trying to cripple or stifle the investigation, but I will say that this investigation is going through.

If we can not proceed with it now we will proceed with it when Congress reconvenes.

Mr. President, strange to say, the officials of the Post Office Department who have appeared before the committee have shown hostility to those pushing the investigation and sympathy for those who came to the Post Office Department in Washington and succeeded three years ago in calling off the investigation. Nothing short of a new order of things in Washington will restore to commanding respect with high Federal officials here the old-time American standards of common fairness, common justice, and common honesty that are still loved and emphasized by the rank and file of the Democratic Party and hundreds and thousands of men and women in the ranks of the Republican Party. There ought not to be any difference between the two dominant political parties on anything that involves wrongdoing against the Government, graft and corruption in office. There ought to be a common understanding between them through which both would serve notice on all crooks and criminals that strict adherence to the principles of fair play and common honesty would be upheld at any cost. There are many in high office here who do not feel as I and many others do about this matter. The people in the States must wake up to the increasing dangers that threaten free institutions in America. Corrupt men in office must be driven out. If they are permitted to continue and to multiply they become more and more a greater menace and danger.

The only safe and wholesome remedy is to smite them hip and thigh and get rid of them. Washington realized that. He knew about some of them in his day. In 1799 he said in a letter to James Warren regarding the conduct of a few currupt officials:

> Is the paltry consideration of a little dirty pelf to individuals to be placed in competition with the essential rights and liberties of the present generation, and of millions yet unborn? Shall a few designing men, for their own aggrandizement and to gratify their own avarice, overset the goodly fabric we have been rearing at the expense of so much time, blood, and treasure? And shall we at last become the victims of our own abominable lust of gain?

What a battle cry of the Father of his Country against corruption in office. The New York Times, commenting upon Washington's statement said, February 22, 1924:

> His plan of action was to retain the confidence of the people by driving every exposed scoundrel out of public life with whips of scorn, and then to call upon his countrymen by precept and example to illustrate the austere virtue which should clothe men in official positions. This aspect of Washington's spirit and public service might well be meditated upon to-day by those who are now in power in the city that bears his name.

Now, Mr. President, I desire to speak briefly on another matter. I want to talk about Republican politics for a few minutes.

Mr. President, Penrose was a high priest in the councils of the old stand-pat Republican Party, and Mr. Coolidge is as much a disciple of that system as was Penrose. Matthew Quay trained Penrose and Murray Crane trained Coolidge.

Penrose and Coolidge moving in the same direction and having the same ends in view employed different methods to bring about the results desired. Penrose believed that the big interests back of him should control the Government and he did not hesitate to say so, while Mr. Coolidge, not so bold and outspoken but much more politic and diplomatic, is just as satisfactory now to those who backed Penrose as was the big Pennsylvania boss in the heydey of his political power. Penrose conferred with the "money lords," the "tariff barons," and "trust magnates," the three big groups that feed and fatten on governmental favoritism under Republican rule, and whenever they agreed upon a candidate for President he got squarely behind him and his man always got the Republican nomination. He, with others representing the same interests, O. K.'d the Harding and Coolidge ticket in 1920. Coolidge soon after he became President, true to his Murray Crane training, proceeded in the quiet Coolidge way to let the three big groups mentioned know in no uncertain way that he was their friend and that they would never have occasion to regret supporting him. The cry of the West for relief for millions of farmers in distress fell dead on his ears, and President Coolidge emphatically announced that no extra session of Congress would be called to consider any measure looking to their relief. The three big groups were much pleased with his action in this matter, and after they had seen him give many other assurances of friendship and service they had the newspapers that they own, or control, to start a concerted move for Coolidge for President.

Several modest Republicans and some of the leaders knowing Mr. Coolidge's limitations and his leanings, and some prominent Republican Senators, also leaders, who had had the opportunity to observe him very closely when he presided over the Senate for more than two years, and who did not in any way regard him as a strong man, commenced to cast about for some strong outstanding Republican to put forward for the Republican nomination for President. But while they were quietly discussing the situation and laying their plans, the man in the White House, who was thoroughly familiar with the Murray Crane way of doing things in politics, commenced to ingratiate himself so strongly in the confidence and esteem of the "special privilege crowd" that before these other gentlemen knew what had happened certain big Republican newspapers were declaring editorially that Coolidge should be nominated without opposition. Some of the Republican leaders commenced to murmur their dissent and protest; some of them said that "Mr. Coolidge is not big enough for the place—he can't be elected," but the big bosses had agreed on Coolidge and these Republicans were told to be quiet and talk no more along that line. The big bosses said, we will employ some of the best newspaper writers in the country to boost Coolidge and praise him, and in a few months we will have the people believing that he is really a big strong man. But that didn't satisfy some of them who had intimate knowledge of Mr. Coolidge's ability and qualifications. They said that the people would find out before the election that a job had been put up on them and that he would be overwhelmingly defeated. Two or three strong Republicans who were spoken of as probable candidates were really getting ready to throw their hats into the ring, but the big interests that controlled the big bosses of that party silenced all of them but one—HIRAM JOHNSON. They let it be known that Coolidge was entirely satisfactory to them and that they were all behind him. So the decree of the big bosses removed all of the candidates except HIRAM JOHNSON and immediately they commenced to upset his plans and purposes. They made it impossible for his friends to get the finances necessary to carry on his campaign and one by one they induced influential Republicans who were supporting Senator JOHNSON to come out in newspaper statements saying they had decided to support Coolidge. And now with all of the candidates eliminated but one, the big bosses, using the big steam roller, proceeded to flatten HIRAM JOHNSON out wherever he crossed the Coolidge path. Angry because he continued to be a candidate after they had made known their desire that Coolidge be nominated without opposition, they decided to make an example of him and to humiliate him by beating him with Coolidge in his own State of California. California is strongly in favor of the Japanese exclusion provision in the immigration law and HIRAM JOHNSON was the champion of that doctrine in the Senate. So in order to obtain votes in California, Mr. Coolidge the day before the primary informed the people of California that he, too, favored the Japanese exclusion provision. That statement was published throughout the State and used to the very best advantage by the Coolidge supporters. Mr. Coolidge carried the State and two days thereafter his representatives were at the Capitol trying to get the Senate and House conferees to strike from the bill the Japanese exclusion provision.

Mr. President, the Washington Post, June 8, had pictures giving different views of Congressman BURTON, of Ohio, temporary chairman and keynoter of the Republican National Convention, as he was preparing his speech. One shows him with his head thrown back, looking up, with these words underneath the picture: "He searches the clouds for inspiration." How appropriate! There is nothing that so resembles the record of this Republican administration as a dark cloud. The keynote speaker for the Republican convention does well to look up to dark clouds for inspiration rather than to look into the dark record of this Republican administration.

If Lincoln could come back and find the forces of greed and avarice and corruption encamped in the Capitol, as they are to-day under Republican rule, he would denounce and repudiate them. He would rebuke them for daring to call this modern aggregation of marauders "The party of Lincoln."

Mr. President, I regret to say it but the big criminal with a pocket full of money has no fear of this administration. In-

stead of fleeing from it terror stricken he comes to it confident that he can arrange things, and after a conference or two he goes his way undisturbed and unafraid. If this Republic is to live these things must cease. The sense of civic duty and moral obligation and patriotic responsibility was never so low in a majority of high public officials at the Capitol as it seems to be to-day. No man in the administration from the President down has shown any real interest or manifested any serious concern in the matter of exposing crooked and corrupt officials and driving them from office. With the charges of corruption and scandal on the part of Republican Cabinet officers printed in newspapers in Washington and all over the country, no word of encouragement or cooperation came from the President to the Senators who were uncovering crime in high places and demanding that Denby and Daugherty be put out of the Cabinet. Both were driven out by the earnest and noble work of Democrats. By the facts brought to light they created the public opinion that forced Denby and Daugherty both out of the Cabinet.

After the Senate by a vote that was almost unanimous found Denby guilty of doing an act that "was born in fraud and corruption and in violation of the laws of Congress," President Coolidge announced that he would not let Denby resign. And it will be remembered that Daugherty complained at the President for not letting him resign sooner. Think of what happened! Did Denby and Daugherty, these two pets and bellwethers of the predatory interests, get mad and sulk in their tents? Oh, no. They were robed in purple and fine linen and sent as Coolidge delegates to the Republican Convention at Cleveland. Birds of a feather "flock" together. The same gang that nominated Harding at Chicago in 1920, nominated Coolidge at Cleveland in 1924. Verily the trail of the serpent is over it all.

Mr. President, nothing short of a complete change in the conduct of this Government at Washington will suffice. Four years more of what we have had and of what we are certain to have if the present régime is continued in office will go a long way toward disgusting patriotic men and women the country over and destroying respect for constituted authority and endangering our free institutions. Predatory interests feel and act toward the Government under Republican rule like the old miser did who had bought a mule and was criticized by his neighbors for what they said was cruelty to the animal. He replied in haughty fashion—"I bought him, I paid my money for him, and I'll use him as I please to."

The agents of predatory wealth, after supplying campaign funds for the Republican bosses and that ticket is elected, feel like the old miser did, that they paid their money for the election of Republican officials and will use them as they choose to.

The corrupt use of money in elections and the disgraceful barter of governmental instrumentalities to those who contribute money to the Republican campaign fund present a situation fraught with great danger to our country.

The time has come to pull together and vote together—all those who believe that the Government should be honestly administered in the interest of all the people.

Mr. President, the party of privilege is up to its old tricks. Another election is approaching and Republican leaders will promise anything and everything to get control for four years more of the taxing power and the money supply and credits of the country.

They promise to do something for the relief of millions of oppressed and distressed farmers. They promised the same thing in 1920. They promise to do something in the interest of world peace. They promised the same thing in 1920. The Republican Party dominated, yes, literally controlled as it is to-day by predatory interests can not do anything except what predatory interests want it to do.

They have made the dollar the dominating thing in Republican politics. They have made barter of the ballot and bought seats in the House and Senate as you would buy a commodity in the market place. They confirmed the sale of a seat in the Senate to Newberry, and they have squandered the timber lands, the coal lands, and the oil reserves of the Nation to those who contributed large sums to the campaign funds of the Republican party. They have juggled figures and agricultural statistics in the Department of Commerce to the benefit of the speculators and to the hurt and injury of the farmers of the United States. They have made of the Department of Justice a rendezvous for crooks and a city of refuge for criminals.

They turned the Veterans' Bureau into a resort for crooks and grafters, and they have ignored or set aside the immigration laws of the land and corrupt officials are growing rich smuggling thousands and tens of thousands of foreigners into our country.

Mr. President, the situation is appalling and alarming. I heard the Senator from Missouri, Mr. SPENCER, speak three hours here to-day trying to prevent a vote on the committee's report on the Teapot Dome scandal. He does not want the Senate to vote on it.

Republican leaders do not want the people to see how certain Republican Senators voted on this question and that is why you want to postpone the vote until after the election.

Doheny and Sinclair are for Mr. Coolidge; Denby, Daugherty, Fall, and Forbes are all for Mr. Coolidge.

It's the same old song, in the same old place, sung by the same old gang.

Secretary Hoover's heart turns back to London, where he was a citizen or subject for 14 years, and George Harvey, formerly ambassador to London, gives up his post temporarily and comes home to direct the publicity work of the Coolidge campaign as he did the Harding campaign in 1920. General Dawes, who has been hobnobbing with international bankers in Europe, is in fine favor with those who are sucking money out of the channels of trade at home to feed their international schemes in foreign countries. It is already being whispered about the Capitol that the "money lords of Wall Street" have agreed to permit legitimate business to breathe freely again and to make money matters easy again just before the election for the purpose of temporarily improving conditions in the hope of lulling the people to sleep until they can get control of the Government for four years more.

Mr. President, if they can fool the people again and win in the fall election, they will tie us on to a scheme of international banking that will suck into it the life blood of the circulating medium of America and breed financial panics and business troubles innumerable for us. They will take the tax off the big income-tax payers and in its place impose a burdensome sales tax of hundreds of millions upon the consuming masses of America.

They will foist upon the country compulsory military training. They will revive the so-called gentlemen's agreement with Japan. The concentration of wealth in the hands of a few and the centralization of power in one man in Washington will go on with a rapidity never known before.

Those who have been unfaithful in the conduct of public office; those who have been corrupt in the use of powers entrusted to them would take Republican victory to mean an indorsement of their criminal greed, their disgraceful graft, and their shameful corruption in office. The verdict of the American people in the next election must ring clear and true. There must be no mistake about its meaning. There must be nothing in it that will give comfort and ease to crooks and criminals in official position. It must be a verdict that means: "Down with graft and the grafter! Down with corruption and the corruptionist, and down with crime and the criminal in the public offices of our country."

Let that verdict say in thunder tones to all political parties that the people of the United States will hold the party in power strictly responsible for the corrupt conduct of those placed in positions of trust by that party.

### SENATOR JOHN K. SHIELDS

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD a statement of the record of my colleague [Mr. SHIELDS].

The PRESIDING OFFICER. The Senator from Tennessee asks unanimous consent to print in the RECORD the statement referred to by him. Is there objection? The Chair hears no objection, and it so ordered.

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD a statement of the services of my colleague, the senior Senator from Tennessee, Hon. JOHN K. SHIELDS, covering the entire time he has been a Member of the Senate. This statement was carefully prepared and checked up by a gentleman who has been an official of the Senate for many years and who has great familiarity with the services of the Senator, as he is constantly in attendance upon the sessions of the Senate and has an accurate knowledge of the records. I may say that this gentleman is a life-long Democrat and takes special interest in the services of all the Democratic Senators in this body.

### RECORD OF SENATOR JOHN K. SHIELDS

Senator SHIELDS was elected to the United States Senate January 23, 1913, for the term beginning March 4, 1913. He was reelected in 1918, and his second term will expire March 4, 1925. He served eight years during the administration of President Wilson and nearly four years under the administrations of President Harding and President Coolidge.

The Democratic Party controlled the Senate and the House of Representatives during the first six years of President Wilson's administration, and the Republicans have controlled both Houses since that time.

When the Senate was reorganized by the Democratic Party in 1913 Senator SHIELDS was assigned to the Committee on the Judiciary, the Commerce Committee, Committee on Education and Labor, Committee on Interoceanic Canals, and later upon the Committee on Foreign Relations and the Immigration Committee and some smaller committees. Subsequently he resigned from all of them except the Committee on the Judiciary, Committee on Foreign Relations, and Committee on Immigration in order that he might devote his time to the consideration of the bills within the jurisdiction of these committees, which have always been of great importance and far-reaching in their bearing upon the domestic and foreign relations of the Government.

Senator SHIELDS is also a member of the Democratic steering committee, a political committee having control of the assignment of Democratic Senators upon the various committees and directing the policy of the party in the Senate.

Senator SHIELDS has always attended the conferences of the Democratic Senators and abided their action. While not attempting to make a record of formal quorum calls, preferring to remain in his committee and office at work, he regularly attended the sessions of the Senate when important bills were considered and voted upon.

There were more than 2,000 laws, public and private, important and otherwise, enacted during President Wilson's administration, and only those of outstanding importance can be here referred to. Senator SHIELDS supported and assisted in passing all of the great constructive legislation which was enacted during the first six years of President Wilson's administration carrying out the platform pledges and policies of the Democratic Party.

Among those of outstanding importance which the record discloses he supported are the following:

Simmons-Underwood Tariff Act: This was the most equitable and just tariff law ever passed by the American Congress. It curbed monopolies and special interests in their control of production, distribution, and prices; produced ample revenue, and brought about the greatest period of prosperity the people have ever enjoyed.

Income tax: This just revenue law distributes the burden of taxation and places it upon the wealth of the country, those most able to pay and receiving the greatest protection from the Government.

Federal reserve bank law: This provided the greatest financial system ever known. The Government was given control of finances and disastrous money panics made impossible.

Clayton Antitrust Act: This supplemented and provided for the more efficient enforcement of the Sherman antitrust law for the suppression of monopolies and conspiracies to prevent and destroy competition in commerce. This bill also permits the organization of farmers and labor for the purpose of cooperation to better their conditions, exempting such organizations from the provisions of the antitrust act and limiting the power of the courts to enjoin peaceful strikes.

Farmers' loan bank—rural credits: This act furnishes facilities for farmers to procure loans at reasonable rates of interest upon long time, and has been of great benefit to them.

Federal Trade Commission: A commission created with power to investigate and prohibit unfair methods of competition and trade, and advising what business arrangements and agreements can be legally made.

The Tariff Commission: This commission has rendered great service to the manufacturers of the country in procuring and furnishing information in regard to all commodities of export and import.

Agricultural extension law—Smith-Lever bill: This law provides for cooperation of agricultural extension work between agricultural colleges in the several States, the appointment of county agents, educational and experimental work in agriculture, and other important matters for the benefit of the farmers of the country.

United States grain standards law: This act provides for Federal inspection and publication of standards for grain, which greatly facilitates profitable marketing.

United States warehouse law: This act provides for warehouses and warehouse receipts which may be used as collateral for loans on agricultural products.

United States cotton futures law: This act regulates the purchase and sale of cotton for future delivery, and prevents abuses prejudicial to the planters.

Market service news: Provides for collecting and disseminating daily information concerning supply and demand, quality and conditions and prices of agricultural products to the producers, aiding them to determine when to market and the prices to be obtained for their products. Senator SHIELDS has pending a bill to extend this service to Tennessee and adjoining States.

The nitrate plants: Provided for the construction of plants for the manufacture of alronitrogen for the national defense and to be used in the composition of fertilizers for farmers and under which the plants at the Muscle Shoals in the Tennessee River were constructed and the construction of the Wilson Dam begun.

Conservation of natural resources: Laws to preserve the great natural resources of our country for the benefit of the people and to prevent their exploitation by special private interests.

Merchant marine and ship purchase law: Providing for the development of the merchant marine and favoring our shipping interests.

Good roads legislation: These laws provided for the construction of good roads throughout the United States by division of the cost of same between the States and the Federal Government and under which thousands of miles of splendid roads have been constructed and other thousands are in contemplation in the near future.

Labor bill of rights: Preventing the abuse of the writ of injunction in labor disputes and declaring the principle that labor of human beings is not a commodity of barter and sale as inanimate things.

Workmen's compensation laws: For the protection and benefit of the employees of the Federal Government.

Industrial employees' arbitration law: This act established a Board of Mediation and Conciliation and afforded the Government better facilities for preventing or settling railway and industrial strikes.

Protection of women and children workers in the District of Columbia: This act provided for the protection of the health, morals, and wages of women and minor workers in the District of Columbia.

Child labor law: An act to prevent interstate commerce in the products of child labor and affording protection to the youth of the land.

Eight-hour law—Adamson bill: An act to establish eight-hour day for employees of the carriers engaged in interstate and foreign commerce.

Hours of labor for female employees: This law regulates hours of employment and provides safeguards of the health of female employees in the District of Columbia.

Safety of railway employees: This law provides for the installation of improved safety appliances and affords better protection for railway employees.

Vocational Education Commission act: This law created a commission to study plans for promoting vocational education of youths of the country.

Vocational education act: This law provides for the creation of a board to study and investigate the promotion of vocational education and to provide for the training of teachers in vocational subjects.

Immigration restriction acts: These are laws to regulate the entry of aliens into the United States and to provide certain restrictions relative to their entry.

Parcel post act: This law carried appropriation for experiments in extending the parcel post for marketing farm products.

Armor plate act: This provided for the improvement of the Navy of the United States for the fiscal year 1917.

Seamen's act: This provided for the improvement of conditions of American seamen, adequate life-saving equipment, and crews to meet emergencies.

Improvements of rivers and harbors: There were several of these bills, all of which included provisions for the Mississippi, Tennessee, and Cumberland Rivers and their tributaries. Senator SHIELDS took a deep interest and actively supported all of them.

Mississippi River flood control bill: This was a great measure, carrying appropriation of $45,000,000 for the improvement of the Mississippi River and protection against floods. Senator SHIELDS in the Commerce Committee in the Senate advocated this bill and was largely responsible for its passage and becoming a law.

War risk insurance act: This act created a bureau of marine insurance to provide insurance at reasonable rates, to encourage the resumption of shipping, and to provide markets for American products.

Revenue for preparedness: These were acts to provide increased revenue to defray the expenses of the increased appro-

priations for the Army and Navy and the extensions of the fortifications, and for other purposes, one law passed in the first session and the other in the second session of the Sixty-fourth Congress, and were very important measures of preparedness.

German war resolution: Resolution declaring that Germany was waging war against the United States, and authorizing the President to use the resources of the Nation in defense of our people and our country.

Austrian war resolution: Resolution declaring that the imperial empire of Austria-Hungary had made war against the United States and authorizing the President to use the resources of the Nation in the national defense.

The selective draft or conscript laws: These were laws providing for the drafting of the young men of the country and the organization of an army for national defense in the war with Germany and her allies, under which more than 4,000,000 men were enrolled in the military service of the United States and the greatest army of the world organized.

National security and defense: Acts making appropriations and authorizing an issue of bonds to meet expenditures for the national security and defense and the prosecution of the war, to extend credits to foreign governments, and for other purposes.

Food and fuel laws: Acts to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel.

War expenses: An act to provide further revenue to defray war expenses, and for other purposes.

The espionage laws: Acts to punish interference with foreign relations, the neutrality, and the foreign commerce of the United States; to punish espionage and better enforce the criminal laws of the United States, and for other purposes.

Military and naval family allowance compensation: To provide a military and naval family allowance, compensation, and insurance fund for the benefit of soldiers and sailors and their families, and make an appropriation therefor of $176,250,000.

War Finance Corporation: For the national security and defense; for the purpose of assisting in the prosecution of the war; creating the War Finance Corporation; providing machinery for extending financial assistance; providing credits; encouraging industries engaged in the manufacture of war materials.

Civil rights of members of Military and Naval Establishments: An act to protect civil rights of the members of the Military and Naval Establishments of the United States engaged in the war.

Government control of railroads: An act providing for the operation of the transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

Government control of telegraphs and telephones: An act to authorize the President in time of war to assume control of telegraphs and telephones, marine cable, or radio systems, etc.

Signal Corps: An act to temporarily increase the Signal Corps of the Army and to purchase, manufacture, maintain, repair, and operate airships, and appropriating $640,000,000 for the purpose of carrying out the provisions of the act.

National security and defense, to stimulate agriculture: An act providing an appropriation for national security and defense by stimulating agriculture and facilitating distribution of agricultural products.

War expenses—urgent deficiency appropriation bill: Appropriating $5,356,666,016.93 to supply deficiencies in appropriations for the fiscal year 1918 and prior years on account of war expenses, and for other purposes, etc. Largest appropriation act passed by this or any other country.

Trading with the enemy act: An act to define, regulate, and punish trading with the enemy, and for other purposes, etc.

Third and fourth Liberty loan acts: Acts providing for the third and fourth Liberty loans. No financial legislation of any country ever approached the magnitude of the Liberty loan acts. The third and fourth Liberty loan acts increased the amount of bonds authorized to be issued from $7,538,945,460, as originally fixed, to $20,000,000,000; increased the appropriation to meet loans to our allies from $4,000,000,000, as originally fixed, to $7,000,000,000, and increased the amount of certificates of indebtedness that can be outstanding at any one time from $4,000,000,000, as originally fixed, to $8,000,000,000.

Prohibition law for the District of Columbia: This law prohibited the manufacture, transportation, and sale of alcoholic liquors for beverage purposes in the District of Columbia.

The eighteenth amendment, or prohibition amendment: Prohibiting the manufacture, importation, exportation, transportation, and sale of alcoholic liquors for beverage purposes in the United States.

Conservation of food products: An act providing for the conservation of wheat, corn, and other food products during the war by prohibiting the use of them in manufacturing alcoholic liquors for beverage purposes.

Laws passed under the war powers of Congress: Prohibiting the manufacture, sale, and transportation of intoxicating beverages in and near cantonments, shipyards, and other places where sailors and soldiers were quartered and war activities were progressing.

The Volstead law: The Volstead bill for the enforcement of the eighteenth amendment was passed before the amendment took effect by its own provisions—one year after its enactment—under the pretense that it was a war measure, although the war had been over for several months, and President Wilson vetoed it. Senator SHIELDS agreed with the President that Congress had no right to pass such a law until the amendment was effective and voted to sustain the President's veto. The law was passed over the President's veto. Senator SHIELDS announced in a speech in the Senate in February, 1923, that it is the law of the land and that he favors its vigorous enforcement and is opposed to its repeal or amendment.

Immigration laws: Senator SHIELDS has consistently supported all measures coming before the Senate for the restriction of immigration. He took an active part in the recent law for that purpose in the Committee on Immigration and upon the floor of the Senate, making one of the leading arguments in favor of the bill.

Pensions for Spanish-American War veterans: The Senator has supported measures for the relief of the Spanish-American War veterans, believing that they have been more neglected than any of the country's soldiers.

Laws for the benefit of soldiers and sailors in the World War: The laws for these purposes are too numerous to be set out, but it appears from the record that Senator SHIELDS supported practically all of them necessary to arm, equip, clothe, properly house, and pay our soldiers and sailors during the war and for taking care of them after the war.

Provisions for disabled veterans: The numerous laws which have been enacted creating the Veterans' Bureau and otherwise providing for the disabled ex-service men have all had the support of Senator SHIELDS. He supported the Reed bill, passed at the present session to codify the laws for the benefit of disabled veterans, offering an amendment thereto for the benefit of those afflicted with tuberculosis, which was modified by the conference committee, but furnishes a basis for further legislation in behalf of these veterans.

The Muscle Shoals and nitrate plant: Senator SHIELDS has advocated on frequent occasions improvement of the Tennessee River for navigation and the development of the water power at Muscle Shoals for the production of hydroelectricity to be used in the manufacture of aironitrogen for explosives in the national defense and for furnishing farmers with cheap fertilizers. He was active in urging the chairman of the Agricultural Committee to report the bill proposing to accept the proposition of Mr. Henry Ford, and is supporting that proposition and opposing Government operation as proposed in the bill of Senator NORRIS, the chairman of the committee.

The interchangeable mileage book and the Pullman surcharge exactions: Senator SHIELDS favored the bill providing for interchangeable mileage books and that for abolishing the Pullman surcharge exactions, and actively supported the passage of both bills in the Senate.

The reduction of taxes: Senator SHIELDS has favored economy in the administration of the Government and the reduction of taxation and voted for measures for these purposes.

THE IMPORTANT LAWS WHICH SENATOR SHIELDS OPPOSED

The Panama Canal tolls bill: The Congress passed a bill exempting ships trading between the Atlantic and Pacific coast from canal tolls for the purpose of furnishing competition in transportation with transcontinental railroads. The Democratic platform of 1912 declared for maintenance of this law. President Wilson advocated a repeal of the law as a probable violation of the treaty with Great Britain. Senator SHIELDS was of the opinion that Great Britain under the treaty or otherwise had no right to interfere with the control of our canal and favored competition with the railroads as provided in the platform, and for that reason voted against the bill.

The woman's suffrage amendment: The general subject of suffrage was one of the reserved powers of the States and over which the Federal Government had no jurisdiction. The Democratic platform of 1916 so declared and left the question of woman's suffrage to the several States. Senator SHIELDS fol-

lowed the platform and voted against the suffrage amendment, agreeing with the platform of the party that the people of the several States had a right to determine the question for themselves without the interference of the Federal Government. Amendments to the Constitution are under the jurisdiction of the Congress and the President has no voice in or control of them.

Censorship of the press: Senator SHIELDS voted against the bill to give the President the right to practically control the newspaper press of the country by determining what should appear in the papers upon the ground that it violated the constitutional provisions of free speech and free press. The bill was defeated.

The covenant of the League of Nations: This was a treaty of practically all of the nations of the world providing for the protection of the independence and territorial integrity of those nations, by force if necessary. Senator SHIELDS, standing for the traditional policy of the United States against intervention in foreign affairs and entangling alliances likely to embroil this country in war, opposed and voted against the United States becoming a member of the league. His position was that it was not a political or partisan measure and, there being no pronouncement of the Democratic Party and no campaign pledges upon his part, it was his duty as a Senator under the Constitution to determine the questions involved according to his best judgment in the interest of the people of the United States, as set forth in his speeches upon the subject. The Senator in his speeches when the covenant was before the Senate, November, 1919, declared in favor of a World Court and conferences of the nations of the world, with proper safeguards, for the promotion of peace and the prevention of war, and now favors the United States adhering to the Permanent Court of International Justice.

The Armenian mandate: President Wilson recommended that the United States take a mandate for Armenia which involved the sending of an army of 75,000 men, at a cost of $250,000,000 per annum, into the heart of the Turkish Empire to aid the Armenians in their struggle for independence. Senator SHIELDS, with 22 other Democratic Senators, voted against it, as it was then probable, and subsequent events have shown certain, that the army would have to be increased to 250,000 men, at the cost of more than a billion dollars, with a doubtful result.

The four-power pact: This is a treaty negotiated by President Harding with Great Britain, France, and Japan, practically obligating these powers and the United States to protect the possessions and interests of each other in the Pacific Ocean. Senator SHIELDS opposed it, although the Senate adopted a reservation in favor of the United States, believing it to be an entangling alliance likely to embroil the United States in a foreign war for the interest of other nations, and voted against it.

The McCumber-Fordney protective tariff law: This is a political measure passed by the Republican administration and the direct cause for the low prices for products and high cost of all supplies now oppressing the farmers of the country. Senator SHIELDS opposed and voted against it.

He voted against all other political legislation brought before the Congresses by the Republican Party under the administrations of President Harding and President Coolidge.

The adjusted compensation legislation: Senator SHIELDS opposed this legislation upon the ground that it would increase the public indebtedness four to five billion dollars, and thus greatly increase the war taxes under which the American people are now staggering, producing suffering and embarrassment to the business and agricultural interests of the country.

The case of Senator Newberry: Senator Newberry's right to a seat in the Senate was challenged because of excessive expenditure of money in obtaining the nomination in the Republican primary. The expenditures amounted to about $200,000, chiefly used in purchasing and subsidizing newspapers, which tended to defeat free elections and the untrammeled choice of the people. Senator SHIELDS favored unseating and expelling Newberry from the Senate, and so voted on the resolution concerning his right to a seat in the Senate.

The Dyer antilynching bill: This was a bill extending the jurisdiction of the Federal courts in certain criminal cases, which would have aroused racial prejudice, and was unconstitutional because invading the reserved powers of the States. It was chiefly intended and by its terms operated in favor of criminals and prejudicial to the white people of the South. Senator SHIELDS opposed it in the Committee on the Judiciary and in the Senate, and it was defeated.

The judges' bill: This was a bill, as originally drafted, creating 18 United States district judges unassigned to any special district, but to be sent in his discretion by the Chief Justice to any district in the United States. Senator SHIELDS opposed the bill in the Committee on the Judiciary and as amended in the Senate, charging that it was a political measure creating unnecessary offices upon the eve of an election, and was subservient and destructive of an independent and untrammelled judiciary. His speech upon the bill was exhaustive and outstanding in the defense of the independence and integrity of the judges and courts of the country.

The above statement embraces most of the great laws which have been passed by the Congress since Senator SHIELDS has been a Member of the United States Senate, and which he supported or opposed as above stated. It would be impossible in the compass of this statement to set forth all of the laws that were enacted during those years.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker of the House had signed enrolled bills and joint resolutions of the following titles, and they were thereupon signed by the President pro tempore:

S. 113. An act changing the name of Keokuk Street, in the county of Washington, D. C., to Military Road;

S. 588. An act for the relief of Daniel A. Spaight and others;

S. 668. An act to establish the Utah National Park, in the State of Utah;

S. 697. An act providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes;

S. 699. An act authorizing the addition of certain lands to the Medicine Bow National Forest, Wyo., and for other purposes;

S. 790. An act for the establishment of a Federal industrial institution for women, and for other purposes;

S. 1192. An act to confer jurisdiction upon the United States District Court, Northern District of California, to adjudicate the claims of American citizens;

S. 1203. An act to amend an act entitled "An act authorizing an appropriation to meet proportionate expenses of providing a drainage system for Piute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service," approved February 14, 1923;

S. 1308. An act authorizing an appropriation to enable the Secretary of the Interior to purchase a tract of land, with sufficient water right attached, for the use and occupancy of the Temoak Band of homeless Indians, located at Ruby Valley, Nev.;

S. 1309. An act for the relief of settlers and town-site occupants of certain lands in the Pyramid Lake Indian Reservation, Nev.;

S. 1376. An act to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia;

S. 1614. An act to repeal an act authorizing the construction of bridges across the Great Kanawha River;

S. 1785. An act to amend an act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, and acts amendatory thereof;

S. 1942. An act to protect navigation from obstruction and injury by preventing the discharge of oil into the coastal navigable waters of the United States;

S. 1987. An act accepting certain tracts of land in the city of Medford, Jackson County, Oreg.;

S. 2159. An act authorizing annual appropriations for the maintenance of that portion of Gallup-Durango highway across the Navajo Indian Reservation, and providing reimbursement therefor;

S. 2236. An act to designate the time and place of holding terms of the United States district court in the first division of the district at Kansas City;

S. 2572. An act to purchase grounds, erect and repair buildings for customhouses, offices, and warehouses in Porto Rico;

S. 2573. An act to amend and reenact sections 20, 22, and 50 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes";

S. 2694. An act to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes;

S. 2699. An act to amend an act creating the Custer State Park game sanctuary in the State of South Dakota;

S. 2704. An act to amend paragraph (3), section 16, of the interstate commerce act;

S. 2761. An act to authorize the withdrawal of lands for the protection of antelope and other game animals and birds;

S. 2797. An act to authorize the payment of claims under the provisions of the so-called war minerals relief act;

S. 2799. An act to provide for quarters, fuel, and light for employees of the Indian field service;

S. 2834. An act relating to the American Academy in Rome;

S. 2887. An act authorizing transfer of certain abandoned or unused lighthouse reservation lands by the United States to the State of New York for park purposes;

S. 2932. An act to quiet the title to lands within Pueblo Indian land grants, and for other purposes;

S. 3023. An act designating the State of New Mexico as a judicial district, fixing the time and place for holding terms of court therein, and for other purposes;

S. 3024. An act providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber within the exterior boundaries of any national forest situated within the State of New Mexico;

S. 3093. An act granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes;

S. 3111. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes;

S. 3116. An act to authorize the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct a bridge across the White River, near the city of De Valls Bluff, Ark.;

S. 3188. An act for the abandonment of a portion of the present channel of the south branch of the Chicago River;

S. 3220. An act authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln, Prince Georges County, Md.;

S. 3244. An act granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi;

S. 3263. An act to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Court House, Va.;

S. 3269. An act to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910;

S. 3324. An act to amend section 5 of the trade-mark act of 1905, as amended, relative to the unauthorized use of portraits;

S. 3355. An act granting the consent of Congress to the counties of Marion and Florence, in the State of South Carolina, to construct a bridge across the Peedee River at or near Savage Landing, S. C.;

S. 3380. An act to grant the consent of Congress to the Cincinnati, New Orleans & Texas Pacific Railway Co. to construct, maintain, and operate a bridge across the Cumberland River, in the county of Pulaski, State of Kentucky, near the town of Burnside;

S. 3420. An act granting the consent of Congress to the construction, maintenance, and operation by the Denver & Rio Grande Western Railroad Co., its successors and assigns, of a line of railroad across the southwesterly portion of the Fort Logan Military Reservation in the State of Colorado;

S. 3434. An act for the protection of the northern Pacific halibut fishery;

H. R. 7079. An act prohibiting the importation of crude opium for the purpose of manufacturing heroin;

H. R. 7731. An act authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation;

S. J. Res. 43. Joint resolution in relation to a monument to commemorate the services and sacrifices of the women of the United States of America, its insular possessions, and the District of Columbia in the World War;

S. J. Res. 73. Joint resolution providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States from the District of Columbia who served in the Great War;

S. J. Res. 90. Joint resolution providing an extension of time for payment by entrymen of lands on the Fort Assiniboine abandoned military reservation, in the State of Montana;

S. J. Res. 103. Joint resolution authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians, of Montana, in the Treasury of the United States;

S. J. Res. 106. Joint resolution authorizing the erection on public grounds in the city of Washington, D. C., of an equestrian statue of General San Martin, which the people of Argentina have presented to the United States;

S. J. Res. 114. Joint resolution authorizing an investigation of the proposed Casper-Alcova irrigation project, Natrona County, Wyo.; the Deschutes project in the State of Oregon; and the Southern Lassen Irrigation project, in Lassen County, Calif.;

S. J. Res. 115. Joint resolution to provide for the free transmission through the mails of certain publications for the blind;

S. J. Res. 127. Joint resolution to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture;

S. J. Res. 137. Joint resolution in respect of salaries of original appointees to the Board of Tax Appeals;

S. J. Res. 146. Joint resolution to amend section 13 of the act entitled "An act to provide for the classification of civilian positions within the District of Columbia and the field service"; and

H. J. Res. 283. Joint resolution to permit to remain within the United States certain aliens in excess of quotas fixed under authority of the immigration act of May 19, 1921.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on June 7, 1924, that committee presented to the President of the United States enrolled bills and joint resolutions of the following titles:

S. 113. An act changing the name of Keokuk Street, in the county of Washington, D. C., to Military Road;

S. 588. An act for the relief of Daniel A. Spaight and others;

S. 668. An act to establish the Utah National Park in the State of Utah;

S. 697. An act providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes;

S. 699. An act authorizing the addition of certain lands to the Medicine Bow National Forest, Wyo., and for other purposes;

S. 790. An act for the establishment of a Federal industrial institution for women, and for other purposes;

S. 1192. An act to confer jurisdiction upon the United States district court, northern district of California, to adjudicate the claims of American citizens;

S. 1203. An act to amend an act entitled "An act authorizing an appropriation to meet proportionate expenses of providing a drainage system for Piute Indian lands in the State of Nevada, within the Newlands reclamation project of the Reclamation Service," approved February 14, 1923;

S. 1308. An act authorizing an appropriation to enable the Secretary of the Interior to purchase a tract of land, with sufficient water right attached, for the use and occupancy of the Temoak Band of homeless Indians, located at Ruby Valley, Nev.;

S. 1309. An act for the relief of settlers and town-site occupants of certain lands in the Pyramid Lake Indian Reservation, Nev.;

S. 1376. An act to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia;

S. 1614. An act to repeal an act authorizing the construction of bridges across the Great Kanawha River;

S. 1785. An act to amend an act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, and acts amendatory thereof;

S. 1942. An act to protect navigation from obstruction and injury by preventing the discharge of oil into the coastal navigable waters of the United States;

S. 1987. An act accepting certain tracts of land in the city of Medford, Jackson County, Oreg.;

S. 2159. An act authorizing annual appropriations for the maintenance of that portion of Gallup-Durango Highway across the Navajo Indian Reservation and providing reimbursement therefor;

S. 2236. An act to designate the time and place of holding terms of the United States district court in the first division of the district at Kansas City;

S. 2572. An act to purchase grounds, erect, and repair buildings for customhouses, offices, and warehouses in Porto Rico;

S. 2573. An act to amend and reenact sections 20, 22, and 50 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes";

S. 2694. An act to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes;

S. 2699. An act to amend an act creating the Custer State Park game sanctuary in the State of South Dakota;

S. 2704. An act to amend paragraph (3), section 16, of the interstate commerce act;

S. 2761. An act to authorize the withdrawal of lands for the protection of antelope and other game animals and birds;

S. 2797. An act to authorize the payment of claims under the provisions of the so-called war minerals relief act;

S. 2799. An act to provide for quarters, fuel, and light for employees of the Indian field service;

S. 2834. An act relating to the American Academy in Rome;

S. 2887. An act authorizing transfer of certain abandoned or unused lighthouse reservation lands by the United States to the State of New York for park purposes;

S. 2932. An act to quiet the title to lands within Pueblo Indian land grants, and for other purposes;

S. 3023. An act designating the State of New Mexico as a judicial district, fixing the time and place for holding terms of court therein, and for other purposes;

S. 3024. An act providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber, within the exterior boundaries of any national forest situated within the State of New Mexico;

S. 3093. An act granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes;

S. 3111. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes;

S. 3116. An act to authorize the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct a bridge across the White River near the city of De Valls Bluff, Ark.;

S. 3188. An act for the abandonment of a portion of the present channel of the south branch of the Chicago River;

S. 3220. An act authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln, Prince Georges County, Md.;

S. 3244. An act granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi;

S. 3263. An act to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Court House, Va.;

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S. 3380. An act to grant the consent of Congress to the Cincinnati, New Orleans & Texas Pacific Railway Co. to construct, maintain, and operate a bridge across the Cumberland River, in the county of Pulaski, State of Kentucky, near the town of Burnside;

S. 3420. An act granting the consent of Congress to the construction, maintenance, and operation by the Denver & Rio Grande Western Railroad Co., its successors and assigns, of a line of railroad across the southwesterly portion of the Fort Logan Military Reservation in the State of Colorado;

S. 3434. An act for the protection of the northern Pacific halibut fishery;

S. J. Res. 43. Joint resolution in relation to a monument to commemorate the services and sacrifices of the women of the United States of America, its insular possessions, and the District of Columbia in the World War;

S. J. Res. 73. Joint resolution providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States from the District of Columbia who served in the Great War;

S. J. Res. 90. Joint resolution providing an extension of time for payment by entrymen of lands on the Fort Assiniboine abandoned military reservation in the State of Montana;

S. J. Res. 103. Joint resolution authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians of Montana in the Treasury of the United States;

S. J. Res. 106. Joint resolution authorizing the erection on public grounds in the city of Washington, D. C., of an equestrian statue of General San Martin which the people of Argentina have presented to the United States;

S. J. Res. 114. Joint resolution authorizing an investigation of the proposed Casper-Alcova irrigation project, Natrona County, Wyo.; the Deschutes project in the State of Oregon; and the Southern Lassen irrigation project in Lassen County, Calif.;

S. J. Res. 115. Joint resolution to provide for the free transmission through the mails of certain publications for the blind;

S. J. Res. 127. Joint resolution to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture;

S. J. Res. 137. Joint resolution in respect of salaries of original appointees to the Board of Tax Appeals; and

S. J. Res. 146. Joint resolution to amend section 13 of the act entitled "An act to provide for the classification of civilian positions within the District of Columbia and the field service."

SPANISH SPRINGS IRRIGATION PROJECT, NEVADA

Mr. PITTMAN. Mr. President, I realize the seriousness of discussing a matter of this kind while there is pending a motion to adopt a conference report, and I would not do it on any ground of loss of legislation for my State. The only thing that urges me to do it is because, in my opinion, a great wrong has been done by legislators.

When this matter of reclamation first came up, it came up in the Interior Department matters several months ago. At that time there were these items for which we were seeking to obtain appropriations—the Spanish Springs project, part of the Newlands project, the Strawberry Valley project, now called Salt Basin; the Owyhee project, the Warm Springs project, the Yakima irrigation district project, and so on; but they were postponed, mind you, until the fact finding commission which had been appointed by the Secretary of the Interior could make their recommendations on the matter.

They made their recommendations, and what were their recommendations? Their recommendations were that the department should go on with the Newlands project, and that they should investigate the other projects before they went on with them.

What happened? The Budget makes an estimate for the Newlands project, and it does not make an estimate for the other projects; and then what happens in Congress? What a strange situation! The Newlands project is wiped out, and yet it is the only project in the group recommended by the fact finding commission and the only one estimated for by the Budget; and what happens in Utah?

Mr. WARREN. Mr. President, the Senator is mistaken about that. There were other items that the Budget recommended.

Mr. PITTMAN. Oh, well, I am talking about these things. What happened in Utah? Here is the Salt Lake Basin irrigation project. They changed the name of it. It used to be called the Strawberry Valley project. That is marked out in the bill. I think they ought to change the name of it.

For continued investigations, continuation of construction, and incidental operations, $1,500,000.

And yet the fact finding commission refused to recommend it, and the Budget would not estimate for it. Oh, that is in there—why, of course.

How about Oregon?

Owyhee irrigation project, Oregon: For continued investigations, commencement of construction, and incidental operations, $1,250,000.

The fact finding commission appointed by a Republican Secretary of the Interior would not recommend continuation of that project, and yet it is in there. The Budget did not estimate for it.

Further, how about Oregon?

Warm Springs (Vale) irrigation project, Oregon: For continued investigations and for first payment toward purchase of an interest in the Warm Springs reservoir, $250,000.

Mr. WARREN. Mr. President, will the Senator allow me to say just a word? All of those amounts are cut down to a quarter, and Warm Springs, just spoken of, was cut out altogether.

Mr. PITTMAN. If they were cut down to the estimate, there would not be anything there.

Mr. WARREN. I say, that one was cut out entirely.

Mr. PITTMAN. I understand; but why did you cut out Spanish Springs?

Washington State:

Yakima irrigation project, Washington: For continued investigations, commencement of construction of the Kittitas unit, and incidental operations, $1,500,000.

The fact finding commission would not recommend it, and the Budget never estimated for it, and yet it is in this bill.

Oh, they know; the managers on the part of the Senate understand. This is no surprise to them. The Members of the Senate understood it. Now they come in here, at the last hour, and threaten me by saying, "There is important legislation in this bill, and you will have to swallow it." I told you I would not swallow it, and I will not. Call your extra session if you want to. I will vote for it at any time. I will vote to keep you here if you want to stay. Suppose you put in a concurrent resolution to stay another week and fight this thing out, and see how it goes.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Idaho?

Mr. PITTMAN. I do.

Mr. BORAH. I do not want to take the Senator off the floor.

Mr. PITTMAN. I yield for a question. May I yield for a question and not lose the floor?

The PRESIDING OFFICER. The Senator may yield for a question and not lose the floor. If he yields otherwise, and the point is made, he will lose the floor.

Mr. PITTMAN. I yield only for a question.

Mr. BORAH. I am afraid I can not put it.

Mr. PITTMAN. I am very sorry.

Now, let us read what the fact finding commission has to say about these things. I remember when I went before the Committee on Appropriations in January in regard to the Newlands project. We had an estimate for the Newlands project in January, and they did not have any for theirs in January, and they have not got it yet; so they said to us: "Wait; let us see if the fact finding commission do not help us out. It is composed of able men, experts, the present commissioner of irrigation, and others." Then the commission came back, and they turned down these projects. What happened over in the House? You get everything you ask, in spite of not having an estimate, in spite of not having a recommendation, and turn down the only thing that was recommended and the only thing that was estimated for. Then they come over here at the last minute and talk to me about how I am going to defeat a big bill. Well, I tell you I am going to defeat it unless you put back the Spanish Springs appropriation, and while I am getting ready to defeat it I want you to get all the information that is here that you did not have before.

Mr. WARREN. Mr. President, I am sure the Senator does not want——

Mr. PITTMAN. I can not yield to the Senator for a speech. I will yield to the Senator for a question.

Mr. WARREN. But the Senator's statement is not true.

Mr. PITTMAN. Well, the record sustains me. The Senator can answer it later on. I will read something to him, and see how correct that is.

I am going to read from the statement of H. M. Lord, Director of the Bureau of the Budget, and see what he has to say about these projects. He quotes from the fact finding commission, as follows:

"As to the proposed new projects, Owyhee, Vale, Salt Lake Basin, and Kittitas, the committee has not sufficient information upon which to make specific recommendations. Attention is called to the fact that the estimated costs of construction are nearly all in excess of $120 an acre. The committee is of the opinion, based upon the reports of annual production from lands now under irrigation, that projects requiring such acre cost as above suggested should be constructed only after it is clearly shown that the lands, when irrigated, can produce annual crop values sufficient to enable the settlers to repay costs from production, and within a reasonable time.

"It is understood that the above projects are those which offer the most favorable conditions for present investigation, and hence the committee is of the opinion that the appropriations therefor should be authorized, but with the provision that further investigation should be made of their feasibility, and that, if finally selected, they should be constructed and developed in accordance with the general resolutions of this committee."

The above estimate specifically provides for the investigation of these projects, together with the Casper-Alcova project in Wyoming. Under the provisions of the estimates the cost of the investigation will be reimbursed from the reclamation fund in the case of any project being adopted for construction by the United States.

And then what do they do? The Budget recommends $125,000 to investigate these several projects, and the House appropriates two or three million dollars for them. That is what happens.

Mr. PHIPPS. Mr. President, will the Senator yield for a question?

Mr. PITTMAN. No; I can not yield for a question.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. PHIPPS. My question is, will there be opportunity before 7 o'clock to present a request for unanimous consent?

Mr. PITTMAN. I do not know; it all depends upon the action of the Senate as to whether there will be any opportunity. I do not desire to lose the floor; that is the only thing.

As a matter of fact, the whole proposition is surrounded with justifiable suspicion. I do not wish to point my finger at any particular Senator or Congressman or individual, nor do I like to look at them even; but it is a strange situation here that a party that brags of enacting a budget system for the purpose of economy should find the Budget recommending $125,000 to investigate projects that the fact finding commission says are doubtful as to whether they will pay, and yet appropriate three or four million dollars for them outright and cut out a project that they recommended should be developed, and estimated $200,000 with which to commence it.

That kind of thing will not go. You can not legislate in that way. You had better find out that you can not have legislation by committees in this body. I have said that once before. I had to kill a naval bill at the last session, and it becomes my unfortunate lot now, for the purpose of making committees do their duty, to kill this bill. I hate to kill it. It has in it a great many things of great merit for my State and for the whole West—in fact, for the whole country. It is not my fault. You can not lay it to my door. For the purpose of cutting out an appropriation of $200,000 that was recommended by your fact finding commission, for the purpose of cutting out $200,000 for one of the oldest projects in this country, estimated for and recommended by the Budget Bureau, you are willing to take a chance on sacrificing this bill. You knew well enough when you did it that you would sacrifice this bill. It is simply a question of whether you desire to kill this bill or not.

Mr. WARREN. Mr. President, this matter is still in disagreement, and the Senator is using the time to prevent us from coming to any further agreement.

Mr. PITTMAN. What do you want to do with it? Do you want to take it back?

I ask unanimous consent that this conference report be referred back to the committee with instructions that they insist upon the item on page 31 for the Spanish Springs Reservoir.

Mr. WARREN. The Senator knows very well that that can not be done in the time we have now. He has not even allowed it to be read.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada?

Mr. WARREN. I simply say that it is entirely useless, but I am willing that that should be done if that is the way in which the Senator desires to kill the bill.

Mr. PITTMAN. It is unanimous consent that I ask.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Is there objection?

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. The Senator from Utah.

Mr. SMOOT. The Senator from Nevada evidently referred to me as one of the conferees on this bill. I judge that not by the direct use of names but by inference, and from the statement he made I have not any doubt about it.

Mr. PITTMAN. I did not mean the Senator at all as a conferee. I may have included him with other persons.

Mr. SWANSON. Mr. President, is it impossible to get this bill through?

The PRESIDENT pro tempore. This question is not debatable.

Mr. SWANSON. I am making an inquiry in connection with the unanimous-consent agreement that is proposed. Is it impossible to get this bill through? Is it impossible to get it through if it goes back?

Mr. WARREN. We will undertake it, but——

Mr. SWANSON. If it is impossible, I am going to object to any unanimous-consent agreement.

Mr. WARREN. Not if it goes back, but we will have to move here to get an agreement.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Nevada? The Chair hears no objection, and the conference report is recommitted to the conference committee.

Mr. STANFIELD. Mr. President——

The PRESIDENT pro tempore. The Senator from Oregon.

Mr. STANFIELD. I ask unanimous consent that on the calendar day of December 11, 1924, at 2 o'clock p. m., the civil service retirement bill be made the unfinished business.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Oregon?

Mr. PITTMAN. What is the request? I make the point of order that I can not hear what is going on.

Mr. STANFIELD. To make the civil service retirement bill the unfinished business.

Mr. PHIPPS rose.

Mr. PITTMAN. Has the Senator from Colorado made a request?

Mr. PHIPPS. I am trying to get recognition for the purpose of presenting the war minerals relief bill, to get an agreement to an amendment made by the House.

Mr. PITTMAN. I yield to the Senator for that purpose; but I still have the floor.

The PRESIDENT pro tempore. The Senator from Nevada, the Chair understands, yielded the floor.

Mr. PITTMAN. I yield to the Senator from Colorado.

Mr. PHIPPS. This is the third time I have asked for this unanimous consent, and now I have the permission of the Senator from Nevada.

The PRESIDENT pro tempore. The Chair understands that the Senator from Nevada yielded the floor.

Mr. CURTIS. Let us have order.

The PRESIDENT pro tempore. Nothing will be done until Senators come to order.

Mr. PITTMAN. Is it the ruling of the Chair that a request for unanimous consent takes a Senator from the floor?

The PRESIDENT pro tempore. The Chair observed the Senator from Nevada, and after the unanimous consent had been granted, determined that he had yielded the floor.

Mr. PITTMAN. That is perfectly agreeable to me, if the Chair has so ruled.

Mr. PHIPPS. The Chair then recognized the Senator from Oregon.

The PRESIDENT pro tempore. The Senator from Oregon has made a request for unanimous consent. Is there objection to his request?

Mr. KING. I object.

The PRESIDENT pro tempore. Objection is made. Now the Senator from Colorado is recognized.

## PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his Secretaries, announced that the President had approved and signed acts and joint resolutions of the following titles:

On June 6, 1924:

S. 381. An act to amend section 2 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (39 Stat. L. p. 862);

S. 709. An act for the relief of the Commercial Pacific Cable Co.;

S. 2169. An act to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes;

S. 2929. An act granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River at or near Wilds Landing, Fla.; and

S. J. Res. 142. Joint resolution providing for the United States Government to have representation at the celebration of the centennial of the first meeting of the Legislative Council of the Territory of Florida.

On June 7, 1924:

S. 790. An act for the establishment of a Federal Industrial Institution for Women, and for other purposes;

S. 966. An act for the continuance of construction work on the San Carlos Federal irrigation project in Arizona, and for other purposes; and

S. 1174. An act authorizing the Secretary of the Interior to investigate and report to Congress the facts in regard to the claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses.

On June 7, 1924 (at the Capitol):

S. J. Res. 43. Joint resolution in relation to a monument to commemorate the services and sacrifices of the women of the United States of America, its insular possessions, and the District of Columbia in the World War;

S. J. Res. 73. Joint resolution providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States from the District of Columbia who served in the Great War;

S. J. Res. 90. Joint resolution providing an extension of time for payment by entrymen of lands on the Fort Assiniboine abandoned military reservation, in the State of Montana;

S. J. Res. 103. Joint resolution authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians of Montana in the Treasury of the United States;

S. J. Res. 106. Joint resolution authorizing the erection on public grounds in the city of Washington, D. C., of an equestrian statue of General San Martin, which the people of Argentina have presented to the United States;

S. J. Res. 114. Joint resolution authorizing an investigation of the proposed Casper-Alcova irrigation project, Natrona County, Wyo.; the Deschutes project in the State of Oregon; and the Southern Lassen irrigation project in Lassen County, Calif.;

S. J. Res. 115. Joint resolution to provide for the free transmission through the mails of certain publications for the blind;

S. J. Res. 127. Joint resolution to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture;

S. J. Res. 137. Joint resolution in respect of salaries of original appointees to the Board of Tax Appeals;

S. J. Res. 146. Joint resolution to amend section 13 of the act entitled "An act to provide for the classification of civilian positions within the District of Columbia and the field service."

S. 113. An act changing the name of Keokuk Street, in the county of Washington, D. C., to Military Road;

S. 588. An act for the relief of Daniel A. Spaight and others;

S. 668. An act to establish the Utah National Park in the State of Utah;

S. 697. An act providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes;

S. 699. An act authorizing the addition of certain lands to the Medicine Row National Forest, Wyo., and for other purposes;

S. 1192. An act to confer jurisdiction upon the United States District Court, Northern District of California, to adjudicate the claims of American citizens;

S. 1203. An act to amend an act entitled "An act authorizing an appropriation to meet proportionate expenses of providing a drainage system for Piute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service," approved February 14, 1923;

S. 1308. An act authorizing an appropriation to enable the Secretary of the Interior to purchase a tract of land, with sufficient water right attached, for the use and occupancy of the Temoak Band of homeless Indians, located at Ruby Valley, Nev.;

S. 1309. An act for the relief of settlers and town-site occupants of certain lands in the Pyramid Lake Indian Reservation, Nev.;

S. 1376. An act to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia;

S. 1614. An act to repeal an act authorizing the construction of bridges across the Great Kanawha River;

S. 1785. An act to amend an act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, and acts amendatory thereof;

S. 1942. An act to protect navigation from obstruction and injury by preventing the discharge of oil into the coastal navigable waters of the United States;

S. 1987. An act accepting certain tracts of land in the city of Medford, Jackson County, Oreg.;

S. 2159. An act authorizing annual appropriations for the maintenance of that portion of Gallup-Durango Highway across the Navajo Indian Reservation and providing reimbursement therefor;

S. 2236. An act to designate the time and place of holding terms of the United States district court in the first division of the district at Kansas City;

S. 2257. An act to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act as amended, and the vocational rehabilitation act as amended;

S. 2572. An act to purchase grounds, erect and repair buildings for customhouses, offices, and warehouses in Porto Rico;

S. 2573. An act to amend and reenact sections 20, 22, and 50 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes";

S. 2694. An act to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes;

S. 2699. An act to amend an act creating the Custer State Park game sanctuary in the State of South Dakota;

S. 2704. An act to amend paragraph (3), section 16, of the interstate commerce act;

S. 2761. An act to authorize the withdrawal of lands for the protection of antelope and other game animals and birds;

S. 2797. An act to authorize the payment of claims under the provisions of the so-called war minerals relief act;

S. 2799. An act to provide for quarters, fuel, and light for employees of the Indian field service;

S. 2834. An act relating to the American Academy in Rome;

S. 2887. An act authorizing transfer of certain abandoned or unused lighthouse reservation lands by the United States to the State of New York for park purposes;

S. 2932. An act to quiet the title to lands within Pueblo Indian land grants, and for other purposes;

S. 3023. An act designating the State of New Mexico as a judicial district, fixing the time and place for holding terms of court therein, and for other purposes;

S. 3024. An act providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber within the exterior boundaries of any national forest situated within the State of New Mexico;

S. 3093. An act granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes;

S. 3111. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes;

S. 3116. An act to authorize the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct a bridge across the White River near the city of De Valls Bluff, Ark.;

S. 3188. An act for the abandonment of a portion of the present channel of the south branch of the Chicago River;

S. 3220. An act authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln, Prince Georges County, Md.;

S. 3244. An act granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi;

S. 3263. An act to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Court House, Va.;

S. 3269. An act to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910;

S. 3324. An act to amend section 5 of the trade-mark act of 1905, as amended, relative to the unauthorized use of portraits;

S. 3355. An act granting the consent of Congress to the counties of Marion and Florence, in the State of South Carolina, to construct a bridge across the Peedee River at or near Savage Landing, S. C.;

S. 3380. An act to grant the consent of Congress to the Cincinnati, New Orleans & Texas Pacific Railway Co. to construct, maintain, and operate a bridge across the Cumberland River in the county of Pulaski, State of Kentucky, near the town of Burnside;

S. 3420. An act granting the consent of Congress to the construction, maintenance, and operation by the Denver & Rio Grande Western Railroad Co., its successors and assigns, of a line of railroad across the southwesterly portion of the Fort Logan Military Reservation in the State of Colorado; and

S. 3434. An act for the protection of the northern Pacific halibut fishery.

WAR MINERALS RELIEF ACT

Mr. PHIPPS. I ask the Chair to lay before the Senate a message from the House.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives on the bill (S. 2797) to authorize payments of claims under the so-called war minerals relief act.

Mr. PHIPPS. I move that the Senate concur in the House amendments.

Mr. ASHURST. I hope that will be done, Mr. President.

The amendments were concurred in.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Page, its Clerk, announced that the House had passed a joint resolution (H. J. Res. 295) making appropriations for the administration of the World War adjusted compensation act, fiscal year ending June 30, 1925, in which it requested the concurrence of the Senate.

DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. WARREN. Mr. President, I move the adoption of the conference report on the second deficiency bill.

Mr. PITTMAN. On what bill? I desire to be heard.

Mr. WARREN. Wait a moment. It is an effort to carry out the Senator's idea.

Mr. CURTIS. Let us have order.

The PRESIDENT pro tempore. If Senators will take their seats, we can have order.

Mr. ROBINSON. I suggest to the Chair that the Chair direct the Sergeant at Arms to restore order in the Chamber and to preserve order. These scenes certainly are not pleasing either to the public or to Senators.

The PRESIDENT pro tempore. The Senator from Nevada asked unanimous consent that this conference report be recommitted to the conferees, and there was no objection, and it was so ordered.

Mr. WARREN. It can not be done until the motion is made, so that the report may be liberated and I can take it back. In order to bring it to a question I move that on the two amendments in disagreement the Senate shall recede. Those amendments are No. 29 and No. 34. That brings the matter before the Senate.

Mr. PITTMAN. Mr. President, there is a unanimous consent which has been agreed to.

The PRESIDENT pro tempore. The Chair is of the opinion that the unanimous-consent agreement involved a reference to the committee in the present condition of the bill.

Mr. PITTMAN. What is the motion of the Senator?

Mr. WARREN. My motion was that we recede on the two amendments still in disagreement, one of which is as to Spanish Springs and the other of which is as to the employment of a director of reclamation.

Mr. PITTMAN. That is, to recede or insist?

Mr. WARREN. I was moving to recede.

Mr. PITTMAN. I desire to be heard on that.

The PRESIDENT pro tempore. The Senator from Nevada is recognized.

Mr. PITTMAN. This is a violation, apparently——

Mr. WARREN. The Senator has the right now to move the other thing.

Mr. PITTMAN. I am not moving anything. I have asked for a unanimous-consent agreement, and I do not consider it has been carried out in the spirit in which it was given.

Mr. WARREN. I have not the papers in my hands, and I am trying to get them.

Mr. PITTMAN. I want to say this, that I tried to treat this matter in all fairness, and at 15 minutes of 7 o'clock I was informed on the floor by the chairman of the committee that they would have time to go back with it, so I asked unanimous consent that the conference report be referred back to the conference committee with instructions that they insist upon this amendment to which I have referred. That was agreed to. Now, the chairman comes back and desires to put it in another phase, and he moves that it be referred back with instructions that the Senate recede from the two Senate amendments, which means that they would do just what they have done, give them up. That is what it means.

Mr. BORAH. Mr. President——

Mr. PITTMAN. I still have the floor, and I can not yield except for a question.

The PRESIDENT pro tempore. The Senator from Nevada has the floor.

Mr. PITTMAN. I do not intend to allow this matter to come to a vote by any subterfuge whatever. This motion that

is offered by the Senator is nothing more nor less than a subterfuge to carry a vote here instructing the conferees to do just what they have already done. That is what it is, to instruct them to recede when they have already receded. It is just another method of getting at the same thing, and it is a subterfuge and a violation of the unanimous-consent agreement we entered into just awhile ago. You could not set that unanimous-consent agreement aside by any motion whatever, if the Senate stands by its rules. You could not set it aside except by another unanimous-consent agreement. The Chair has declared that the agreement is in effect; and if it is in effect, then the conference report is not before the Senate, but is in the possession of the conference committee with instructions of the Senate as to what to do with it. If they are willing to go and do that with it, let them go. If they are not, let them stay. I will proceed to read some of the fact finding commission's report, which I think Senators should hear in this matter.

Mr. BURSUM. Mr. President——

Mr. PITTMAN. I do not yield to the Senator.

Mr. BURSUM. Will the Senator yield to me——

Mr. PITTMAN. I will not yield.

Mr. BURSUM. To make a unanimous-consent request?

Mr. PITTMAN. I will not yield to the Senator for any purpose. That might settle that.

Let me see just exactly how violent is the effort of these legislators to get three or four million dollars for their pet projects which are disapproved by the fact finding commission, and not authorized by the Budget.

I read from the recommendations of the fact finding commission:

> The Newlands project was among those first selected and authorized after the passage of the reclamation law.
>
> The engineering features were carefully considered, the water supply based upon the use of storage in Lake Tahoe, and the agricultural study of soils made in accordance with then known scientific methods. It seemed to offer, climatically, agriculturally, and physically, an opportunity for a successful project.
>
> The original possible area was thought to be about 450,000 acres; that was early reduced to 397,000 acres and later to 206,000 and finally to 73,000, when it was found, as a result of years of legal controversy, that the expected use of the water of Lake Tahoe was not available.

There is still some misunderstanding about the unanimous-consent agreement. The unanimous-consent agreement binds but one amendment, and that is the amendment providing an appropriation for the Spanish Springs project, a division of the Yuma project. The committee is at liberty to do anything they want to do with regard to any other project under the unanimous-consent agreement.

Mr. WARREN. We have seven items there in disagreement. I am perfectly willing to move, if the Senator will permit, that the report shall be adopted with instructions on the two amendments in disagreement that it shall be taken back——

Mr. PITTMAN. No; I will not stand for any substitute like that. This report shall not be acted on in any way until that amendment is included.

Mr. ASHURST. Mr. President, does the Senator yield? I sympathize with the Senator——

Mr. PITTMAN. I refuse to yield at this time.

Mr. ASHURST. I appeal to the Senator to let the bill pass. I am hurt more than he is.

Mr. PITTMAN. I can not yield. Mr. President, it is believed that the——

The PRESIDENT pro tempore (rapping for order). There must be order in the Chamber. The Sergeant at Arms is directed to request persons in the rear of the Chamber to be seated. The business of the Senate will be suspended until that order is enforced. [After a pause.] The Senator from Nevada will proceed.

Mr. PITTMAN. I can say to the conference committee that they have full power under the unanimous-consent agreement and have had for the last 10 minutes. It allows them to go back and do what they please with the conference report except with regard to the one amendment. If they did not have their minds made up to kill the amendment, they would do that. I say that as long as they have got their minds made up to kill that amendment the whole thing will go with it.

Mr. ROBINSON. Mr. President, will the Senator yield to enable me to present a unanimous-consent request?

Mr. PITTMAN. Yes; if I do not lose the floor by doing so.

Mr. ROBINSON. I ask unanimous consent for the present consideration of the joint resolution which just came over from the House of Representatives, providing an appropriation for the payment of the adjusted compensation. It is one of the features, as I take it, in the urgent deficiency appropriation bill, and I am sure no Senator would want to defeat that appropriation.

Mr. SMOOT. It simply provides——

Mr. PITTMAN. If it is unanimously agreed that I do not lose the floor or the right to discuss this motion, I will be happy to yield, and I suppose no one will object to that.

Mr. KING. I should like to hear the resolution read.

Mr. ROBINSON. It would be 7 o'clock before it could be read.

Mr. KING. What is it about?

Mr. REED of Missouri. It provides for the payment of the adjusted compensation. It is one item in this bill.

Mr. ROBINSON. The joint resolution appropriates for the Veterans' Bureau the funds necessary for the immediate use of the Government under the adjusted compensation act.

Mr. BORAH. That, as I understand it, is included in this bill already.

Mr. ROBINSON. It is.

Mr. BORAH. I object to the consideration of it. If it goes through, it will have to go through on this bill. This bill protects the home builders of the West; and if the home builders of the West are not going to have the protection of the Congress, we are not going to vote any more taxes until they have an opportunity to produce so they can pay them. For six months Congress has devoted its time to appropriating money and creating heavier obligations for the taxpayer. Not another dollar, if I can prevent it, until some consideration is given to the producer, the man who must pay these taxes.

The PRESIDENT pro tempore. The Chair lays before the Senate a joint resolution from the House of Representatives.

The joint resolution (H. J. Res. 295) making appropriations for the administration of the World War adjusted compensation act, fiscal year ending June 30, 1925, was read twice by its title.

Mr. PITTMAN. A parliamentary inquiry. What is this?

The PRESIDENT pro tempore. Unanimous consent is asked for the present consideration of the joint resolution.

Mr. BORAH. I object. We will all go down together.

The PRESIDENT pro tempore. The Senator from Idaho objects.

Mr. PITTMAN. Now, Mr. President, I want to say this: I have not had an opportunity to go entirely into this subject, but, nevertheless, I have stated enough of it to show the character of the legislation.

Mr. REED of Missouri. Mr. President, I move that the Senate agree to the House resolution just presented.

Mr. BORAH. Upon that I want to be heard. I do not propose that the man who is struggling to save his home shall be discriminated against any longer.

FINAL ADJOURNMENT

The PRESIDENT pro tempore (Mr. CUMMINS). It is now 7 o'clock, and under the concurrent resolution adopted by the House and the Senate of the United States, the Senate of the first session of the Sixty-eighth Congress stands adjourned without day.

## HOUSE OF REPRESENTATIVES

SATURDAY, *June 7, 1924*

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our blessed Heavenly Father, only through the continuance of Thy mercy are we able to stand in Thy presence. We praise Thee, O God, for Thy marvelous goodness that pours from Thy infinite heart. All the days of our lives Thou hast been with us; we therefore thank Thee. Truly Thou art our God, and we are the people of His pasture. We bless Thee, O Lord, that we are living under such broad skies and in a land so abundant in resources that make a people great. Through love of virtue, zeal for knowledge, by policy and legislation may we pursue the things that make for national righteousness and that edify mankind. Be gracious and merciful unto our President and the Speaker of this Congress. Bless and direct all Members, all officers, all employees, and pages of this House while the intervening months pass by. May no peril befall our dwellings; stay the hand of affliction and keep us in the shadow of Thy presence. With hearts of gladness and with wills to serve help us to lighten life's burden, lift life's load, and brighten life's way, through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

COMPENSATION OF CIVILIAN EMPLOYEES IN THE FIELD SERVICES

Mr. MADDEN. Mr. Speaker, I call up from the Speaker's desk the bill (H. R. 9561) making additional appropriations for the fiscal year ending June 30, 1925, to enable the heads of the several departments and independent establishments to adjust the rates of compensation of civilian employees in certain of the field services, with Senate amendments, and move to concur in the Senate amendments.

The SPEAKER. The gentleman from Illinois calls up the bill (H. R. 9561) to provide for the compensation of certain civilian employees in the field services, with Senate amendments thereto, and moves to concur in the Senate amendments. The Clerk will report the Senate amendments.

The Clerk read the Senate amendments.

Mr. MADDEN. Mr. Speaker, there are two small amendments to correct some mistakes that were made in the compilation of the figures in this bill, and one amendment which provides for an appropriation of $55,000 to protect the fishery activities in Alaska, under an act just passed, but it was too late coming from the Director of the Budget to get into the deficiency bill. I move to concur in the Senate amendments.

The SPEAKER. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

WAR-GRAFT CASES

Mr. HOWARD of Nebraska. Mr. Speaker, on page 8099 of the RECORD it will be observed that I secured unanimous consent that upon the return to the House of the chairman of the Committee on Appropriations, the gentleman from Illinois [Mr. MADDEN], he be given five minutes in which to give me the name of that one person who, as the result of the expenditure of a million dollars of appropriations, had been committed to any Federal penitentiary on the charge of war graft. The chairman of the Committee on Appropriations is now present. I have not bothered him while he was so busy, but he is here now and I ask unanimous consent that he use five minutes at this time to give me the name of any one person in the penitentiary as a result of war-graft prosecution.

Mr. CRAMTON. Mr. Speaker, I observe that the gentleman from Illinois is not present at this moment.

Mr. HOWARD of Nebraska. He was just a moment ago.

Mr. CRAMTON. He is very much occupied with the deficiency appropriation bill.

The SPEAKER. The gentleman from Illinois will have opportunity to accede to the request of the gentleman from Nebraska.

Mr. HOWARD of Nebraska. Do I understand that unanimous consent having been given, I may call upon him for this information upon his return to the Chamber?

The SPEAKER. The gentleman may ask him for it whenever he pleases.

THE REVENUE BILL OF 1924

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent that the remarks of the gentleman from Oregon [Mr. HAWLEY] giving statistical information about the new revenue bill be printed as a public document.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that the remarks of the gentleman from Oregon [Mr. HAWLEY] be printed as a public document. Is there objection?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bills of the following title, in which the concurrence of the House of Representatives was requested:

S. 3018. An act to authorize the designation of deputy fiscal or disbursing agents in the Department of Agriculture, stationed outside of Washington; and

S. 3221. An act for the relief of employees of the Bureau of Printing and Engraving who were removed by Executive order of the President dated March 31, 1922.

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the amendment of the Senate No. 18 to the bill (H. R. 9429) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, had agreed to the amendments of the House to the amendments of the Senate Nos. 28, 84, 116, 124, and 166.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 1306. An act for the relief of Henry McGuire;

H. R. 1830. An act for the relief of Charles T. Norman;

H. R. 4088. An act to establish the upper Mississippi River wild life and fish refuge;

H. R. 4830. An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor;

H. R. 5318. An act to authorize an exchange of lands with the State of Washington;

H. R. 9434. An act granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River;

H. R. 9457. An act granting the consent of Congress to the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River at or near Alaga, Ala., connecting Houston County, Ala., and Early County, Ga.;

H. R. 9515. An act granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the canal near Rehoboth, Del.;

H. R. 9477. An act granting the consent of Congress to the counties of Kittitas and Grant, in the State of Washington, to construct a bridge across the Columbia River at or near Vantage Ferry, Wash.;

H. R. 9314. An act to amend section 98 of the Judicial Code;

H. R. 9345. An act granting the consent of Congress for the construction of a bridge across the Ohio River between Vanderburgh County, Ind., and Henderson County, Ky.;

H. R. 9361. An act granting the consent of Congress to the construction of a bridge across the Rio Grande;

H. R. 9402. An act granting the consent of Congress to the Fullerton & Portsmouth Bridge Co. to construct a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky.;

H. R. 9612. An act granting the consent of Congress to the State of Georgia, through its highway department, to construct a bridge across the Oconee River;

H. R. 7731. An act authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation;

H. R. 7998. An act granting public lands to the city of Golden, Colo., to secure a supply of water for municipal and domestic purposes;

House Concurrent Resolution 28

*Resolved by the House of Representatives (the Senate concurring)*, That there be printed and bound the proceedings in Congress, together with the proceedings at the unveiling in Statuary Hall, upon the acceptance of the statue of Sequoyah, presented by the State of Oklahoma, 5,000 copies, of which 1,000 shall be for the use of the Senate and 2,500 for the use of the House of Representatives, and the remaining 1,500 shall be for the use and distribution of the Senators and Representatives in Congress from the State of Oklahoma.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer, who shall provide suitable illustrations to be bound with the proceedings.

H. R. 9517. An act granting the consent of Congress to the North Texas Co., of Saint Jo, Tex., a corporation organized under the laws of the State of Texas, to construct a toll bridge across the Red River in the vicinity of Illinois Bend, Tex.;

H. R. 9610. An act granting the consent of Congress to the Board of Supervisors of Lowndes County, Miss., to construct a bridge across Tombigbee River;

H. R. 6972. An act for the relief of William H. Nelson;

H. R. 6950. An act to authorize the incorporated town of Cordova, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of constructing and equipping a public-school building in said town of Cordova, Alaska;

H. R. 6255. An act to amend an act entitled "An act to authorize the incorporated town of Ketchikan, Alaska, to issue its bonds in any sum not to exceed $100,000 for the purpose of constructing a schoolhouse in said town and equipping the same," approved February 7, 1920; and

H. R. 6652. An act to authorize the city of Los Angeles, in the State of California, to construct and operate a line of railroad across the Fort MacArthur Military Reservation in the State of California.

PHILIPPINE INDEPENDENCE

Mr. HUDSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the Fairfield bill for independence of the Philippine Islands.

The SPEAKER. Is there objection?

There was no objection.

Mr. HUDSON. Mr. Speaker, it is my desire to address the House on the subject of Philippine independence. I have been much distressed by the inference from some of the discussion on this subject, viz, that the Filipinos have not independence at the present time, that they are more or less in a state of bondage. Nothing is further from the truth, and I am sure it is not the desire of the official representatives to give such an impression. In fact, the only real independence the islands have experienced has been in the last 25 years since they came into the possession of the United States. Certainly in the previous 400 years during which they were under the domination of Spain they enjoyed little freedom of any kind. There is a great difference between independence and national autonomy. It is the latter which the advocates of Philippine independence desire, and which without question should be granted, when it can be done without sacrificing the real independence of the Filipinos. Let me quote from the address of the Hon. J. Sloat Fassett, a former Member of this body, and the president of the Insular Lumber Co., given before the American Chamber of Commerce of the Philippine Islands.

The Filipino people are the most independent in the world to-day. They have a better government for less money than any people in the world. They have the great good luck to have the advantage of the United States Consular and Diplomatic Service, which does not cost them a penny, and which works to their advantage every minute. They have the advantage of free, open, and cheerful access to the best market in the world and to one most friendly to them, which was worth last year a surplus in trade of 63,000,000 of pesos. They have the advantage of our Army and Navy, and up to the present time they have the inestimable privilege of having Governor General Wood keep them from their own destruction. Independence is really established among men for the benefit of individual men, so that individual men may without let or hindrance aspire to the utmost growth of which they are individually capable.

In fidelity to the intention of the United States declared early in the history of the relationship between the two peoples, a policy of increasing self-government has been followed until the place has been reached prophesied by Theodore Roosevelt when he said that "the government of the Philippine Islands would cease to be a government of Americans aided by Filipinos and, instead, would become a government of Filipinos aided by Americans." This is in truth what it is to-day. Both Filipinos and Americans can rejoice in the unparalleled progress of the islands during the last 25 years. It is therefore more imperative that any action taken shall be taken advisedly and shall preserve the beneficial effects of the past cooperation.

Under the majority report of the committee providing for separation at the end of a 20-year period such provision can and should be made. It should not be declared mercenary for the United States to consider the economic effects. Even with the commendable generosity of being willing to forego the indebtedness to the Government or of sacrificing private American capital it is not fair to bring bankruptcy on any group of people when careful foresight can avoid it. Furthermore, economic conditions are so involved that economic loss to one group inevitably affects all groups.

It is noteworthy that not one of the proponents of Philippine independence presents a method by which it may be accomplished. There is no precedent for such a step. Not since the United States became a nation has it sold, given away, or in any way released any portion of its territory. That the islands are part of the domain of the United States can not be denied, having come into the possession of the United States by three means, any one of which are recognized as valid by international law, namely by conquest, by treaty, and by purchase. Therefore any action taken must be in consideration of the establishing of a precedent for action should the peoples, or any group of the peoples, of other portions of the public domain, Alaska, Louisiana, or California—all of which were obtained by purchase—desire complete separation. Neither Congress nor the President has the power to alienate the territory or the sovereignty of any portion of the public domain. Among the powers granted by the Constitution to either the legislative or the executive branches of the Government this is not mentioned. The powers not specifically enumerated are reserved to the several States and to the people of the United States. To surrender the sovereignty of the Philippine Islands would require the action of the whole people of the United States, either by a popular vote—which has never yet been deemed wise—or by a constitutional amendment ratified by the requisite number of States. That a modus vivendi can be agreed upon I do not doubt. But an action involving the welfare of 12,000,000 American citizens and making a precedent for future generations should neither be taken hastily nor be made a football of partisan politics.

BICENTENNIAL OF BIRTHDAY OF GEORGE WASHINGTON

Mr. REED of New York. Mr. Speaker, I move to suspend the rules and pass Senate Joint Resolution 85, authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensible observance of that greatest of all historic events, the bicentennial of the birthday of George Washington, as amended, which I send to the desk.

The SPEAKER. The gentleman from New York moves to suspend the rules and pass Senate Joint Resolution 85, as amended, which the Clerk will report.

The Clerk read as follows:

S. J. Res. 85, authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington

*Resolved*, That there is hereby established a commission to be known as the United States Commission for the Celebration of the Two Hundredth Anniversary of the Birth of George Washington (hereinafter referred to as the commission) and to be composed of 19 commissioners, as follows:

The President of the United States; the Presiding Officer of the Senate and the Speaker of the House of Representatives, ex officio; eight persons to be appointed by the President of the United States; four Senators by the President pro tempore of the Senate; and four Representatives by the Speaker of the House of Representatives. The commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000, to be expended by the commission in accordance with the provisions of this resolution.

SEC. 3. That it shall be the duty of the commissioners, after promulgating to the American people an address relative to the reason of its creation and of its purpose, to prepare a plan or plans and a program for the signalizing of the event to commemorate which they are brought into being and to give due and proper consideration to any plan or plans which may be submitted to them; and to take such steps as may be necessary in the coordination and correlation of plans prepared by State commissions or by bodies created under appointment by the governors of the respective States and by representative civic bodies; and if the participation of other nations in the commemoration be deemed advisable, to communicate with governments of such nations.

SEC. 4. That when the commission shall have approved of a plan of celebration, then it shall submit for their consideration and approval such plan or plans, in so far as it or they may relate to the fine arts, to the Commission of Fine Arts, in Washington, for their approval and in accordance with statutory requirements.

SEC. 5. That the commission, after selecting a chairman and a vice chairman from among their members, may employ a secretary and such other assistants as may be needed for clerical work connected with the duties of the commission, and may also engage the services of expert advisers; and may fix their respective compensations within the amount appropriated for such purposes.

SEC. 6. The commissioners shall receive no compensation for their services, but shall be paid their actual and necessary traveling, hotel, and other expenses incurred in the discharge of their duties out of the amount appropriated.

SEC. 7. The commission shall on or before the 4th of March, 1925, make a report to the Congress in order that enabling legislation may be enacted.

SEC. 8. That the commission hereby created shall expire within two years after the expiration of the celebration, December 31, 1932.

SEC. 9. This joint resolution shall take effect immediately.

The SPEAKER. Is a second demanded?

Mr. BLANTON. Mr. Speaker, I demand a second.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The gentleman from New York.

Mr. REED of New York. Mr. Speaker, the celebration of the two-hundredth anniversary of the birth of George Wash-

ington has aroused such widespread and universal interest that I shall not take the time of the House in explaining the provisions of this bill, which has for its purpose the proper observance of this great event.

It has the support of President Coolidge, Chief Justice Taft, Hon. Curtis D. Wilbur, Hon. Harry S. New, Hon. Henry C. Wallace, and Hon. James J. Davis. Among those urging it are the following governors and mayors:

Governor Neff, Texas.
Governor Brandon, Alabama.
Gov. Scott Bone, Alaska.
Governor Nestos, North Dakota.
Governor Preus, Minnesota.
Governor Davis, Kansas.
Governor Trinkle, Virginia.
Governor Moore, Idaho.
Governor Mabey, Utah.
Governor Pinchot, Pennsylvania.
Gov. Alfred E. Smith, New York.
Governor Templeton, Connecticut.
Governor Parker, Louisiana.
Governor Fields, Kentucky.
Governor Bryan, Nebraska.
Governor Hinkle, New Mexico.
Mayor McLaurin, Laurel, Miss.
Mayor Wiesendenger, Yonkers, N. Y.
Mayor Maher, Santa Cruz, Calif.
Mayor Hargett, Salina, Kans.
Mayor Hettrick, Asbury Park, N. J.
Mayor Stringham, Berkeley, Calif.
Mayor Burgheim, Little Falls, Minn.
Mayor Agar, Valparaiso, Ind.
Mayor Remington, New Bedford, Mass.
Mayor Quinn, Louisville, Ky.
Mayor Edward W. Quinn, Cambridge, Mass.
Mayor Topping, Summit, N. J.
Mayor Block, Kingston, N. Y.
Mayor Anderson, Hannibal, Mo.
Mayor Freeman, Springfield, Mo.
Mayor Phillips, Stamford, Conn.
Mayor Rosenfield, Rock Island, Ill.
Mayor Neslin, Salt Lake City, Utah.
Mayor Campbell, Mishawaka, Ind.
Mayor McCavitt, Anaconda, Mont.
Mayor Williams, Macon, Ga.
Mayor Moore, Englewood, N. J.
Mayor Davis, Leavenworth, Kans.
Mayor Howland, Long Branch, N. J.
Mayor Jackson, Baltimore, Md.
Mayor Bates, Salem, Mass.
Mayor Nelson, St. Paul, Minn.
Mayor Bullivant, Brockton, Mass.
City Director Moore, Jersey City, N. J.
Chief Burgess Doctor Shissler, Shamokin, Pa.

Among the commissioners of education who have already approved the proposal are:

Superintendent Callahan, Wisconsin.
Lester D. Henderson, Alaska.
T. E. Johnson, Michigan.
Clarence H. Dempsey, Vermont.
Superintendent Bond, Mississippi.
Commissioner Thomas, Maine.
Commissioner Tigert, Bureau of Education, Washington, D. C.
Doctor Graves, New York.
Mrs. Gravely, Idaho.
Superintendent Wood, California.
Superintendent Riegel, Ohio.
Superintendent Ford, West Virginia.
Superintendent Burris, Indiana.
Superintendent Hunting, Nevada.

The following letter of ex-President Charles W. Eliot, of Harvard, University, is only one of many valuable suggestions:

The two hundredth anniversary of the birth of Washington should be celebrated not only all over this country, but wherever in Europe there exists a group of persons who know the value of his writings and his deeds for the promotion of liberty and justice among mankind. This celebration, however, should be solemn, not gay, and spiritual, not materialistic. It should be directed in large measure to the rising generation, not to the passing or the past. It should appeal to thinking people, not to the careless or indifferent. Its aim should be to increase the number of Washington's disciples and followers in and for the struggles of the future.

The committee has conducted hearings and among those who appeared in favor of this measure urging prompt and favorable action were: Mr. Andrew B. Humphrey, secretary of the Sulgrave Institution, New York City; Mr. John A. Stewart, representing the American Society; Bishop Darlington, Harrisburg, Pa.; Hon. Alton B. Parker, chancellor of the Sulgrave Institution; Gen. William Crozier, United States Army (retired); Mr. A. B. Chandler, jr., president of the Chamber of Commerce of Fredericksburg, Va.; Mrs. L. H. Rust, of Wakefield, Va.

Numerous other indorsements have come from prominent organizations such as the chambers of commerce and the American Federation of Labor.

I shall not take the time of the House to discuss the details of this bill.

Mr. BLANTON. Mr. Speaker, this bill illustrates the necessity of a rule that would prohibit the Congress, both Houses if possible, from passing any bill during the last three days of the session and to require both Houses during the last three days of the session to confine their energies and actions to conference reports alone. I have seen bills pass here in the last 48 hours with the enactment and third reading waived involving over a million dollars each, some of them, pass in half a minute, without any consideration whatever, without chance of amendment, and without opportunity for discussion; and if it had been any other time except the closing hours of Congress they could not have passed the House at all, and with proper debate they would not have gotten 50 votes, some of them; but in the closing hours of Congress you can pass anything.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. BLANTON. No. I do not yield to the gentleman from New York [Mr. REED] or to any other man in my high regard, respect, and love for the memory of the Father of his Country, but what is all this hurry about? Why, this bicentennial birthday of George Washington is eight years hence—in 1932, if you please—and here is Congress on the last day of this session, with the taxpayers all over the Nation burdened in many respects and seeking relief in proper legislation, here we are on the last day of the session taking up a bill that is applicable to the celebration of a birthday eight years hence.

I know that this little $10,000 to some of you is a bagatelle. I know that much, but I want to ask you, Who is going to spend this money? How are they going to spend it? What is the necessity of spending it this year? Nobody has told us. Why, the chairman of this committee when 20 minutes of debate is allowed him he takes his seat and says, "I submit the bill to the House without argument; I offer no explanation of it. I tell the membership nothing at all about where this money is going or who expends it." I made some investigation here in the last eight years about various bureau chiefs and heads of departments who want money to expend in vacation time, and they think of every kind of excuse on God's earth to get Congress to give them spending money.

I know something about how this $10,000 is going to be expended this year—eight years before the bicentennial celebration is to occur. The people in my district, 314,000 of them, are depending on me as one of the 435 Representatives here to know what I am doing when I vote on a bill to take their money out of the Treasury. I will tell you what is going to happen. This is merely the nose of the camel getting under the tent. Why do they have to spend $10,000 this year to celebrate properly the bicentennial birthday of George Washington that will not occur until 1932? Why, the spirit of regard for Washington's memory is inherent in the hearts of all the individuals of our country. They need no money eight years before the celebration to spur them on. Why, this birthday is to be celebrated in every nook of the United States in 1932, and they will do it without money. [Applause.] I will tell you what is going to happen. We will give this $10,000 to some committee, some commission, some bureau this year, and they will waste it, and when the fiscal year is ended you can not tell one single benefit that has been derived from this expenditure, and next year, when the Congress meets, you will find this distinguished committee with its distinguished chairman, whom we all highly respect and for whom we have high regard—you will find him coming in again next year with another resolution reciting that only seven years then stand between us and 1932, and then, instead of asking for $10,000 next year, he will ask for $50,000. Two years from now it will be $100,000, and the closer we get to 1932 every year during those eight years you are going to have the appropriation grow like a rolling snowball, and you will find men here who will get up and say, "Oh, we are not short on these things! Why, this is the Father of his Country! What do we care about money when we celebrate his bicentennial birthday?"

Why, if it were necessary to appropriate to celebrate this occasion, I would vote with you to the limit when 1932 comes, but there is no necessity now for spending this money eight years before the celebration.

I want to say to my colleagues this: When you go home this summer, you keep this in mind. You are going to find this thought uppermost in the minds of your constituents—the thought of economy in Government expenditures. You are going to find when you go home that your constituents are for stopping these extravagances. They are for stopping these needless expenditures. They want the expenditures of the Government decreased instead of increased all the time.

When those boys out in your district write you letters here you sit in your office and say, "Dear John, your letter is received. I will give careful and immediate attention to it. Very sincerely yours." But when you go home and John meets you on the street and he asks you a question you can not then say, "I will give it careful consideration." You have got to answer that question, and you have got to give him a specific answer, and one for each question he asks you, and I am trying to conduct myself here and my votes here so that when I go home and meet the boys on the street I can answer all their questions without equivocation or evasion.

Mr. CULLEN. Will the gentleman yield?

Mr. BLANTON. I will yield, but I have about concluded.

Mr. CULLEN. I do not want to interrupt the gentleman, but I have been poring over this bill, and I have not been able to find what sum is to be appropriated.

Mr. BLANTON. Ten thousand dollars this year.

Mr. CULLEN. It is not in the bill.

Mr. BLANTON. The gentleman has a different bill. The Clerk read the committee bill, which the chairman moved to suspend the rules and pass.

Mr. CULLEN. The bill I have is the Senate bill.

Mr. BLANTON. I will say this, when the time comes in 1932 I will join with you in going the limit on any proper way to observe this worthy celebration.

But it is too early now to begin spending money. We are starting too soon. I hope you will not pass this bill.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The question is on the motion of the gentleman from New York [Mr. REED] to suspend the rules and pass the resolution.

The question was taken.

Mr. BLANTON. Mr. Speaker, I object to the vote, and I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 306, nays 19, not voting 108, as follows:

YEAS—306

| | | | |
|---|---|---|---|
| Abernethy | Christopherson | Free | Jeffers |
| Ackerman | Clancy | Freeman | Johnson, Ky. |
| Aldrich | Clarke, N. Y. | Frothingham | Johnson, S. Dak. |
| Allen | Cleary | Fulbright | Johnson, Tex. |
| Anthony | Cole, Iowa | Fuller | Kearns |
| Arnold | Collier | Fulmer | Keller |
| Aswell | Collins | Gallivan | Kelly |
| Bacon | Colton | Gardner, Ind. | Kendall |
| Barbour | Connally, Tex. | Garrett, Tenn. | Kindred |
| Barkley | Connery | Garrett, Tex. | King |
| Beedy | Cook | Gasque | Kopp |
| Beers | Cooper, Wis. | Gibson | Kurtz |
| Begg | Corning | Gifford | Kvale |
| Bell | Cramton | Glatfelter | LaGuardia |
| Berger | Crisp | Goldsborough | Lampert |
| Bixler | Croll | Graham, Ill. | Lanham |
| Black, N. Y. | Crosser | Green, Iowa | Lankford |
| Black, Tex. | Cullen | Greene, Mass. | Larsen, Ga. |
| Bland | Cummings | Greenwood | Lazaro |
| Bloom | Dallinger | Griffin | Lea, Calif. |
| Bowling | Darrow | Hadley | Leatherwood |
| Box | Davey | Hardy | Leavitt |
| Boyce | Davis, Tenn. | Harrison | Lee, Ga. |
| Boylan | Dempsey | Hastings | Lehlbach |
| Brand, Ga. | Denison | Haugen | Lindsay |
| Brand, Ohio | Dickinson, Iowa | Hawes | Lineberger |
| Briggs | Dickinson, Mo. | Hawley | Linthicum |
| Britten | Dowell | Hayden | Lowrey |
| Browne, Wis. | Driver | Hersey | Luce |
| Browning | Dyer | Hickey | McClintic |
| Brumm | Eagan | Hill, Ala. | McDuffie |
| Buchanan | Elliott | Hill, Md. | McFadden |
| Buckley | Evans, Iowa | Hill, Wash. | McKenzie |
| Burdick | Evans, Mont. | Hoch | McLaughlin, Mich. |
| Burtness | Fairchild | Holaday | McLaughlin, Nebr. |
| Byrns, Tenn. | Faust | Hooker | McLeod |
| Cable | Favrot | Howard, Nebr. | McReynolds |
| Campbell | Fenn | Hudson | McSwain |
| Canfield | Fish | Hull, Iowa | McSweeney |
| Carew | Fisher | Hull, William E. | MacGregor |
| Carter | Fleetwood | Humphreys | MacLafferty |
| Casey | Foster | Jacobstein | Magee, N. Y. |
| Chindblom | Frear | James | Magee, Pa. |
| Major, Mo. | Oliver, N. Y. | Seger | Underhill |
| Mansfield | Park, Ga. | Shallenberger | Underwood |
| Mapes | Parks, Ark. | Simmons | Upshaw |
| Martin | Peery | Sinclair | Valle |
| Mead | Perkins | Sinnott | Vestal |
| Merritt | Perlman | Smith | Vincent, Mich. |
| Michener | Porter | Smithwick | Vinson, Ga. |
| Miller, Wash. | Pou | Snell | Voigt |
| Mills | Prall | Snyder | Wainwright |
| Minahan | Purnell | Speaks | Wason |
| Montague | Quin | Spearing | Watkins |
| Mooney | Ragon | Sproul, Ill. | Watson |
| Moore, Ga. | Rainey | Sproul, Kans. | Weller |
| Moore, Ohio | Raker | Stedman | Wertz |
| Moore, Va. | Ramseyer | Stephens | White, Kans. |
| Moores, Ind. | Ransley | Stevenson | Williams, Ill. |
| Morehead | Rathbone | Strong, Pa. | Williams, Mich. |
| Morgan | Rayburn | Summers, Wash. | Williams, Tex. |
| Morris | Reece | Swank | Williamson |
| Morrow | Reed, N. Y. | Swing | Wilson, Ind. |
| Murphy | Reid, Ill. | Swoope | Wilson, La. |
| Nelson, Me. | Richards | Taber | Wingo |
| Nelson, Wis. | Roach | Tague | Winter |
| Newton, Minn. | Robinson, Iowa | Taylor, Colo. | Wolff |
| Newton, Mo. | Robsion, Ky. | Temple | Wood |
| Nolan | Rogers, Mass. | Thatcher | Woodrum |
| O'Brien | Romjue | Thomas, Ky. | Wright |
| O'Connell, N. Y. | Rubey | Thomas, Okla. | Wurzbach |
| O'Connell, R. I. | Sabath | Thompson | Wyant |
| O'Connor, La. | Salmon | Tilson | Yates |
| O'Connor, N. Y. | Sanders, Ind. | Timberlake | Young |
| O'Sullivan | Sanders, N. Y. | Tincher | Zihlman |
| Oldfield | Schafer | Tinkham | |
| Oliver, Ala. | Schneider | Treadway | |

NAYS—19

| | | | |
|---|---|---|---|
| Allgood | Cannon | Johnson, Wash. | Sandlin |
| Almon | French | Jones | Steagall |
| Bankhead | Garber | Kincheloe | Taylor, W. Va. |
| Blanton | Gilbert | Major, Ill. | Tillman |
| Busby | Huddleston | Rankin | |

NOT VOTING—108

| | | | |
|---|---|---|---|
| Anderson | Edmonds | Logan | Scott |
| Andrew | Fairfield | Longworth | Sears, Fla. |
| Ayres | Fitzgerald | Lozier | Sears, Nebr. |
| Bacharach | Fredericks | Lyon | Sherwood |
| Beck | Funk | McKeown | Shreve |
| Boies | Garner, Tex. | McNulty | Sites |
| Browne, N. J. | Geran | Madden | Stalker |
| Bulwinkle | Graham, Pa. | Manlove | Stengle |
| Burton | Griest | Michaelson | Strong, Kans. |
| Butler | Hammer | Miller, Ill. | Sullivan |
| Byrnes, S. C. | Howard, Okla. | Milligan | Sumners, Tex. |
| Celler | Hudspeth | Moore, Ill. | Sweet |
| Clague | Hull, Morton D. | Morin | Taylor, Tenn. |
| Clark, Fla. | Hull, Tenn. | Mudd | Tucker |
| Cole, Ohio | Johnson, W. Va. | Paige | Tydings |
| Connolly, Pa. | Jost | Parker | Vare |
| Cooper, Ohio | Kahn | Patterson | Vinson, Ky. |
| Crowther | Kent | Peavey | Ward, N. Y. |
| Curry | Kerr | Phillips | Ward, N. C. |
| Davis, Minn. | Ketcham | Quayle | Watres |
| Deal | Kiess | Reed, Ark. | Weaver |
| Dickstein | Knutson | Reed, W. Va. | Wefald |
| Dominick | Kunz | Rogers, N. H. | Welsh |
| Doughton | Langley | Rosenbloom | White, Me. |
| Doyle | Larson, Minn. | Rouse | Wilson, Miss. |
| Drane | Lilly | Sanders, Tex. | Winslow |
| Drewry | Little | Schall | Woodruff |

So, two-thirds having voted in the affirmative, the rules were suspended and the resolution was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. Cole of Ohio with Mr. Rogers of New Hampshire.
Mr. Kiess with Mr. Byrnes of South Carolina.
Mr. Little with Mr. Doyle.
Mr. White of Maine with Mr. Hudspeth.
Mr. Ward of New York with Mr. Jost.
Mr. Kahn with Mr. Clark of Florida.
Mr. Taylor of Tennessee with Mr. Howard of Oklahoma.
Mr. Sears of Nebraska with Mr. Kent.
Mr. Mudd with Mr. Doughton.
Mr. Boise with Mr. Hull of Tennessee.
Mr. Connolly of Pennsylvania with Mr. Kunz.
Mr. Scott with Mr. Celler.
Mr. Curry with Mr. Lilly.
Mr. Griest with Mr. Quayle.
Mr. Patterson with Mr. Drane.
Mr. Michaelson with Mr. Logan.
Mr. Bacharach with Mr. Wilson of Mississippi.
Mr. Cooper of Ohio with Mr. Tucker.
Mr. Phillips with Mr. Hammer.
Mr. Shreve with Mr. Lyon.
Mr. Fredericks with Mr. Sullivan.
Mr. Sweet with Mr. Stengle
Mr. Vare with Mr. Rouse.
Mr. Woodruff with Mr. Deal.
Mr. Funk with Mr. Tydings.
Mr. Parker with Mr. Garner of Texas.
Mr. Graham of Pennsylvania with Mr. Dominick.
Mr. Morin with Mr. Milligan.
Mr. Andrew with Mr. Lozier.
Mr. Burton with Mr. Kerr.
Mr. Davis of Minnesota with Mr. Johnson of West Virginia.
Mr. Fitzgerald with Mr. Geran.
Mr. Paige with Mr. Drewry.
Mr. Butler with Mr. Bulwinkle.
Mr. Crowther with Mr. Ayres.
Mr. Hull, William E., with Mr. Sears of Florida.
Mr. Ketcham with Mr. Reed of Arkansas.

Mr. Longworth with Mr. Brown of New Jersey.
Mr. Manlove with Mr. McKeown.
Mr. Winslow with Mr. Vinson of Kentucky.
Mr. Madden with Mr. Sanders of Texas.
Mr. Welsh with Mr. Weaver.
Mr. Stalker with Mr. McNulty.
Mr. Watres with Mr. Sherwood.
Mr. Reed of West Virginia with Mr. Dickstein.
Mr. Anderson with Mr. Sites.
Mr. Knutson with Mr. Wefald.

The result of the vote was announced as above recorded.
The doors were opened.

PERMISSION TO ADDRESS THE HOUSE

Mr. JOHNSON of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for one minute, in order to correct an error in the printing of the bill affecting the Veterans' Bureau.

The SPEAKER pro tempore. The gentleman from South Dakota asks unanimous consent to address the House for one minute on veterans' legislation. Is there objection? [After a pause.] The Chair hears none.

Mr. JOHNSON of South Dakota. Mr. Speaker, on page 10964 of the RECORD of June 5 last, section 201, paragraph 1, the following is stated:

If death occur, or shall have occurred subsequent to April 6, 1917, and before discharge or resignation from the service, the United States shall pay for burial expenses and the return of body to his home a sum not to exceed $150, as may be fixed by regulation.

Mr. Speaker, this is a misprint, as the conferees agreed that this amount should be $100. Owing to the fact, however, that there is included the statement that it shall be "not to exceed" $150 and the amount may be fixed by regulation, by the Director of the Veterans' Bureau, the Veterans' Committee will not try to secure the passage of a curative resolution through the House, and I am making this statement only that the Director of the Veterans' Bureau will have official notice that the conferees agreed on $100 and that he, therefore, will not exceed that sum and will so fix the regulation.

THE BONUS, TRADE ACTIVITY, AND TAX REDUCTION

Mr. WINGO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a short statement entitled "The effect of the bonus on trade activities, the revenues, and tax reduction."

The SPEAKER pro tempore. The gentleman from Arkansas asks unanimous consent to extend his remarks in the RECORD by printing a short statement entitled "The effect of the bonus on trade activities, the revenues, and tax reduction." Is there objection?

Mr. SCHAFER. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Arkansas whether these remarks will contain a solution of the farmer's trials and tribulations and provide a means of relieving him of his present distress?

Mr. WINGO. I am sorry they will not, because the statement I desire to insert comes from a leading financial publication, so you could not expect that.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. WINGO. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

[From the Business Conditions Weekly, Alexander Hamilton Institute]

THE BONUS AND TRADE ACTIVITY

The American Telephone & Telegraph Co. has just offered $150,000,000 of stock to investors. The spending of this money will have some effect upon business, but even though this is a large amount of money for any corporation to spend it represents only one-fourth of 1 per cent of the total spendings of the American people every year.

This percentage applies also to the bonus bill. The amount of money which will be disbursed under the bonus bill during the first year will be practically the same as the money which the American Telephone & Telegraph Co. will receive from selling its common stock. The effect upon trade activity will be negligible. About $150,000,000 will be collected in taxes from Mr. Jones and Mr. Brown and paid to Sergeant Smith and Private O'Brien. Some of the wealthier taxpayers will have a few dollars less to spend, but there will be no decrease in the total amount spent for merchandise. There will just be a difference in the places where the money is spent. It will be spent where Sergeant Smith and Private O'Brien do their shopping instead of in the places where Taxpayers Jones and Brown spend their money. However, there will be no withdrawal of funds from production and employment, because it is merely a taking from Peter to pay Paul, and Paul will spend the money for much the same sort of merchandise as Peter is accustomed to buy. About the only economic loss to the country on account of the bonus during the next 12 months will be in connection with the extra clerks and accountants employed in handling the complicated Army and Navy records. It will be necessary to spend $5,000,000 or $10,000,000 a year extra on account of clerical help and other expenses of administration, and if it were not for the bonus these clerks and this money would go into some form of productive industry. However, the amount of money diverted to these extra clerks from productive industry is too small to discuss in analyzing general business conditions.

As a business factor the bonus will be more important several years hence. The bill provides that if annual disbursements do not absorb all of the sinking fund provided, amounting to over $100,000,000 a year, the Treasury shall invest any idle bonus funds in Government bonds. Perhaps six or eight years from now the annual investment of bonus funds in Government bonds will influence the bond market. Then at the end of 20 years, when all of the insurance certificates expire, the Government will have to sell the bonds purchased meantime in order to effect the final payment to the veterans then living.

It is also possible that within eight or ten years the total money which the veterans will borrow from the banks by pledging insurance certificates will become a factor in the money market. However, there is a popular misunderstanding about the borrowing provision of the law. The authority to borrow 90 per cent of the value of the insurance certificate after two years does not mean that the holder of a $1,000 certificate can borrow $900 after two years. If that were possible, the veterans could borrow the huge sum of $2,600,000,000 after two years. That would be equal to 6 per cent of the total bank loans of the country. In the borrowing provision of the bonus law, however, there is a difference between face value and loan value of the insurance certificate. For instance, the certificate with a face value of $1,000 will not have any loan value at all during the first two years. In the third year the loan value will be nearly $90. Assuming that 3,000,000 veterans will have certificates with a face value of nearly $3,000,000,000, the maximum borrowing permitted in the third year will be about 9 per cent of the total, or $270,000,000. In the fourth year the maximum borrowings will be increased to $350,000,000. After 10 years the veterans will be able to borrow around $1,000,000,000. However, we do not believe the veterans will exercise this borrowing privilege in full, and doubt whether much more than one-half or two-thirds of the maximum borrowing limit will be reached in any year. Moreover, the increase in such borrowings will be very gradual and will not have a disturbing effect upon trade activity in any year.

In brief, merchants and manufacturers may ignore the bonus in making up their budgets for the next two years. The passage of the bill over the President's veto has added to the confusion in the political outlook, but the political consequences are more important than the trade consequences so far as 1924 is concerned.

TAX REDUCTION

It is to be hoped that Congress will proceed to adopt some form of tax reduction bill. In saying this we are not irresponsible. We do not overlook the fact that the bonus act will require some extra expenditure of money. However, the recent opponents of the bonus are attempting to make a mountain out of a molehill in arguing that taxes can not be reduced on account of the passage of the bonus act. They have temporarily lost their sense of proportion. By proportion, in this case, we mean the actual ratio of Treasury surplus or deficit to the total Federal revenues. If a deficit of 25 per cent in Treasury revenues were impending we should be alarmed. We can not take seriously, however, any deficit which is less than 5 per cent of the total revenues. One reason is that a 5 per cent deficit in the United States revenues will not lead to any panic or financial embarrassment. Another reason is that we can not always rely on the preliminary forecasts of the Treasury. We have seen the expert guesses of the Treasury go wrong by as much as 5 per cent or more. In 1922 the Treasury did not accurately forecast the increased prosperity of 1923, and therefore underestimated income taxes and tariff duties. A deficit was expected, but a surplus was realized. In the following table, showing estimates for the fiscal years ending June, 1924, and June, 1925, it is seen that the Treasury expects a surplus of over $300,000,000 this year and next. The passage of the bonus bill will cause the Treasury estimate of a $400,000,000 surplus during the next 12 months to be reduced to $250,000,000. If the proposed tax reduction bill goes through this surplus will be entirely wiped out. Let us assume that there will be a deficit of $100,000,000. The important thing to consider is the relation of this deficit to the tax revenues. If the total revenues decline to $3,300,000,000 next year instead of the $3,700,000,000 anticipated under the present tax schedules, the deficit of $100,000,000 would be 3 per cent of the total revenues. A deficit of $200,000,000 would be 6 per cent of the total revenues. This is not sufficient to cause any financial embarrassment, and it is even possible that with economy in expenses and large revenues on account of generally good trade in 1925 no deficit would materialize during the next two years.

*United States Treasury budget*

| Year ending June 30 | Ordinary expenses | Ordinary revenues | Surplus |
|---|---|---|---|
| 1921 actual | $5,538,000,000 | $5,625,000,000 | +$87,000,000 |
| 1922 actual | 3,795,000,000 | 4,109,000,000 | +314,000,000 |
| 1923 actual | 3,697,000,000 | 4,007,000,000 | +310,000,000 |
| 1924 estimated | 3,565,000,000 | 3,895,000,000 | +330,000,000 |
| 1925 estimated | 3,300,000,000 | 3,700,000,000 | +400,000,000 |

EXTENSION OF REMARKS

Mr. MADDEN. Mr. Speaker, some days ago the gentleman from Wisconsin [Mr. FREAR] in a speech on the floor of the House referred to Junius Wood, a correspondent of the Chicago Daily News. Mr. Wood is one of my constituents and he has just written me a letter denying some of the statements made by the gentleman from Wisconsin. I ask unanimous consent to publish Mr. Wood's letter in the RECORD.

Mr. KING. Mr. Speaker, I object.

Mr. FREAR. Mr. Speaker, I wish to state that this is the same man who under his own name declared that Senators and Representatives in Congress were receiving money from the Philippine Independence Commission for supporting Philippine independence; he sent that statement from Manila to 23 American newspapers and has never denied it or made any amends. I object.

CHAUNCEY M. DEPEW

Mr. WAINWRIGHT. Mr. Speaker, I ask unanimous consent to extend my remarks by printing in the RECORD the remarks of the gentleman from Indiana [Mr. SANDERS] on the occasion of the ninetieth birthday of Chauncey M. Depew, at Briarcliff, in my district.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD by printing the remarks of his colleague from Indiana [Mr. SANDERS] on the occasion of the ninetieth birthday of Chauncey M. Depew. Is there objection? [After a pause.] The Chair hears none.

Mr. WAINWRIGHT. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include a speech made by Representative EVERETT SANDERS on May 31, 1924, on the occasion of the dinner given in honor of Chauncey M. Depew:

SPEECH MADE BY REPRESENTATIVE EVERETT SANDERS ON MAY 31, 1924, ON THE OCCASION OF THE DINNER GIVEN IN HONOR OF CHAUNCEY M. DEPEW, AT BRIARCLIFF MANOR, N. Y.

It is an honor indeed to sit at the dinner given for Chauncey M. Depew, whose rare humor and charming discourse have delighted the guests of hundreds of banquets for two generations.

Indiana feels particularly kindly toward our noted friend, for it was his great influence in 1888 which led the Republican National Convention to nominate for the presidency, Indiana's son, Gen. Benjamin Harrison. In 1892 it was his eloquent voice that placed before the convention the name of President Harrison for renomination.

President Harrison urgently invited Senator Depew to enter his Cabinet soon after his inauguration, and later during his administration urged him to become his Secretary of State. The Hoosiers share in the regret throughout the country that Mr. Depew found it impossible to accept.

A few years ago I saw Senator Depew at the Republican National Convention. He spoke at the crowded Colosseum in Chicago, and the warm reception given him, showed how secure he was in the hearts of the people. Since I shall be at the convention at Cleveland, I desire to express what I know will be the hope of all in attendance—that he will grace the convention with his presence. No convention would be a complete success without him.

We bring to him to-night our congratulations in this his ninetieth year. The Nation had just finished its first half century when he became one of its citizens by birth. In its second half century, at the time when the country most needed his strength, he was in the forefront in the development of its great commercial and industrial potentialities. In the third half century not yet ended he added his great intellect toward the solution of its governmental problems. For all this America is grateful to him.

When he is in a reminiscent mood he must look back and marvel at the changes that have occurred within his lifetime in means of communication and methods of transportation and at a thousand other phenominal and beneficial changes. One outstanding thing that has not changed, however, according to contemporary periodicals, is the tendency of the people to conclude that each particular Congress is the worst ever.

I wish that some time from his rich experience he would remind the people that, good or bad, it has been under the guidance of the laws written year after year by each succeeding much "cussed" Congress that America has reached the foremost place among all the nations of the earth. This reminder coming from one so great and so beloved may temper their critical attitude and inspire them with a new confidence in the legislative branch of their Government, whose Members, after all, are selected by the people.

BICENTENNIAL OF BIRTHDAY OF GEORGE WASHINGTON

The SPEAKER pro tempore. Without objection House Joint Resolution 199, a joint resolution in connection with the celebration of the bicentennial of the birthday of George Washington, will be laid on the table, a similar Senate bill having just been passed by the House.

There was no objection.

PERSONAL PRIVILEGE

Mr. GRAHAM of Illinois rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Illinois rise?

Mr. GRAHAM of Illinois. Mr. Speaker, I ask unanimous consent to proceed for three minutes.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent to proceed for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GRAHAM of Illinois. Mr. Speaker and Members of the House, for the last four Congresses I have participated in the deliberations of this body. To say that I am leaving now with unmixed feelings of happiness would be to state what is not true. I have enjoyed my associations with this body very much. I hope when I go to another activity that the Members of this House, with whom I have had such pleasant associations, will understand that I do not want to be entirely excluded from their thoughts, and that I certainly shall retain the liveliest interest in the activities of this House. [Applause.]

I want to say something more before I leave as to the character of this body. I have found here what I believe is fairly representative of the best thought of the country at all times. [Applause.] Whatever may be the criticisms of this body, I have learned from my experiences in the last eight years that here are men above the average of intelligence and, I believe, far above the average in patriotic thought, and that many of the criticisms which are aimed at this body are unjust, untimely, and ought not to be made. [Applause.]

If I might make one observation in closing, it is this: I have come to view with some sort of apprehension and alarm a tendency that is prevalent throughout this country, and that is the tendency of the people of the country to think along class lines and to seek in this forum class legislation of all kinds and on all subjects. If there is anything the country ought to beware of, and if there is anything this House in its future deliberations ought to beware of, it is that tendency, which is not the fault of the Members of this House or of the body at the other end of the Capitol but is the fault of the people themselves in thinking along class lines. It is a menace to the country, and I hope it is one that will in time be obliterated by reason of the general consciousness of the people that, after all, the function of this body is to act for the people generally and to have mass consciousness instead of class consciousness, which many of those who send us here would have us assume.

In closing my congressional life to-night, I want to again ask that occasionally you have me in your minds. I want to come back once in a while and sit on this floor, where I have had such pleasant labors with you, and in closing say I appreciate to the fullest extent the many kindnesses which you men of this House on both sides have extended to me in the past and to express my appreciation. [Prolonged applause.]

Mr. CRISP. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER pro tempore. The gentleman from Georgia asks unanimous consent to address the House for one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. CRISP. Gentlemen of the House, I am sure I voice the sentiment of every man in the House when I say it is with sincere regret that we lose from our membership the distinguished gentleman who has just addressed you. [Applause.]

We are rejoiced, of course, at his preferment, but his place in this House will be missed. The Speaker has called upon him frequently to discharge the onerous duties of Presiding Officer of this House, and at all times he has discharged the duties with ability, with fairness and impartiality, and to the satisfaction of the House.

Speaking for you all, we wish him, I am sure, health and happiness and success in his new undertaking, the duties of

which we know he will discharge in a manner to reflect credit upon himself and the appointing power. [Applause.]

BATTLE OF LEXINGTON AND CONCORD

Mr. LUCE. Mr. Speaker, I move to suspend the rules and pass House Joint Resolution No. 259, establishing a commission for the participation of the United States in the observance of the one hundred and fiftieth anniversary of the Battle of Lexington and Concord, authorizing an appropriation to be utilized in connection with such observance, and for other purposes.

The Clerk read the resolution, as follows:

*Resolved, etc.*, That there is hereby established a commission to be known as the United States Lexington-Concord Sesquicentennial Commission (hereinafter referred to as the commission) and to be composed of 11 commissioners, as follows: 3 persons to be appointed by the President of the United States, 4 Senators by the President of the Senate, and 4 Members of the House of Representatives by the Speaker of the House of Representatives. The commission shall serve without compensation and shall select a chairman from among their number.

SEC. 2. That there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated the sum of $5,000 to be expended by the commission for actual and necessary traveling expenses and subsistence while discharging its official duties outside the District of Columbia.

SEC. 3. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to be utilized in the discretion of the commission for the appropriate participation on the part of the United States in the celebration and observance of the one hundred and fiftieth anniversary of the Battle of Lexington and Concord to be commemorated on or about April 19 and 20, 1925.

SEC. 4. That the Postmaster General is hereby authorized and directed to issue a special series of postage stamps, in such denominations and of such designs as he may determine, commemorative of the one hundred and fiftieth anniversary of the Battle of Lexington and Concord and of the one hundred and fiftieth anniversary of such other major events of the Revolutionary War as he may deem appropriate.

SEC. 5. That in commemoration of the one hundred and fiftieth anniversary of the Battle of Lexington and Concord there shall be coined at the mints of the United States 50-cent pieces to the number of 300,000, such 50-cent pieces to be of the standard troy weight, composition, diameter, device, and design as shall be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, which said 50-cent pieces shall be legal tender in any payment to the amount of their face value.

SEC. 6. That all laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of the coins, for the prevention of debasement or counterfeiting, for security of the coin, or for any other purposes, whether said laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized: *Provided*, That the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

Mr. WINGO. Mr. Speaker, I demand a second.

Mr. LUCE. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. LUCE. The importance of the minutes to-day is so great that I am going to explain the purpose of this resolution in the fewest words possible. It contemplates the same sort of thing contemplated by the resolution just passed, that the National Government shall take some part in the celebration of a notable episode in the history of the country. In this case, however, the celebration—being of the Battles of Lexington and Concord—will take place next April, hence the greater need of immediate decision.

It is proposed that the National Government shall have representation at this celebration, perhaps of the same sort as that at the celebration 50 years ago when President Grant, members of his Cabinet, and other distinguished citizens were in Lexington and Concord. Also, the Marine Band was present, and at the same time some contribution was made in the way of bunting and other adjuncts of the celebration.

This resolution has been drawn in precisely the same language—I think with no important change, at any rate—as that used in the matter of the appropriation for the celebration of the landing of the Pilgrims at Plymouth.

The appropriation authorized is modest, $5,000 for the traveling expenses of the commission and its incidentals and $10,000 which is likely to be used for taking the Marine Band there and for such other share in the celebration as the commissioners may see fit to arrange.

With this explanation, I trust we may get a speedy vote on the matter and so reach other questions of greater magnitude in point of money, but which will not be of greater magnitude in point of historic importance

Mr. WINGO. Mr. Speaker, I, of course, have that pride that all Americans have in the valor and the achievements that are sought to be commemorated by this resolution.

I should not have said anything upon this occasion except for two reasons. The first is I noticed in the report a phrase which I read:

Whether or not we may go so far as to say that Lexington Common or the bridge at Concord, where the embattled farmers stood, saw the birth of American liberty, there can be no question that the sacrifices of the day cemented the American Colonies in the unity of action that led to independence.

The phrase that caught my attention was "where the embattled farmers stood." [Laughter and applause.]

I say that the phrase that attracted my attention is "where the embattled farmer stood." I ask my Republican friends to-day the question you are asking about them in November, Where do the "embattled farmers" stand? Yesterday the gentleman from Iowa [Mr. GREEN], the chairman of the Ways and Means Committee in this House and a leader of the Republican Party—he does not always agree with the President, or, rather, the President does not always agree with him—had something to say about the condition of the farmer. He, like other western Republicans, is deeply concerned right now about farmer votes. I want to notice briefly what he told this House and told his constituents. On page 11121 of the CONGRESSIONAL RECORD of June 6, 1924, you will find two simple statements by the gentleman from Iowa [Mr. GREEN], the great chairman of the Republican Ways and Means Committee.

In the year 1921 the farmer got $9,221,000,000 for his products. As a result of the farmers' emergency tariff, which the Republicans put through and which raised the value of his product and as a result of the Republican tariff law which gave him a market in the eastern part of the country, which he had lost under the Democratic régime, in the year 1922 he got $11,244,000,000 for his product, and in the year 1923 he got $12,204,000,000 for his product.

In other words, the gentleman from Iowa tells this House—and if he thinks he can get away with such sophistry in the House we may certainly expect him to attempt it before "the embattled farmers" of the West—that the farmers were benefited by the emergency tariff and by the general tariff law. He tells the farmers—just as Frank Mondell and Eugene Meyer told them—that the only thing wrong with them is their psychological viewpoint; that they are prosperous and do not know it; and that as a result of the tariff policy of the Republican Party the wheat farmers and all other farmers are rolling in wealth, and that their claim of adversity is pure "bunk."

If the tariff was such a boon to the farmer then why is he here knocking at the doors of Congress demanding some remedial legislation? Is it possible that the sponsors of the late-lamented McNary-Haugen bill were deceived and had never heard of the beneficient results of the tariff upon agriculture? Oh, Mr. Speaker, the statements quoted by me from the remarks of the gentleman from Iowa were uttered out of force of habit. The gentleman from Iowa knows, as every intelligent man knows and as the farmers of the West have learned to their sorrow, that from the moment the Republicans gained control of Congress by the election of 1918 and commenced to tinker with the tariff the price of farm products has gone down and that the condition of agriculture has gone from bad to worse.

What else does the gentleman from Iowa [Mr. GREEN], chairman of the Ways and Means Committee and the recognized leader of the Old Guard Republicans on that committee, say in the same speech? On page 11121 of the CONGRESSIONAL RECORD of June 6, when the gentleman was talking about the wonderful prosperity that had come to the farmer by reason of the tariff, he was asked why it was the farmer is broke. What was the gentleman's answer? He said, "He is broke by reason of the Democratic laws and Democratic deflation." Mr. Speaker, the gentleman from Iowa and other Republicans have told that story so often to the farmers of the West and the country bankers of the I ation that they really believe it is true. They repeat that story and charge the Democratic Party with the deflation policy which the farmers believe destroyed their

values, broke their banks, and left agriculture in a helpless condition. The truth is—and every Member of this House knows it—that the policy of deflation was adopted and forced by the Republicans themselves.

The gentleman from Iowa knows that when the Republicans gained control of both branches of Congress by the election of 1918 his party leaders immediately commenced charging the Democratic administration with having overextended credit and insisting on a deflation. President Wilson called the Republican Congress in extra session in 1919 for the major purpose of reducing taxes. The Republican leaders refused to reduce the burden of taxation, their chief spokesman and leader, Senator Penrose, bluntly stating, as quoted at the time and not denied, that there would be no tax reduction. In announcing this decision he said:

> Let the people sweat. They will see a Democrat in the White House and overlook the fact that the Republicans are in control of both branches of Congress.

Instead of trying to reduce the burden of taxation they started on an elaborate system of investigations of the Democratic administration, investigations which General Dawes, of hell and Maria fame, denounced, stating, in the faces of Republican leaders in a hearing before one of their smelling committees, that they were a bunch of pinhead politicians who were trying to find out how we won the war.

In addition to this policy the Republican leaders started a drive in both Houses of Congress for a systematic policy of deflation of the credits of the country and of the currency. We all remember how in January, 1920, the Republican leaders in opening the drive for their policy of deflation put forward on the floor of the House the gentleman who just preceded me, Mr. LUCE, of Massachusetts, a cautious, conservative New Englander, typical of all the conservative, standpat tendencies of the New England group that absolutely dominates the Republican Party, and which regards the farmers of the West as a pestiferous nuisance to be endured because of the dire necessity of having their votes in the Electoral College. The gentleman from Massachusetts and I had a colloquy on the floor upon that occasion, and the older Members will recall that he at that time made a set speech denouncing the Democratic Party for giving the country too much credit and too much currency, and insisting that a policy of deflation should be put into effect immediately.

As a part of their well-defined and well-organized plan to deflate the credit and the currency of the Nation the Republican organization had a resolution introduced in the Senate by the late lamented Senator MEDILL MCCORMICK, of Illinois, which resolution called on the Federal Reserve Board to tell the Republican Congress what they proposed to do toward deflating the farmer and reducing the volume of the currency and credit. The Republican Senate adopted this resolution over the protest of leading Democrats. The Republican leaders, backed by all the financial power of New England and the East, brought every possible pressure to bear on the Federal Reserve Board, and finally it adopted the policy of deflation.

In carrying out their plans, when the Republican Party met in convention four years ago they wrote into the platform of 1920 a denunciation of the Democratic Party on the ground that it had overexpanded our currency and our credit, and pledged the Republican Party, if placed in power, to carry out a policy of "courageous and intelligent deflation of overexpanded credit and currency." In other words, the gentleman from Iowa and the entire Republican Party started an organized drive for deflation in 1919, wrote the policy of deflation in the platform of 1920, and its power and influence was such that the statistics of the Federal reserve banks show that within 50 days after the Republican administration came into power in 1921 a drive was made upon the farm-paper credits in the Federal reserve system, and with ruthless persistency the policy of deflation was carried to its bitter end.

The only promise made to the people of this Nation which this administration has kept is that policy of deflation. They promised the wheat growers of the West to deflate them and the Republican administration kept that promise, and the result is that more banks have failed in the Wheat Belt under this administration than during the entire Democratic administrations that preceded it. [Applause.]

I also wish to direct the attention of the House to another significant and frank statement made by the gentleman from Iowa [Mr. GREEN] on yesterday, and which you will find on page 11121 of the RECORD of June 6, 1924. I quote:

> Mr. GREEN of Iowa. In talking to the farmers in my district at the time of the last campaign I told them the first thing they needed was a home market; that one consumer in the home market was worth a dozen abroad, and that they needed to put the business interests of the East and the factories of the East on a sound, substantial, working basis, and then a demand would be created for their products, and they all know it to-day in the results that have followed.

In other words, the gentleman frankly admits that in the last campaign in talking to the wheat growers of his State he frankly told them that it was the policy of the Republican Party to build up the factories of the East, and that whatever relief or prosperity the wheat growers could expect must come as a reflection of the prosperity of the manufacturers. In announcing that policy to his constituents the gentleman from Iowa was frank. He frankly admitted the cardinal theory upon which the Republican Party stands. They frankly say to the farmers and the toilers of this Nation, "We propose to build up the great manufacturing enterprises of New England and of the East by a monopolistic—not a protective—tariff, so that these manufacturers may rob and plunder at their sweet will the price-burdened consumers of this Nation, and that the only hope for the farmer and the toiler is from the charitable doles and the altruistic expenditures of the manufacturing interests."

The gentleman from Iowa, in his remarks just quoted, states that the farmers all know to-day the result of this policy. Well, I hope, Mr. Speaker, that they do know the result of it, and that they further realize that they have no hope for any policy that is beneficial to agriculture from the group of New England manufacturers that now dominates the Republican administration.

Mr. Speaker, the position of our Republican friends is amusing. They meet themselves coming back. In one breath the Republican spellbinders say, "Behold Republican prosperity," and in the next breath they come in and vie with each other in their zeal for some legislative panacea to relieve the admitted distress of the farmers of the land. Our Republican friends, in the face of the distress of agriculture, with bursting banks and farm homes being sold under the hammer each day, have the temerity to go to the country on the issue "Stand by Cal and Republican prosperity."

What are the gentlemen from the great agricultural districts going to say to these farmers this fall? Are you gentlemen going back to them and say "Yes; we did what we promised in our platform of 1920. We promised to deflate you and we have deflated you. We promised you that we would build up the great manufacturing industries of the East and we have done that. So why should you farmers be growling and complaining to-day? Do not you know the country is prosperous under this Republican administration? Behold the factories of the East!" Is that what you are going to say to these farmer voters of the West whom you have buncoed and deceived so often? If you are frank with them that is what you will say, but if they have the intelligence which I believe they have they will no longer permit their flimflamming Republican leaders to herd them like cattle and vote them for the Republican ticket.

In this same speech of the gentleman from Iowa on yesterday, he said that 4,000,000 men were out of employment in the industrial centers of the Nation in 1921 when the Republicans came into power, and that to-day they are fully employed. Therefore, I assume, Mr. Speaker, that the gentleman from Iowa will say to the farmer of the West in the campaign this fall "I know you are busted; I know your banks have failed; I know you can not get the cost of production for your wheat, but you must not complain, because the great factories of the East are humming and there is no unemployment there; in the East wealth is flowing in plenty and in the glow of the burning factory fires of the East you farmers must find the solution for your deplorable condition."

Oh, Mr. Speaker, the tragedy of the Republican farmer voters of this Nation is a grim one. They permitted the Republican Party to hog tie them with the specious promises of the emergency tariff, with the deliberate intent to forestall any protest against the inequities of the conditions which the Republican leaders knew would flow from the enactment of the Fordney-McCumber tariff bill. Under that bill the great consuming masses of this Nation, including the farmers, are staggering under a tax load of billions in order that the great manufacturing ndustries of the North and East, which dominate the Republican Party, may thrive.

God pity the American farmers, "the embattled farmers of the Nation," if they permit the hard-boiled New England manufacturing-controlled Republican administration to bunco them another time. [Applause on the Democratic side.]

The SPEAKER pro tempore (Mr. ROGERS of Massachusetts). The question is on suspending the rules and passing the bill.

The question was taken; and in the opinion of the Chair two-thirds having voted in the affirmative, the rules were suspended, and the bill was passed.

THE VETO OF THE BONUS BILL

Mr. MURPHY. Mr. Speaker, I ask unanimous consent to print in the RECORD a short editorial that appeared in the soldiers' paper, the Stars and Stripes, in the current issue.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. UNDERHILL. Mr. Speaker, reserving the right to object, we have established a policy here of refusing to print in the RECORD editorials from any paper, and I object.

The SPEAKER resumed the chair.

Mr. MURPHY. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. Would the gentleman be willing to wait until later in the afternoon? There will be time after these bills are gotten out of the way, when the House can much better spare the time. Would the gentleman just as soon do that as address the House now?

Mr. MURPHY. Mr. Speaker, I have always been agreeable. I have not taken a minute's time of this House this session. I want this right now, and I am only asking what I think is fair at this particular time.

The SPEAKER. The gentleman from Ohio asks unanimous consent to address the House for five minutes. Is there objection?

There was no objection.

Mr. MURPHY. Mr. Speaker, I now pass up to the Clerk's desk, to have read in my time, the following editorial.

The Clerk read as follows:

[The Stars and Stripes, Saturday, May 31, 1924]

THE LEGION SHOULD HELP

No sooner had the bonus bill been passed over President Coolidge's veto than opponents of the legislation all over the country opened war on the legislators who voted in favor of the measure.

In every section of the country a determined effort is being made to defeat the Congressmen and Senators who voted to override the veto. Practically all of the large newspapers are opposed to the legislation and will aid in the fight. Their cry is that these legislators deserted the President in time of need and voted to increase the tax burden of the people. From now until the election is over in November this cry will be kept up, and the men who stood by the bonus bill to the end will find considerable of a scrap on their hands.

In this fight will they have the support of the men for whom they passed the bonus? Will the American Legion, sponsor of the legislation, come to the front and aid its friends, or will it stand back, hiding behind the cloak of "policies not politics"?

This is a big question, and on its answer rests the influence the Legion is to wield in Congress in the future. If the Legion deserts its friends this time, it can hardly look for support in the future.

Many Congressmen and Senators voted for the bonus and to override the President's veto in the face of no little opposition. In almost every congressional district there is an organized minority opposed to this legislation, and that minority is working now to see that the Congressmen who went against its dictates do not return to Congress. Voting to override the veto of a President is no laughing matter to a Congressman or Senator belonging to the same party. On the contrary, such action requires considerable courage, and the legislator who takes that action is almost certain to find rough sledding when election time comes around.

It is likely that many of the Congressmen who voted against the veto will be beaten this fall if the ex-service men do not get out and work for their reelection. The American Legion particularly has a job on its hands to do all in its power to see that its friends are returned. Otherwise the Legion need not look for support in the future. Any Congressman who is opposed because of his vote on the bonus—and there will be many of them—should expect and should receive the assistance of the Legion in his district. It's all very well and good for the Legion to say that it's not in politics. Such phrases sound well when voiced by Fourth of July orators, but it's another thing to desert one's friends.

This the Legion should not do. Regardless of party affiliations, it should step out in the primaries and in the election and see that its friends are returned to Congress. To do less would display a marked lack of appreciation. It would be almost as bad as going over to the enemy.

[Applause.]

Mr. MURPHY. Mr. Speaker and gentlemen, I thank you.

DISCONTINUANCE OF REGAUGING OF DISTILLED SPIRITS

Mr. GREEN of Iowa. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 9138) to authorize the discontinuance of the seven-year regauge of distilled spirits in bonded warehouses, and for other purposes, which I send to the desk.

The Clerk read as follows:

*Be it enacted, etc.*, That upon withdrawal of distilled spirits from any internal-revenue bonded warehouse, in lieu of the allowance provided in subdivision (b) of section 600 of the revenue act of 1918, an allowance for loss by leakage or evaporation not exceeding 1 proof gallon as to casks or packages of a capacity of not less than 40 wine gallons and one-half proof gallon as to casks or packages of a capacity of less than 40 wine gallons and not less than 20 wine gallons, for each period of six months, or fraction thereof, after the expiration of seven years from the date of original entry or gauge, may be made in addition to, and under the conditions imposed by, section 50 of the act entitled "An act to reduce taxation, to provide revenue for the Government, and for other purposes," approved August 27, 1894, as amended.

SEC. 2. The allowance for loss by leakage or evaporation under this act and under section 50 of said act of August 27, 1894, shall be made without regard to any regauge made prior to the enactment of this act, and a regauge within seven years from the date of the original gauge shall not be necessary.

SEC. 3. This act shall not apply to distilled spirits withdrawn prior to the date of its enactment.

Mr. GARRETT of Tennessee. Mr. Speaker, in order that there may be an explanation, I demand a second.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

There was no objection.

Mr. GREEN of Iowa. Mr. Speaker, just by way of explanation, this bill is unanimously reported by the Committee on Ways and Means. The law at present requires all distilled spirits in bonded warehouses to be regauged every seven years, but since the passage of the prohibitory law this has become entirely unnecessary. Consequently the Treasury Department and the Prohibition Department are asking that this provision be done away with. It makes an unnecessary expense upon the Treasury, and works a hardship and injustice at times to innocent parties. The bill contains one other provision that the Ways and Means Committee inserted. We thought the present allowance for evaporation was too much, and consequently reduced it somewhat. This is all the change that is made in the present law.

Mr. SCHAFER. Mr. Speaker, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. SCHAFER. Does the gentleman know how the Anti-Saloon League stands on this legislation, or how our distinguished colleague, Mr. CRAMTON, the recognized dry leader, feels about it?

Mr. GREEN of Iowa. There is no objection that I know of from any quarter.

Mr. CONNALLY of Texas. Mr. Speaker, the gentleman says the committee is decreasing the allowance for evaporation.

Mr. GREEN of Iowa. Yes; there is a slight decrease.

Mr. CONNALLY of Texas. If it is not to be regauged once in a while, had we not better increase the allowance?

Mr. CLARKE of New York. May I ask the gentleman who it was that qualified as experts?

Mr. GREEN of Iowa. It depends upon what the gentleman means by "experts." Perhaps no one, in the sense that he intends.

Mr. OLDFIELD. Mr. Speaker, if the gentleman from Iowa will yield, I will say in reply to my colleague from Texas [Mr. CONNALLY] that the representative of the liquor interests and the representative of the Prohibition Department were both present at the time, and both agreed that this bill should be passed; that it is in the interest of fairness and justice to the department, and also to the people who own the liquor.

Mr. DYER. What liquor interests are there now?

Mr. OLDFIELD. The distillers, the owners of the liquor.

Mr. SCHAFER. Is it not somewhat of an unusual occurrence that they should agree?

Mr. GREEN of Iowa. Certainly, but having agreed we ought to pass the bill, which is what the Treasury wants done.

Mr. OLDFIELD. It is rather unusual, but in this case they did agree.

Mr. BOYLAN. Mr. Speaker, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. BOYLAN. I have read of many instances in the public press where, upon examination and regauging of whisky and other alcoholic liquors in public warehouses, splended Scotch

and mellow rye were found to have turned into water. In those cases what is done under the provisions of this bill?

Mr. GREEN of Iowa. They will have to pay the tax just the same, as the regauging is always made when it is withdrawn.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. BLANTON. I am wondering if there is any connection between this provision for evaporation and leakage and the coming conventions during the next two or three weeks?

Mr. GREEN of Iowa. None at all, I will say to my friend.

Mr. CHINDBLOM. As a matter of fact, when this liquor is gauged there sometimes occurs leakage, and if you prevent the gauging of liquor that is still in bond there is likely to be less loss.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. DAVIS of Tennessee. I understood the gentleman from Iowa to say that they would be limited to paying the tax when it was regauged, and that would be when the whisky was withdrawn?

Mr. GREEN of Iowa. Yes; I said the liquor would be regauged when it was withdrawn.

Mr. DAVIS of Tennessee. Suppose it has been converted into water, there is not much likelihood of the owner paying taxes to withdraw it, is there?

Mr. GREEN of Iowa. The owner would be liable for the tax, of course, and if it was withdrawn I suppose they could not enforce it against the liquor. There is a standard allowance for leakage and evaporation, and the owner has to pay the taxes on the balance, just the same.

Mr. DAVIS of Tennessee. I understand that is a matter of law, but how do you enforce it?

Mr. GREEN of Iowa. Enforce it against the owner if he is good for it.

Mr. GARRETT of Tennessee. I understand the gentleman from Illinois [Mr. WILLIAM E. HULL] desires to ask some questions, and I will yield to him or the gentleman from Iowa can yield to him.

Mr. WILLIAM E. HULL. I simply want to ask a question in reference to these allowances. I have been in that business for 28 years and I know the hardships of the distiller. If you have not made the proper allowance under the Carlisle law, the distiller may be taxed anywhere from 2 to 10 gallons of evaporation or leakage on which he should not be taxed. The committee does not state in the bill what these allowances are, but the gentleman says they are decreased——

Mr. GREEN of Iowa. There has been a slight change. I will say it will take considerable time to explain it, and if the people who own this liquor do not want this bill passed I do not care.

Mr. WILLIAM E. HULL. As far as I am concerned I only want to see that the distiller is properly protected. If he is, I am in favor of the bill, because I know the importance of it.

Mr. GREEN of Iowa. The owners of intoxicating liquor as well as those representing the prohibition unit are both in favor of the bill.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill.

The question was taken, and, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

### ROADS TO NATIONAL CEMETERIES AND MILITARY PARKS

Mr. HULL of Iowa. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 2745 and pass it. This bill has passed the Senate and has been reported unanimously by the Committee on Military Affairs, and the report was written by the gentleman from Alabama [Mr. HILL]. It is a bill to permit the War Department——

Mr. GARRETT of Tennessee. Let the bill be reported before the gentleman undertakes to discuss it.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

An act (S. 2745) to authorize the Secretary of War to convey to the States in which located Government owned or controlled approach roads to national cemeteries and national military parks, and for other purposes.

*Be it enacted, etc.*, That the Secretary of War be, and he hereby is, authorized in his discretion, subject to such conditions as may seem to him proper, to convey by proper quitclaim deed to any State, county, municipality, or proper agency thereof, in which the same is located, all the right, title, and interest of the United States in and to any Government owned or controlled approach road to any national cemetery or national military park: *Provided*, That prior to the delivery of any conveyance under this act the State, county, or municipality to which the conveyance herein authorized is to be made shall notify the Secretary of War in writing of its willingness to accept and maintain the roads included in such conveyance: *Provided further*, That upon the execution and delivery of any conveyance herein authorized, the jurisdiction of the United States of America, which has been heretofore ceded to the United States by a State over the roads conveyed, shall thereby cease and determine and shall thereafter vest and be in the particular State in which such roads are located.

Mr. BLANTON. Mr. Speaker, reserving the right to object, this is an important blanket bill. I do not think this bill ought to come up under the circumstances.

Mr. HULL of Iowa. Certainly there can be no objection to the bill, that I can see.

Mr. BLANTON. Lots of property could be conveyed all over the United States.

Mr. HULL of Iowa. No; just a very few roads that enter national military cemeteries and national parks.

Mr. BLANTON. But it is a blanket bill that covers all such——

Mr. HULL of Iowa. It permits the Government to cede these roads and thereby save the National Government the expense of maintaining them, provided the States will accept them.

Mr. BLANTON. This bill ought to have some debate, and I hope the gentleman will not insist on it because I am going to have to object.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9559) making appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, had further insisted upon its amendments to said bill numbered 27, 28, 30, 31, 32, 33, 34, 35, 36, 37, 39, 58, and 59 had asked a further conference with the House of Representatives on the disagreeing votes thereon and had appointed Mr. WARREN, Mr. CURTIS, Mr. JONES of Washington, Mr. OVERMAN, and Mr. HARRIS as the conferees on the part of the Senate.

### SENATE BILLS REFERRED

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 3018. An act to authorize the designation of deputy fiscal or disbursing agents in the Department of Agriculture stationed outside of Washington; to the Committee on Agriculture.

S. 3221. An act for the relief of employees of the Bureau of Printing and Engraving who were removed by Executive order of the President, dated March 31, 1922; to the Committee on Banking and Currency.

S. 3416. An act to authorize the appointment of Thomas James Camp as a major of Infantry, Regular Army; to the Committee on Military Affairs.

S. 2949. An act authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation; to the Committee on Military Affairs.

S. 2448. An act to amend the organic act of Porto Rico, approved March 2, 1917; to the Committee on Indian Affairs.

### TRANSFERRING CERTAIN LIGHTHOUSE RESERVATION LANDS TO THE STATE OF NEW YORK FOR PARK PURPOSES

Mr. PARKER. Mr. Speaker, I wish to call up the bill S. 2887 and move to suspend the rules and pass the bill.

The SPEAKER. The gentleman from New York moves to suspend the rules and pass the bill which the Clerk will report.

The Clerk read as follows:

An act (S. 2887) authorizing transfer of certain abandoned or unused lighthouse reservation lands by the United States to the State of New York for park purposes

*Be it enacted, etc.*, That the Secretary of Commerce be, and hereby is, authorized to transfer and convey to the State of New York all right and title now vested in the United States in land and buildings known as the Lloyds Harbor Lighthouse Reservation, located in Suffolk County, at Lloyds Harbor, Long Island, N. Y., consisting of about 2.5 acres, located and described as follows:

Beginning at a rock or bowlder near low-water mark on the east beach in Huntington Bay and running thence due west to a stake on the highest part of the neck, and thence on the same line (due west) to the water on the west side of the point in Lloyds Harbor,

containing 2½ acres, more or less, and the right of way to and from it.

And to transfer and convey to the State of New York all right and title now vested in the United States in certain lands forming a part of the Fire Island Lighthouse Reservation, Fire Island, Suffolk County, Long Island, N. Y., consisting of about 600 acres, located and described as follows:

Beginning at a line drawn from north to south through a United States Coast and Geodetic Survey monument, located 2,225 feet, 225° 16′, from the Fire Island Lighthouse tower, and extending to the western end of Fire Island, with the exception of such land as is occupied or needed by the United States Coast Guard: *Provided*, That any leases with private parties which the Lighthouse Service may have at the time of passing of this act will not be affected until the expiration of such leases: *Provided*, That the said lands transferred from the United States shall be forever reserved by the State of New York as public parks: *Provided further*, That if the said lands are not used as public parks, they shall revert to the United States.

SEC. 2. The land transferred from the United States shall be subject to the right of the United States to at any and all times, in any manner, assume control of, hold, use, and occupy, without license, consent, or lease from the State of New York or the city of New York, any or all of the said lands for any and all military, naval, or other governmental purposes, free from any conveyances, charges, encumbrances, or any license made, created, permitted, or sanctioned therein by the State of New York. The rights reserved to the United States shall apply to all additional lands that may be formed by accretions of the sea at Fire Island. The United States further reserves the right of access to the land and water adjacent to Lloyds Neck for the purpose of taking gravel for the use of the Lighthouse Service.

The SPEAKER. The question is on the suspension of the rules and the passage of the bill.

Mr. HUDDLESTON. Mr. Speaker, I think the gentleman ought to make an explanation.

Mr. PARKER. Mr. Speaker, the State of New York has a State park at Fire Island. Between the land which was originally acquired by the State of New York for a park at Fire Island and the Fire Island Lighthouse the action of the tide has washed in and made about 600 acres of sand beach. That is the property that is to be transferred to the State of New York to be used exclusively for park purposes. The land reverts to the Federal Government at any time when this land is not used for park purposes. The State of New York has already, and available now, $200,000 to expend on the development of this park, which is to be used almost exclusively for the disabled veterans that are in the various hospitals in New York, who are to be sent there for a certain number of weeks for recreation. If there is any question anyone desires to ask, I will be glad to answer; but if not, I ask that the bill be passed.

The SPEAKER. The question is on the motion of the gentleman from New York to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in the affirmative, the rules were suspended and the bill was passed.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had disagreed to the amendment of the House of Representatives to the joint resolution (S. J. Res. 107) declaring agriculture to be the basic industry of the country, and for other purposes, had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. SMITH, Mr. PITTMAN, and Mr. CUMMINS as the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment the bill (H. R. 8578) to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto," approved February 17, 1911, as amended.

The message also announced that the Senate had passed without amendment the bill (H. R. 9111) directing the remission of customs duties on certain property of the United States imported by the War Department.

### SECOND DEFICIENCY BILL, 1924

Mr. MADDEN. Mr. Speaker, I present a conference report on the bill H. R. 9559, the second deficiency bill, 1924, and ask for its immediate consideration.

The SPEAKER. The Clerk will read the conference report.

Mr. LEATHERWOOD. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Utah makes the point of order that there is no quorum present. The Chair will count.

Mr. LEATHERWOOD. Mr. Speaker, I will withdraw the point of order temporarily.

The SPEAKER. The gentleman from Utah withdraws the point of order. The Clerk will read.

The conference report was read, as follows:

### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 4, 5, 8, 9, 12, 13, 14, 20, 24, 41, 42, 49, and 57.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 11, 16, 17, 19, 22, 25, 26, 38, 40, 43, 44, 45, 46, 47, 48, 50, 51, 52, 53, 54, 55, and 56, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"SENATE

"For miscellaneous items, exclusive of labor, fiscal year 1924, $50,000.

"For payment for services rendered the Senate or committees thereof, as follows: John G. Holland, jr., $250; Ernest K. Hill, $250; Fred A. Eckstein, $860; Albert Reid, $125; Alexander K. Meek, $1,200; Louis Bose, $40; U. G. Gordon, $40; and James F. Sellers, $200; in all, $2,965."

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: On page 2 of the bill, line 22, strike out "five" and insert in lieu thereof "six"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In the matter inserted by said amendment strike out the following: ", to be paid wholly out of the revenues of the District of Columbia"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"For carrying out the provisions of the act entitled: 'An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment,' approved June 2, 1920, as amended by the act of June 5, 1924, for the fiscal year 1925, $834,000: *Provided*, That the apportionment to the States shall be computed on the basis of not to exceed $1,034,000, as authorized by the act approved June 2, 1920, as amended by the act approved June 5, 1920."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"For additional hospital and out-patient dispensary facilities for patients of the United States Veterans' Bureau, and facilities for a permanent national training school for the blind, at a cost not exceeding $350,000, who are beneficiaries of the United States Veterans' Bureau, by purchase and remodeling or extension of existing plants, and by construction on sites now owned by the Government or on sites to be acquired by purchase, condemnation, gift, or otherwise, such hospitals and out-patient dispensary facilities to include the necessary buildings and auxiliary structures, mechanical equipment, approach work, roads, and trackage facilities leading thereto; and also to provide accommodation for officers, nurses, and attending personnel; and also to provide proper and suitable recreational centers, $3,850,000, to remain available until June 30, 1925, and in addition to this amount obligations may be incurred for the

purposes set forth in this paragraph not to exceed in the aggregate $3,000,000. That not to exceed 3 per centum of the total of $6,850,000 shall be available for the employment in the District of Columbia and in the field of necessary technical and clerical assistants at the customary rates of compensation, exclusively to aid in the preparation of the plans and specifications for the projects authorized herein and for the supervision of the execution thereof, and for traveling expenses and field-office equipment and supplies in connection therewith."

And the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: Before the sum named in said amendment, insert: "fiscal year 1925," and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 39, 58, and 59.

MARTIN B. MADDEN,
D. R. ANTHONY, Jr.,
JOSEPH W. BYRNS,
*Managers on the part of the House.*

F. E. WARREN,
CHARLES CURTIS,
W. L. JONES,
LEE S. OVERMAN,
WM. J. HARRIS,
*Managers on the part of the Senate.*

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report, namely:

On Nos. 1 to 6, inclusive, relating to the Senate: Appropriates collectively for extra compensation for services rendered to various committees of the Senate or to employees of the Senate instead of individually, as proposed by the Senate, and appropriates $50,000 for miscellaneous items, as proposed by the Senate.

On No. 7: Appropriates $50,000 for expenses of the joint committee to investigate Northern Pacific land grants, as proposed by the Senate.

On No. 8: Transfers the appropriation of $200, proposed by the Senate, for additional compensation to messenger at card door of the Senate to a paragraph similarly providing for other employees of the Senate.

On No. 9: Strikes out the appropriation of $250, proposed by the Senate, for additional salary of J. Mark Trice, an employee of the Senate.

On No. 10: Appropriates $2,000 for payment to John Gorman for expenses incurred as contestant in contested-election case of Gorman against Buckley, as proposed by the Senate, such payment to be made by the Clerk of the House.

On No. 11: Appropriates $5,000, as proposed by the Senate, in connection with the completion of the frieze in the rotunda of the Capitol.

On Nos. 12, 13, and 14, relating to the American Battle Monuments Commission: Provides for one motor-propelled passenger-carrying vehicle that may be furnished by the Secretary of War, as proposed by the House, instead of for an unlimited number of such vehicles that may be furnished by the Secretary of War or other departments of the Government, as proposed by the Senate.

On No. 15: Appropriates and provides for the payment of compensation to school officers and employees, to persons engaged in Americanization work, and to employees of the Community Center Department, in conformity with the act providing for the salaries of school-teachers, etc., as proposed by the Senate, amended to provide for the division of such expenditures as between the United States and the District of Columbia in the manner provided by law.

On No. 16: Appropriates $18,409.05 on account of medical charities, District of Columbia, as proposed by the Senate.

On Nos. 17, 18, and 19, relating to the Federal Board for Vocational Education: Appropriates $834,000 for vocational rehabilitation of persons disabled in industry, in accordance with the law enacted at the present session of Congress instead of in the language proposed by the State; and appropriates $75,000, as proposed by the Senate, for making studies, etc., regarding the vocational rehabilitation of disabled persons; and appropriates $5,000 to extend the provisions of such laws to the Territory of Hawaii, as proposed by the Senate.

On Nos. 20 and 21, relating to the United States Veterans' Bureau: Appropriates $1,188,500 for administration expenses, World War adjusted compensation act, as proposed by the House, instead of $750,000, as proposed by the Senate; and appropriates $3,850,000 for additional hospital and out-patient dispensary facilities for patients of the United States Veterans' Bureau, and in addition authorizes contract obligations on account of such facilities for $3,000,000, instead of appropriating $6,850,000 for such facilities, as proposed by the Senate.

On No. 22: Appropriates $10,000 for enforcement of the naval stores act under the Department of Agriculture, as proposed by the Senate.

On No. 23: Appropriates $10,000 under the Department of Agriculture in connection with the "nail-head rust," as proposed by the Senate, amended to make such appropriation available for the fiscal year 1925.

On No. 24: Strikes out the provision proposed by the Senate with respect to certain financial transactions of James W. Boyer, jr., formerly connected with the Bureau of Foreign and Domestic Commerce.

On No. 25: Appropriates $50,000, as proposed by the Senate, to reimburse the State of Utah for moneys advanced to secure the survey of lands granted to said State.

On No. 26: Appropriates $7,500 for rebuilding barns at Carson City Indian School, Carson City, Nev., as proposed by the Senate.

On No. 38: Makes the appropriation for books for judicial officers, fiscal year 1924, available for a set of Federal Reporter and digest thereon, as proposed by the Senate.

On Nos. 40 and 41, relating to the Department of Labor: Increases the amount which may be spent of the appropriation "Expenses of regulating immigration, 1925," for personal services in the District of Columbia from $75,000, as proposed by the House, to $100,000, as proposed by the Senate; and strikes out the proposal of the Senate to amend section 24 of the act to regulate the immigration of aliens, etc., enacted February 5, 1917.

On Nos. 42 and 43, relating to the Navy Department: Strikes out the appropriation of $11,379.10 proposed by the Senate for the settlement of damage claims; and appropriates $5,000, as proposed by the Senate, in connection with certain fishery rights in and about Pearl Harbor, Hawaii.

On Nos. 44 and 45, relating to the State Department: Corrects the number of the conference of the Interparliamentary Union to be held in Washington in 1925, as proposed by the Senate.

On Nos. 46, 47, and 48, relating to the Treasury Department: Appropriates $281.95 and $2,300 for the fiscal years 1924 and 1925, respectively, to pay the increase in salary of the Government actuary in accordance with the revenue act of 1924, as proposed by the Senate; appropriates $16,140,000 for refunding income taxes under title 12 of the revenue act of 1924, as proposed by the Senate; and appropriates $756.62 for suppressing counterfeiting and other crimes, fiscal year 1923, as proposed by the Senate.

On Nos. 49 and 50, relating to the War Department: Strikes out the provision proposed by the Senate in connection with certain financial transactions of a former military attaché at Santiago, Chile; and appropriates $38,000, as proposed by the Senate, for flood-control surveys.

On Nos. 51 to 54, inclusive, relating to judgments, United States courts: Appropriates $17,937.67, as proposed by the Senate, instead of $6,224.12, as proposed by the House.

On No. 55: Appropriates $1,497,303.69, as proposed by the Senate, for the payment of judgments rendered by the Court of Claims.

On No. 56: Appropriates $267,040.25 for audited claims, as proposed by the Senate.

On No. 57: Strikes out the legislation proposed by the Senate with respect to allowances for official travel.

The committee of conference has been unable to agree upon the following amendments of the Senate:

On Nos. 27 to 36, inclusive, relating to the Reclamation Service.

On No. 37, relating to advances to the United States marshals.

On No. 39, relating to Government-owned bridge at Fort Leavenworth, Kans.

On No. 58, relating to the Reclamation Service.

On No. 59, numbering the final section in the bill.

MARTIN B. MADDEN,
D. R. ANTHONY, Jr.,
JOSEPH W. BYRNS,
*Managers on the part of the House.*

Mr. MADDEN. Mr. Speaker, the amount of the second deficiency, 1924, as passed by the Senate, was $194,778,505.59. The amount of the bill as passed by the House was $160,884,048.38. There was added by the Senate $33,894,457.21. The amount of the Senate recessions is $2,573,129.10. The amount of House recessions is $24,084,240.11. The amount in disagreement is $7,237,088.

The important House recessions are as follows:

| | |
|---|---|
| Miscellaneous items, Senate | $50,000 |
| Joint Committee to Investigate Northern Pacific Land Grants | 50,000 |
| Pay of school-teachers, officers, and others, due to new teachers' pay bill | 1,151,970 |
| Vocational rehabilitation of persons disabled in industry, new law | 909,000 |
| Veterans' Bureau, hospital construction under new law | 3,850,000 |

Mr. HASTINGS. Mr. Speaker, will the gentleman yield there?

Mr. MADDEN. Yes.

Mr. HASTINGS. On that item was there an authorization of $3,000,000 additional?

Mr. MADDEN. Yes. We give them a contract authorization, just what they wanted.

Mr. HASTINGS. The appropriation and authorization together amount to $6,850,000?

Mr. MADDEN. Yes.

Mr. HASTINGS. And the $3,850,000 is immediately available?

Mr. MADDEN. Yes; immediately available; and the right to contract for the other $3,000,000.

Then the other important House recessions are as follows:

| | |
|---|---|
| Naval stores act, enforcement | $10,000.00 |
| Nail head rust, eradication | 10,000.00 |
| Reimbursement to State of Utah for advances made for survey of lands | 50,000.00 |
| Refund of taxes under the revenue act of 1924, 25 per cent reduction title | 16,140,000.00 |
| Flood-control surveys, Susquehanna, Monongahela, and Allegheny Rivers, and Puyallup River, Wash | 38,000.00 |
| Judgments, United States courts, certified since the bill left the House | 11,713.55 |
| Judgments, Court of Claims, certified since the bill left the House | 1,497,303.69 |
| Audited claims, certified since the bill left the House | 267,040.25 |

The Senate items of recession are as follows:

| | |
|---|---|
| Veterans' Bureau hospitals (Provided as a contract authorization.) | $3,000,000.00 |
| Navy claims for loss or damage to private property | 11,379.10 |

The Senate items in disagreement are as follows:

Legislation creating a bureau of reclamation in the Interior Department, making the salary of the director $10,000 a year and providing for his appointment by the President with confirmation by the Senate instead of under the present method of appointment by the Secretary of the Interior.

Legislation of a comprehensive character and permanent in form affecting the reclamation policy of the Government.

Additional appropriations for the fiscal year 1925 for reclamation projects totaling $7,147,088, which would be in addition to the total of $10,856,000 carried in the Interior Department appropriation bill for the next fiscal year.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield in that connection?

Mr. MADDEN. Yes.

Mr. BANKHEAD. That is not out of the Treasury, of course?

Mr. MADDEN. That is out of the reclamation fund which is in the Treasury. That would be in addition to the $10,856,000 already carried.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. Just let me finish this statement, and then I shall be glad to yield.

The items involved in the $7,147,088 are as follows:

| | |
|---|---|
| North Platte project, Nebraska-Wyoming, Guernsey Reservoir | $800,000 |
| Spanish Springs division of Newlands project, Nevada | 800,000 |
| Salt Lake Basin project, Utah | 1,500,000 |
| Owyhee project, Oregon | 1,250,000 |
| Warm Springs (Vale) project, Oregon | 250,000 |
| Kittitas unit, Yakima project, Washington | 1,500,000 |
| Yuma project, Arizona | 997,088 |
| Carlsbad project, Arizona-New Mexico | 50,000 |

The only items for which estimates were submitted were $800,000 for the Guernsey Reservoir and $200,000 for the Spanish Springs project, for which $800,000 was added by the Senate.

The Senate also added an amendment changing the allowances for per diem in lieu of subsistence of employees traveling on official business from $4 to $5, and from that amendment the Senate has receded.

The Senate reduced the appropriation for administrative expenses of the Veterans' Bureau for carrying into effect the World War adjusted compensation act from $1,188,500 to $750,000, and on that item the Senate has receded and restored the House figures.

The Senate has added $90,000 for the development of oil shale under the Bureau of Mines. This amendment the House conferees have refused to yield on and the Senate has insisted. The amendment therefore is brought back to the House in dispute. The Bureau of Mines has an appropriation for the next fiscal year of $500,000 for investigations in connection with petroleum and natural gas, which is $100,000 more than the appropriations for the current year. They did not ask any money for oil-shale work in the regular annual bill. At that time the director said:

The present bill contemplates that we shall continue for the present the laboratory research at Boulder and Salt Lake City on a small scale and leave for the future the development of a semicommercial plant, either in connection with the Navy or independently. We are conducting the work on a small scale only, and in our judgment it will be wise to carry it out on a larger scale before it goes into commercial production. But we are not asking at this time that you should give us money for that.

A very serious problem confronts the House in connection with the legislation and appropriations in the Senate amendments affecting the Reclamation Service. The Senate, without estimates from the President, except in the case of two projects involving $1,000,000, has added $7,147,000 for reclamation purposes on eight different projects. These sums have been added to the bill in the closing hours of the session. If they should be granted, they would bring the total for reclamation purposes for the next year to $18,000,000. The Committee on Appropriations and the House allowed $146,500 for investigations in connection with these projects for which the Senate has appropriated to start construction. We believe that further investigation should take place and full ascertainment of cost estimates obtained before construction appropriations are made. The Director of Reclamation was closely examined upon this point, and I want to take the time to quote what he replied to inquiries propounded to him.

The CHAIRMAN.—

Speaking now to the Director of Reclamation, Doctor Mead—

I understood you to say that the Owyhee and Vale projects in Oregon, the projects in the Salt Lake Basin of Utah, the Kittitas division of the Yakima project in Washington, and the Casper-Alcova project in Wyoming would cost in the aggregate about $60,000,000.

Doctor MEAD. The total of these, leaving out the Casper-Alcova project and including the other four—that is, taking the North Platte, the Newlands, and the other four, or, rather, five, if you count the Utah projects as one project—will cost $60,000,000.

The CHAIRMAN. What have you to say as to the practicability of those projects, or either of them; or do you know?

Doctor MEAD. No, sir; I am not in a position to say. What I feel is that when you get an acre-cost for water as high as these are you must know all of the other things that enter into the value of the farm. You must know what those other things will be before giving any opinion as to their feasibility.

The CHAIRMAN. Are you in a position to say that if the money were provided now for these projects, or for either of them, outside of the two that you have asked money for, you would be able to proceed with the construction of the work with any degree of certainty as to what the outcome would be?

Doctor MEAD. No, sir; I do not know whether I would approve them or disapprove them.

The CHAIRMAN. You are not in a position, however, to say that there is no present possibility of entering successfully upon the construction of either of the projects I have indicated?

Doctor MEAD. No, sir; I am not able to say one way or the other as to that.

Mr. BUCHANAN. In other words, you do not know whether or not it would be advisable to construct them?

Doctor MEAD. No, sir. When I say to you gentlemen that you ought to go ahead with the construction, you have a right first to know every fact that enters into the question of the feasibility of the project, and I do know them now.

The CHAIRMAN. And I assume that that is the reason why you are asking for the $125,000; that is, you want to investigate?

Doctor MEAD. That is why we are asking for the $125,000.

The CHAIRMAN. One hundred and twenty-five thousand dollars is what you are asking for the investigation of these projects?

Doctor MEAD. Yes, sir.

Then, later on, I said:

The CHAIRMAN. And that is also the reason why you are not asking for money to begin construction work on these projects?

Doctor MEAD. That, I take it, is the reason why the President did not ask for it.

The CHAIRMAN. Of course, you did not ask for it, or the department did not. Let us find out whether, from your present knowledge of the facts in the case, you would be in a position to decide the question for yourself. Would you at this time deem it advisable to begin construction on either of these projects?

Doctor MEAD. No, sir; I would begin investigations, and what I did would be determined entirely by that.

The CHAIRMAN. Suppose these lands within the range of these projects were your own lands, and you had a lot of money that you wanted to invest in reclamation, would you invest your money in either or any or all of these projects without definite knowledge as to what could be done and as to what would be the ultimate outcome?

Doctor MEAD. I would want to have more information than I have at present.

The CHAIRMAN. You think that the wisdom of the situation would not justify an appropriation if construction work were urged at the present time in connection with any of them?

Doctor MEAD. It would not justify it unless it was tied up with that proviso.

The CHAIRMAN. If it were tied up, the appropriation would not do any good. Is that so?

Doctor MEAD. It would be an appropriation that would be left with the Interior Department to either approve or veto afterwards. That would be the condition of it.

The CHAIRMAN. You think that the approval of the project by Congress would lead to false hopes on the part of those who might expect results?

Doctor MEAD. It might.

There is the story. In face of that information the Committee on Appropriations of the House refused to appropriate for these projects, but in the face of that information and notwithstanding the action of the House the Senate did insert these items in this bill, and we are back here now, Mr. Speaker and gentlemen of the House, in disagreement on the action of the Senate.

Now, I wish to say that the legislation changing the reclamation law has no place upon an appropriation bill, no matter how meritorious the legislation may be, and I contend it is not right to attach a comprehensive reclamation law to an appropriation bill. Such a law, if it were enacted, might have great merit in it. I do not know. I have not had time to study it. It has been dumped into the hopper, and we have been called upon to look at it. We have had no chance to study it. As chairman of the Committee on Appropriations I have striven in good faith to keep the bills free from legislation as they came from the committee and have tried to prevent the amendment of the bills in order to protect the legislative jurisdiction of other committees. I have had no ulterior purpose. I may be for or against the legislation, whatever it may be, but whether I was for or against the legislation I would be opposed to having it attached as a rider to an appropriation bill, and, therefore, we bring this back in disagreement.

The legislation presented here is far-reaching in character, and I can not undertake now to say to the House whether it is wise or unwise, because it has not been presented in a manner that gives sufficient time for study. I do not know about all this proposed legislation, and I do not think I ought to be called upon to pass judgment on legislation as far-reaching as this is without having an opportunity to study it. Therefore, I am bringing it back to the House for whatever action it may desire to take, and whatever action the House sees fit to take I will abide by. I am not here saying what action it should take, and it is for the House to tell me what to do, because I am the servant of the House, and as one of the conferees speaking for the House I propose to carry out the mandate of the House.

Now, I want to say further that if this legislation came up in the House in the ordinary course it would take a day or two for its consideration. We are asked here in the closing minutes of the session to place it upon the statute books as a rider upon an appropriation bill. To that proposal I can not give my assent. Under the rules of the House, very wisely changed to provide ample opportunity to let the House judge whether it wants to legislate on appropriation bills, the House managers have brought this matter back. Those Members who are interested in the legislation have their rights under the rules when the amendment is called up. As chairman of the Committee on Appropriations and without reference to the merits of the legislation itself I am compelled to oppose its insertion in this bill in this manner. I have not had time to study the proposal as I should before I would recommend it to the House. I will not take that responsibility. If the House votes to place the amendment in the bill, it will do so on the recommendation of other gentlemen and upon statements they may make as to the effect of the legislation. The responsibility for such action will rest primarily with the House.

I protest against the practice of putting legislation on appropriation bills, and I want to be understood as having fought this from the day the Budget act was passed and the rules of the House so changed as to prohibit legislation going on appropriation bills. [Applause.] I want to help the House keep the legislative jurisdiction in the committees which are charged with legislative responsibility. I do not want them to impose that responsibility on the Committee on Appropriations, because we do not want to assume it; we have enough to do without it.

If I were fully acquainted with the merits or need for the legislation and thought it desirable, I would still protest against the manner of its presentation in the House, and I shall move to insist on the disagreement of the House to these amendments.

Mr. Speaker, I move the adoption of the conference report. These matters are outside the conference report.

Mr. SINNOTT. The gentleman's present motion does not include them?

Mr. MADDEN. No.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. MADDEN. Yes.

Mr. BLANTON. I notice the gentleman has receded from the amendment which provides $50,000 for the Northern Pacific land grants investigation.

Mr. MADDEN. We were directed to do it by law.

Mr. BLANTON. Has such a bill passed this House?

Mr. MADDEN. Yes.

Mr. BLANTON. There have been so many passed in the last 48 hours that I did not know whether it had been passed or not.

Mr. MADDEN. This is done in conformity with the law. We did not do it until we had a law authorizing it.

The SPEAKER. The question is on agreeing to the conference report.

Mr. SINNOTT. Mr. Speaker, a parliamentary inquiry. I understand this motion does not include Senate amendments 27 to 34 or amendment No. 58.

Mr. MADDEN. No; it does not.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to take up all of these reclamation project amendments—amendments Nos. 27, 28, 29, 30, 31, 32, 33, 34, and 36—and consider them en bloc.

Mr. SMITH. That does not include amendment No. 58?

Mr. MADDEN. No.

Mr. BLANTON. Mr. Speaker, I reserve the right to object to ask a question. We know the attitude of the gentleman from Illinois, and if he were able to carry out his wishes there could be no objection; but we have our friends from Idaho and Oregon and other places interested in this $100,000,000 proposition——

Mr. MADDEN. This is to expedite consideration.

Mr. BLANTON. What I want to know is whether the gentlemen is going to see that the time is equally divided on this proposition or is he going to give all the time to the gentlemen who want to put over this proposition?

Mr. MADDEN. I will have control of the time, and I will see that nobody loses any rights.

Mr. BLANTON. I want a little time to discuss this matter they are trying to put over here.

The SPEAKER pro tempore (Mr. SANDERS of Indiana). Without objection, the amendments will be considered en bloc and the Clerk will report the first amendment in disagreement.

There was no objection.

Mr. SINNOTT. Mr. Speaker, a parliamentary inquiry. When is the proper time to offer a preferential motion?

The SPEAKER pro tempore. As soon as the amendments are reported.

The Clerk read as follows:

Amendment No. 27, page 32, after line 8, insert:

"For all expenditures authorized by the act of June 17, 1902 (32 Stats., p. 388), and acts amendatory thereof or supplementary thereto, known as the reclamation law and all other acts under which expenditures from said fund are authorized, including salaries in the District of Columbia and elsewhere; examination of estimates for appropria-

tions in the field; refunds for overcollections hereafter received on account of water-right charges, rentals, and deposits for other purposes; printing and binding, not exceeding $15,000; purchase, maintenance, and operation of horse-drawn or motor-propelled passenger-carrying vehicles; payment of damages caused to the owners of lands or private property of any kind by reason of the operations of the United States, its officers or employees, in the survey, construction, operation, or maintenance of irrigation works, and which may be compromised by agreement between the claimant and the Secretary of the Interior; and payment for official telephone service in the field hereafter incurred in case of official telephones installed in private houses when authorized under regulations established by the Secretary of the Interior.

"North Platte irrigation project, Nebraska and Wyoming: For continued investigations, commencement of construction of the Guernsey Reservoir, and incidental operations, $800,000.

"Spanish Springs irrigation project, Nevada: For continued investigations, commencement of construction, and incidental operations, $800,000.

"Salt Lake Basin irrigation project, Utah: For continued investigations, continuation of construction, and incidental operations, $1,500,000.

"Owyhee irrigation project, Oregon: For continued investigations, commencement of construction, and incidental operations, $1,250,000.

"Warm Springs (Vale) irrigation project, Oregon: For continued investigations and for first payment toward purchase of an interest in the Warm Springs Reservoir, $250,000.

"Yakima irrigation project, Washington: For continued investigations, commencement of construction of the Kittitas unit, and incidental operations, $1,500,000.

"There is hereby established in the Department of the Interior a Bureau of Reclamation, and there shall be a director of the said bureau, who shall be thoroughly equipped for the duties of said office by technical education and experience, and who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive a salary of $10,000 per annum, and there shall also be in the said bureau such experts and other employees, to be appointed subject to civil service laws and regulations, as may be required to carry out the purposes of the reclamation act of June 17, 1902 (32 Stats., p. 388), and acts amendatory thereof or supplementary thereto, in accordance with the appropriations made from time to time by Congress for such purposes."

Mr. MADDEN. Mr. Speaker, amendment No. 36 perhaps should not be included in this list, and I ask unanimous consent that it be left out as it deals with a different proposition.

The SPEAKER pro tempore. The gentleman did not name amendment No. 35 in his motion.

Mr. MADDEN. No, sir; and No. 36, I think, should also be left out.

The SPEAKER pro tempore. Without objection, amendment No. 36 will be left out of the amendment to be considered en bloc.

Mr. MADDEN. Mr. Speaker, I move to further insist upon the disagreement of the House to the Senate amendment.

Mr. SINNOTT. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman from Oregon rise?

Mr. SINNOTT. To offer a preferential motion. I move that the House recede, and concur in the Senate amendments.

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Idaho.

Mr. SMITH. Mr. Speaker and gentlemen of the House——

Mr. BLANTON. Mr. Speaker, this matter we are going to discuss involves $60,000,000, and I think that is a big enough proposition to have the membership here, and I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Texas makes a point of order that there is no quorum present. The Chair will count.

Mr. BLANTON. Mr. Speaker, I withdraw it for the present.

Mr. SIMMONS. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Ninety-eight Members are present, not a quorum.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

| | | | |
|---|---|---|---|
| Anderson | Burton | Doughton | Fisher |
| Andrew | Butler | Doyle | Garner |
| Bacharach | Byrnes, S. C. | Drane | Geran |
| Barkley | Celler | Drewry | Gifford |
| Beck | Clark, Fla. | Driver | Graham, R. |
| Boies | Cooper, Ohio | Fairchild | Griffin |
| Britten | Curry | Fairfield | Hammer |
| Browne, N. J. | Davis, Minn. | Faust | Hersey |
| Bulwinkle | Dickstein | Fenn | Howard, Okla. |
| Burdick | Dominick | Fish | Hudspeth |
| Jost | Lyon | Reed, W. Va. | Thatcher |
| Kahn | McFadden | Rogers, N. H. | Tucker |
| Kelly | McKeown | Romjue | Vare |
| Kent | McLeod | Rosenbloom | Ward, N. Y. |
| Kerr | McSwain | Rouse | Ward, N. C. |
| Kiess | Michaelson | Scott | Weaver |
| Knutson | Miller, Ill. | Sherwood | Welsh |
| Kunz | Moore, Ill. | Spearing | White, Me. |
| Langley | Morin | Steagall | Wilson, Miss. |
| Larson, Minn. | Mudd | Stengle | Wright |
| Lilly | Paige | Sullivan | Young |
| Little | Phillips | Sweet | Zihlman |
| Logan | Quayle | Taylor, Tenn. | |

The SPEAKER pro tempore. Three hundred and forty-two Members have answered to their names. A quorum is present.

Mr. MADDEN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. SMITH. Mr. Speaker, I yield the time allotted to me to the gentleman from Oregon [Mr. SINNOTT].

Mr. SINNOTT. A parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SINNOTT. How much time have I in my control under the rule, having made a preferential motion?

Mr. MADDEN. The gentleman can not take me off the floor on a conference report.

The SPEAKER pro tempore. The conference report has been agreed to. The Chair thinks it is a proper inquiry raised by the gentleman from Oregon. The gentleman from Illinois offered a motion to further insist on the disagreement to the Senate amendments. Upon that he would be entitled to time, as he is in charge of the bill. The gentleman from Oregon offers a preferential motion, but the Chair is under the impression that the gentleman from Illinois is not thereby deprived of the control of the time. That seems to be the precedents, although the logic of the situation would seem to be the other way.

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. BEGG].

Mr. BEGG. Mr. Speaker and Members of the House, in five minutes a man can not go into the details to prove his statements at very great length. I am going to ask you to examine this matter carefully. To me you might as well sign a blank check and send it over to these men, unless I am entirely mistaken in the language, and the proponents of the bill who come after me will have an opportunity to tell you whether I am right or not.

Turn to page 82, subsection (f), and read the lines 7, 8, and 9:

The installment of the construction charge per irrigable acre payable each year shall be 5 per cent of the average gross annual acre income for the 10 calendar years first preceding—

And so forth. Now, that is for the 10 preceding years. If this land was nonproductive for 10 preceding years before the irrigation project was put over, the charge against the acreage is nothing.

Now read lines 17, 18, 19, 20, 21, and 22, and under those lines the Secretary is authorized to rewrite every contract of irrigation that is now in effect on the basis of the above lines on the 5 cents per acre of the productivity for the 10 years prior to the irrigation project. Why, there is not a man in the House who can even form an estimate to-day as to what the cost to the Government will be if such a project becomes a law. If I am not in error, I would rather defeat the deficiency bill than sign this measure under the hold-up method of tying it up to an appropriation bill.

Mr. SMITH. Will the gentleman yield?

Mr. BEGG. I can not yield unless the gentleman can give me more time.

Mr. SMITH. The gentleman is in error.

Mr. BEGG. The gentleman can speak in his own time. If I am in error, he can show it then. On page 83, in the first paragraph, it turns back to the irrigating landowner to-day every property scheme that we have in existence by the creation of irrigation associations. Now, we have some irrigation and reclamation projects that are making money, and every one in this bill under the creation of the association of irrigation landowners will have the project turned back to them.

Worse than that, turn to the subsection at the bottom of the page. If there are any profits in the proposition to-day, those profits go to these landowners, and on page 84 it can be distributed the same as dividends of a corporation. Read lines 3 to 6 on page 84:

No distribution to individual water users shall be made out of any such profits before all obligations to the Government shall have been fully paid.

Why, men, in these reclamation schemes and irrigation projects when made at the charge of the Federal Government a man buys the land and pays the water rates. He does not have

any benefit. It is not for the benefit of the owners. The scheme is a governmental scheme, and we are charged to pay the losses, and if we are charged to pay the losses we ought to be entitled to the profits. It ought not to be turned over under any kind of a hasty proceeding like this.

Now, turn to page 85, where it says that the cost and expense of each such survey shall be charged to the appropriation for the project on account of which the same is made, but not to the cost of construction.

We are going to turn back to this association of irrigation projects all profitable ventures and continue to hold and rewrite contracts on the losing ventures and pay the losses.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. BEGG. Mr. Speaker, I ask the gentleman to yield me one minute more.

Mr. MADDEN. Mr. Speaker, I yield one minute more to the gentleman from Ohio.

Mr. BEGG. Read on page 86, subsection O, and see what you have. There it is provided that the cost and expense after June 30, 1925, of the main office at Washington, D. C., of the Bureau of Reclamation in the Department of the Interior, and the cost and expense of general investigation, and so forth, shall be charged to the Government, and there is no avenue under this law for the United States to reclaim a single nickel of its losses; and in the face of it all there are more farm products being produced to-day in the United States than we can consume, else we are in error in all of the demands that have been made for farm-relief legislation, one of them to appropriate $200,000,000 to care for the surplus. Let us not be fooled; let us be a little bit consistent on business matters and vote as business men should vote, after we have had a chance to consider and go into the merits of the situation. [Applause.]

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Utah [Mr. LEATHERWOOD].

Mr. LEATHERWOOD. Mr. Speaker, I shall not at this time attempt to discuss the salient features of the proposed new legislation, but if gentlemen will follow the bill they will find that the gentleman from Ohio [Mr. BEGG] has not sensed the purpose of the proposed legislation. This legislation does not come here without thought or consideration. It comes here after thought upon the part of some of the best minds in this country upon the subject of reclamation and after a long period of consideration. I shall not attempt to discuss the legislation at this time, and in the few moments that I have I will discuss amendment No. 30, which refers to the Salt Lake Basin project.

Utah since the beginning of reclamation has had one little project, and she will pay back to the Government every dollar of that money according to contract. She has put into the reclamation fund much more than she has ever taken out of it. These moneys that we are asking now to have appropriated are trust funds derived from the sale of our public lands and oil leases. The Salt Lake Basin project lies between the city of Ogden and the city of Provo.

It is tapped by two great transcontinental railways. It has an interurban electric line running throughout the land to be reclaimed. It has paved roads putting it in touch with markets. In addition to that, there is a market for the surplus agricultural products in that very locality. There is being opened within the very heart of this proposed region a great steel mill. Within 25 miles of it is one of the largest open-mining copper mines in the world, producing 50,000 tons of ore per day, employing 7,000 men. Within 20 miles of this project there is to-day the greatest precious metal smelting industry in the United States. There we have the markets and this project is already organized into irrigation districts and prepared to tax the property to pay every dollar of the proposed appropriation for this project back to the Federal Government. You will have $5 of security for every dollar that it is proposed to put into this project and up to the present time my State shows not a dollar of loss to the Federal Government. It is nothing but just, it is nothing but fair, that after 20 years my State, with only one little project, and which has put hundreds of thousands of dollars into this trust fund from the sale of its lands and its oil leases, should get at least some equity in the matter. I come to you not with any apology for reclamation in my State. It is solvent. It will pay back to the Government and to the reclamation fund every dollar. My good friend from Ohio [Mr. BEGG] knows all about agriculture in the State of Ohio, I have no doubt, but he has demonstrated in the five minutes that he has talked that he knows as little about reclamation as any gentleman that I have ever heard discuss the question. This charge that he complains about is not against the funds of the Government, it is against the reclamation fund. It is our money, so to speak, and I remind some of you gentlemen who are so concerned about the disposition of the reclamation money of the fact that if you will go back a little bit in history you will find out how much your States have had from the sale of public lands in the past, not a dollar of which you have ever returned to the Treasury of the Federal Government.

The SPEAKER pro tempore. The time of the gentleman from Utah has expired.

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. Mr. Speaker, I am opposed to the motion to concur in this amendment. I do not come from a State where reclamation is in progress. I am aware, as the gentleman from Utah [Mr. LEATHERWOOD] says, that the funds which are expended come from the reclamation fund, but I believe that in opposing this proposition I am acting as the friend of the reclamation fund, and I most respectfully suggest to my friends who come from these reclamation States that the very worst thing they can do to their reclamation projects and the future of reclamation is to sustain efforts to make appropriations at the eleventh hour of the session of Congress, on the eve of adjournment, amendments carrying $7,000,000, involving possibly $60,000,000 of future expenditures without any investigation, without any report from the Budget or from the Executive. [Applause.] That is just what this means. You have a proposition here to appropriate $7,000,000, proposed at this late hour by the Senate, for the next year upon five or six new projects and which I am told will involve sixty million or more dollars before they are completed. Yet the gentleman from Illinois read you a while ago a statement from Doctor Mead, the present reclamation director, and who impresses me not only as a man of high ability but of very earnest interest in this kind of work, in which he said that he could not justify any one of these projects, because he had not had an opportunity to investigate them and would not therefore recommend them at this time. The bill which passed the House carries an appropriation of $125,000 to enable the director of the reclamation fund to make his investigation, and he says that with that money he will be able to come back to Congress this fall and tell Congress just which of these projects should be started. Why are we in such haste to do this? Who is going to be hurt by a six months' delay? In December the Congress will be back here, and if these projects are justified, Doctor Mead will be here with a report to Congress recommending them and asking for the necessary appropriation to support them. Is some one afraid that his project will not be approved and therefore wishes to commit the Government before an investigation is made? We have an example of what this means. There is an amendment pending on this appropriation bill that seeks to defer payments to be made by water users on projects which have proven to be unprofitable.

We are asked now to defer these payments for a period of three years. Why? Because the projects themselves are not profitable and ought not to have been undertaken; because they spent too much upon them; because it has cost the water users too much money, and they find themselves in a position where they can not make enough on the land to pay the cost of those projects; and yet here we are asked blindly, without investigation by the proper authorities, to start new projects, some of which may prove profitable and others, as far as we know, may prove unprofitable. Gentlemen, it is not good legislation in the last hour of the session without a report from the Budget, without a recommendation from the President, without a recommendation from the man who has direct charge of this matter, but who on the contrary has asked for time to investigate the feasibility and value of these projects before the Government is committed to such a tremendous expense. It is not right, simply on the request of some gentleman over in another body who is interested in these projects, who has some one project in his State in which he is interested, to ask us under our obligations to concur in the amendments offered. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MADDEN. I yield to the gentleman from Kansas [Mr. HOCH] to prefer a request.

Mr. HOCH. Mr. Speaker, I ask unanimous consent to call up Senate Joint Resolution 107, to insist on the House amendment and agree to the conference asked by the Senate, and that the Speaker pro tempore appoint conferees without intervening motion.

The SPEAKER pro tempore. The gentleman from Kansas asks unanimous consent to call from the Speaker's table Senate Joint Resolution 107, which the Clerk will report.

The Clerk read as follows:

Senate Joint Resolution 107, declaring agriculture to be the basic industry of the country, and for other purposes.

The SPEAKER pro tempore. And insist upon the House amendment and agree to the conference asked by the Senate, and the conferees be appointed without intervening motion. Is there objection?

Mr. HUDDLESTON. Will the gentleman withhold that for a moment so I can see what it is?

Mr. HOCH. Well, it simply sends it to conference.

Mr. HUDDLESTON. I want to see what amendments were adopted.

Mr. HOCH. The Senate has not adopted any. The Senate disagreed to the House amendments and adopted nothing.

Mr. HUDDLESTON. I would like to see if the gentleman will withhold it.

Mr. HOCH. I will withhold the request for the moment.

The SPEAKER pro tempore. The gentleman from Kansas withholds the request.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its chief clerk, announced that the Senate had passed with an amendment House Joint Resolution 283, to permit to remain within the United States certain aliens in excess of quotas fixed under authority of the immigration act of May 19, 1921, in which the concurrence of the House was requested.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the joint resolution (S. J. Res. 85) authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington.

The message also announced that the Senate had passed without amendment bill of the following title:

H. R. 1414. An act to authorize the payment of certain taxes to Stevens and Ferry Counties, in the State of Washington.

The message also announced that the Senate had passed with amendment the bill (H. R. 71) authorizing the Cowlitz Tribe of Indians residing in the State of Washington to submit claims to the Court of Claims.

SECOND DEFICIENCY BILL

Mr. MADDEN. Mr. Speaker, I yield two minutes to the gentleman from Utah [Mr. COLTON]. [Applause.]

Mr. COLTON. Mr. Speaker, whenever anything concerning the farmers is brought up on the floor of this House many so-called farmers' friends are here offering some kind of remedy, some kind of medicine other than what the farmer wants. The savant from Arkansas [Mr. WINGO] had a complete remedy for all the ills of the farmer yesterday, and yet when the only bill that would give real relief was up for consideration—a bill which farmers everywhere asked for—he did not even vote upon the measure at all.

During the debate yesterday, according to the RECORD, this great statesman, with the weight of empires resting upon his mighty brain, took occasion to question the intelligence of a people who would send a Representative here who did not know what the Democratic Party had done for the farmer. Gentlemen, while I realize this was said in joke, let me say that America has no better nor more enlightened, no better educated people than those I have the honor to represent. Let me say further no class of people are more intelligent, more informed than the farmers of this country. You will have hard work making them believe the Democrats have done much for them. Even the sage from Arkansas will not be able to show them.

The farm loan act and the reserve act were all right for the purpose intended, but they only enabled the farmer to get further in debt. What he wants is a chance to get a fair market for his products. The tariff furnished him a good home market and insured prosperity here at home. He now wants a market for his surplus products; give him this and he will work out his own salvation. The bill that would have done that was killed by just such friends of the farmers as are opposing this legislation. The farmers of this country are not going to be deceived. They know the genuine from the sham.

So here to-day objection is made that reclamation will cause overproduction by the farmer. Why, the Reclamation Service is the greatest blessing to the farmers in the world. Farmers on reclamation projects can diversify their crops. They are not compelled under reclamation projects to raise one particular crop. They may raise sugar beets, alfalfa, and other crops where there is no surplus, and it is the very best thing that can happen to the western farmer and for the country. Men who profess to be the friend of the farmer now come here and say, "You do not know what you want out in the West." Why, the country in one project has already invested $5,000,000, and that will lie idle, absolutely useless to the Government or anybody else, unless some amendment to this bill carries. I earnestly hope you will vote for this amendment. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. COLTON. I ask leave to revise and extend my remarks.

The SPEAKER pro tempore. The gentleman has that privilege.

Mr. MADDEN. Mr. Speaker, I yield two minutes to the gentleman from Washington [Mr. SUMMERS].

Mr. SUMMERS of Washington. Mr. Speaker and gentlemen, in the two minutes allotted me I want to call your attention to the fact that the reclamation projects of the West are making markets for eastern products of from twenty-five to forty million dollars annually.

As to the merits of the items now under consideration, let me give you the facts in regard to one. The Secretary of the Interior, having had this under investigation for several years, reported favorably and asked for an appropriation last December. A few weeks ago, after the fact finders had made their report, he again made a request for these appropriations. One of the projects happens to be in the State of Washington, and here are the facts: The Kittitas High Line unit of the Yakima project immediately surrounds a fertile tract of 50,000 acres that has been in a high state of production for 30 or 40 years.

Mr. CARTER. What project?

Mr. SUMMERS of Washington. The Kittitas unit of the Yakima. Two transcontinental railroads, two hard-surface roads traverse the tract. A State normal school in a beautiful county seat town is in the middle of the tract. The Government has erected a $5,000,000 dam, and no place to use the water except in very limited amount until this unit is completed. Now, are you going to delay it? It is going to take 6 or 8 or 10 years in any event, and every year you delay it means that much longer the country must carry the overhead. A $5,000,000 dam absolutely useless. Is it any wonder that the country gets out of patience with Congress for doing things that way? If you did not intend to appropriate for this, then you ought never to have appropriated for that dam. Let us do this in a businesslike way—make the appropriation and dig the ditch.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I am in favor of reclaiming all of the arid lands of the entire Northwest, but I am not in favor on the last day of a session to put a $60,000,000 legislative project as a rider on an appropriation bill, such as is attempted at this time. I will tell the gentleman from Idaho and the gentleman from Washington and the gentleman from Montana and the gentleman from Wyoming what they are fixing to do. They are fixing to get this important deficiency bill vetoed. They are fixing to get it killed. It is too late to pass it after we adjourn. They are fixing to kill this important deficiency bill by putting this $60,000,000 item on it. And it will not do to take any chances on killing the deficiency bill, as it embraces the appropriation for the bonus of our ex-service men.

Why, we passed the postal salary increase bill the other day to give the faithful, honest, hard-working postal employees a proper increase in salaries and to give a proper increase in salary to the hard-working, underpaid third and fourth class postmasters of the country. These underpaid postmasters and hard-working postal employees have waited years and years for this deserved increase. And we have promised them that we would pass their bill before this Congress adjourned. And we did pass it in the House. And the House has exhausted every means of putting it into law.

I was heartily in favor of that bill and helped to pass it. Now, since the bill has been vetoed by the President we find the Presiding Officer of another body this minute holding that that veto can not be called up and acted upon by that body until to-morrow morning, which is after the Congress adjourns, because, forsooth, it has not yet been entered on the Journal, and that it takes unanimous consent there for another body to even pass upon a President's veto. And this House here is sitting with its hands tied and its feet hobbled and can not do anything about it at all, and that postal salary bill is going

to die. Yet at the same time the very body that holds up that just compensation bill for the benefit of postal employees of this country has put as a rider on a deficiency bill this legislative item, which our distinguished chairman of the Committee on Appropriations, Mr. MADDEN, and Mr. Mead, the Director of the Reclamation Service, have said will ultimately cost the people $60,000,000.

Are you going to stand for it? I want to say this to our friends from the Northwest: If you force reclamation projects on appropriation bills like this, you are going to lose friends for reclamation here in the House, friends that we ought to have. I am with you for reclamation. There are semiarid lands even in the district which I have the honor to represent, and in States all around me. I have been for their development. We do not expect the Government to help us in Texas, because we have there no Government land, but we do expect to help around in the States next adjoining. You want to make friends instead of enemies on this reclamation proposition. The Congress will be back here in December. Do not urge this unreasonable $60,000,000 proposition on this appropriation bill. Wait until December, and after standing up like men before all our colleagues and presenting the matter to them and winning their support on the merits of the proposition, let us take up the matter in December, and not press it here now in the closing hour of this session.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CARTER. The gentleman from Texas knows, of course, that there is considerable criticism against irrigation, and it comes about by ill-advised projects having been passed by Congress.

Mr. BLANTON. Our friend from Idaho [Mr. SMITH] knows that he has had one project there in his State—delightful a State as he has, and delightful a colleague as he is of ours—he knows that he has a project there that stinks to heaven, and here is a rider proposition for projects involving $60,000,000 without any consideration having been given them by the House at all.

Mr. CARTER. Does not the gentleman know that every one of these questionable projects has been brought in here just in this manner?

Mr. BLANTON. Exactly. They can not pass in any other way. [Applause.]

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Montana [Mr. LEAVITT].

The SPEAKER. The gentleman from Montana is recognized for five minutes.

Mr. LEAVITT. Mr. Speaker and gentlemen of the House, one of the burdens of the western country having great irrigation projects is the lack of understanding—I might say the ignorance—of those who proceed on pure theory, and as a result make it difficult for us to continue our development.

In the few minutes I have at my disposal I will speak particularly of the new provisions for payment contained in this bill. That is the heart of this matter, and I want to say that it is not hasty legislation. For several weeks the Irrigation and Reclamation Committee of this House has been holding hearings and investigations and preparing a bill. The committee of this House did not write this rider into the appropriation bill now under consideration. It was put there by the Senate, but it should be passed.

Regardless of the business that any man goes into, he will succeed if he is able to make enough to pay his debts and has the privilege of paying them in such a way that he can meet them out of his business. That is all there is in this proposed new principle of payment on these reclamation projects. It is that, instead of a fixed period of years being set for payment, regardless of the cost of the project or the earnings—and it costs just as much to construct in a State where a single crop is all that can be expected as it does where two or three crops are grown—payment shall be required on a basis of what can actually be raised. It proposes to charge 5 per cent of the gross return, year after year, estimated over a period of 10 years, if there is 10 years of experience; and if not, over a lesser period of time.

That is the only way we will be able to get back the money that has been invested on some of these irrigation projects, simply on the basis of what they can earn instead of the fixed plan that has forced failures in some instances.

Mr. EVANS of Montana. Mr. Speaker, will my colleague yield there?

Mr. LEAVITT. Yes; I yield.

Mr. EVANS of Montana. If this legislation is not passed thousands of people will be dispossessed of their lands, will they not?

Mr. LEAVITT. Yes.

Mr. Speaker, I notice that on the ceiling of this Chamber of the House of Representatives the seal of my State of Montana is not represented with the rest, although we have been a State for 35 years. Nobody seems ever to have called attention to it before. I have taken steps so that this fall, when we meet again, it shall appear there among the seals of other States. [Applause.] It is in the same way, in urging this legislation for reclamation, that I am asking you, in the interest of development and our farming industry, to recognize my State among the States of the Union on an equal footing. Reclamation is required in a State like mine and in other similar States of the West, so that they will be enabled not only to produce things that can be sold in a market-gardening market but in order that we can produce sure forage crops, making possible the use of other lands for stock raising. We must be able out in that country to go on with this development, and, as has been said by my colleague, Mr. EVANS, unless this relief in the method of payment is afforded, which is not a quickly thought of thing which we are trying to ride through here, but the result of weeks of hearings and investigations by our committee—unless we can have that relief there will be many of my people dispossessed, who, under this fair method of payment, would be able to repay their obligations and put back into the Treasury the money that has been expended in the development of reclamation projects. [Applause.]

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. LEAVITT. Yes.

Mr. SNELL. Did we not recently extend the time on them all for three years?

Mr. LEAVITT. Yes; but that does not in any way satisfy the loan companies that are demanding that these payments be made, but who will be satisfied if we put them upon a business basis so that they can pay out in time.

The SPEAKER pro tempore. The time of the gentleman has expired.

### REVISION OF RAILROAD RATE STRUCTURE

Mr. HOCH. Mr. Speaker, I wish to announce that the gentleman from Alabama [Mr. HUDDLESTON] has withdrawn his objection to my unanimous-consent request and I desire to renew that request.

The SPEAKER pro tempore. The gentleman from Kansas asks unanimous consent to call up Senate Joint Resolution 107, insist on the House amendment and agree to the conference asked by the Senate, and that the Speaker pro tempore be authorized to appoint conferees without an intervening motion. Is there objection? [After a pause.] The Chair hears none.

The Chair appointed the following conferees: Messrs. WINSLOW, HOCH, and RAYBURN.

### SECOND DEFICIENCY BILL, 1924

Mr. MADDEN. Mr. Speaker, I yield four minutes to the gentleman from Michigan [Mr. CRAMTON].

Mr. CRAMTON. Mr. Speaker, the President sent us a message in April calling attention to the reclamation situation and the fact that there was nearly $28,000,000 on existing projects that he said would, perhaps, have to be charged off, representing expenditures in construction work on reservoirs, and so forth, on projects that had proven unproductive.

The gentleman from Utah would have us understand that it does not affect the General Treasury. The reclamation fund is in the Treasury for the service of the country just the same, and whenever that is exhausted they will want more money out of the general fund to put into the reclamation fund. In fact, the Smith-McNary bill, recently urged, contains a provision for a very large new appropriation from the general funds for similar work.

The character of the amendments put on in the Senate is to be judged in part by the Yuma amendment. As I understand, no amendment which was offered in the Senate was rejected; the lid was off. It was proposed for the Yuma project—which has been excluded from this group, but it illustrates the carelessness and the recklessness of this method of legislating—to take $100,000 not out of the reclamation fund but out of the general fund permanently, $100,000 each year out of the general fund for the benefit of a reclamation project.

Mr. Speaker, the evil of the plan before us, in overriding the Budget, has been stressed by the gentleman from Illinois [Mr. MADDEN]. The plan involves the approval of some six or eight projects, only two of which have been approved by the Budget, and one has, in effect, been ruled against. By this you will destroy the Budget system. If on the last day of the session the Senate can load down a deficiency bill with

everything they want and banding together, as they have in this case, refuse to have items considered on their merits, insisting it is all or none—rule or ruin—you destroy your Budget system absolutely.

Further, it abandons the control which Congress ought to exercise over the selection of the good projects and turns it over to the Interior Department, because these appropriations are in this form: They are subject to further investigation by the department, and if that investigation suits the Secretary of the Interior he builds the project; and if it does not suit him, he does not. We give him the right of selection, and everybody knows how terrific the political, geographical, and local pressure will be upon him. It is that kind of pressure that has caused $28,000,000 of admitted mistakes heretofore. Let us go no further in that.

Further, this amendment involves the building of undesirable projects, one of which, the Spanish Springs project, was declared by the service itself in the hearings before our committee last December as "not being regarded as feasible at this time," yet it is now presented to us, and we have no further time to consider it.

This program on the part of the Senate is condemned by the Senate itself when they put in the legislation, which will come up later—subsection (b)—which provides that no new project shall be approved, or even estimates submitted, until information in detail shall be secured as to the water supply, the engineering features, and everything else. Yet, they load this bill, in a sandbagging method, with items not so investigated. Having loaded themselves with all this loot, in their legislative program they put in the section which says that hereafter you must be good, "We will not approve anything hereafter until we know what we are doing." But in this bill they turn everything loose and wide open. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MADDEN. Mr. Speaker, I yield 10 minutes to the gentleman from Oregon [Mr. SINNOTT].

Mr. SINNOTT. Mr. Speaker, 10 minutes to represent the hopes, the aspirations, and the longings of people who have been waiting many years for appropriations for these projects, and also for the relief legislation expressed in amendment 58, seems to me like a travesty, like a burlesque on representative, deliberative government.

I have heard comments upon this bill which made me think of last Tuesday, when this House rebuffed the petition of the dry farmer from the West and the Middle West in behalf of the McNary-Haugen bill, and now we are asked to rebuff and deny the appeal of the wet farmer; at least that would seem to be the situation judging from the comments which have been made by several gentlemen, especially the comments made by the great irrigationist from Ohio [Mr. BEGG], who only demonstrates the fact that—

> A little learning is a dangerous thing;
> Drink deep or taste not the irrigation spring.

[Applause.]

He ridicules these six projects and says they have not been investigated, while the fact is, gentlemen of the House, that every one of these six projects has been thoroughly investigated for 10 or 20 years. The two projects in my State, the Owyhee and Warm Springs projects, have been investigated, and $100,000 has been expended in investigating those projects. Those projects have been approved conditionally by the Secretary of the Interior and by his engineer. They were sent down to the Budget Bureau and there held up. It is also true that every one of these six projects has been approved by the Secretary of the Interior, subject to further investigation, but they have all been held up by General Lord, of the Budget Bureau. They have been investigated for years.

The chairman of the committee read what Doctor Mead had to say, and here is the substance of Doctor Mead's advice to him: That he would not justify these appropriations unless they were tied up with certain provisos.

Mr. HOWARD of Nebraska. Will the gentleman yield?

Mr. SINNOTT. Excuse me; I can not yield now.

When Mr. Mead was before the chairman of the Committee on Appropriations he was talking about appropriations under the old reclamation law. If you adopt amendment 58 in this bill, the new reclamation relief bill, then every one of these appropriations will be safeguarded and not a cent can be expended upon any one of these projects until the Secretary of the Interior and his engineers find, in conformity with subsection (b), and make a finding in writing that it is feasible. Not until then can the money be expended.

The gentleman from Ohio [Mr. BEGG] speaks as though this money were coming out of the Treasury. It does not come out of the Treasury. It comes out of the reclamation fund, a special fund set apart for irrigation purposes in the West, a fund that is designed in some way to recompense the West for the enormous areas of land that you have withheld from taxation in the Western States.

In my own State you have set aside as a wood lot for the Nation from 13,000,000 to 17,000,000 acres of forest land. This little dole we get out of these appropriations will in some part recompense us for the withholding of that land from taxation.

Why do we want this to-day? "Hope deferred maketh the heart sick." My State has put $12,000,000 in the reclamation fund which comes from the sale of lands in my State, and we have only received from that fund between $5,000,000 and $6,000,000, and yet the people in my State look across State lines and we look over into another State that has put but $5,000,000 into the reclamation fund and we see that State enjoying $25,000,000, and we believe that we are entitled to this fund now.

The expenditure is well protected if you adopt amendment 58, the relief bill. The gentleman from Ohio [Mr. BEGG] ridicules that bill, and yet that bill has been the subject of the thought and the care and the counsel of the fact finding commission sitting upon it for six months, the Secretary of the Interior and Dr. Elwood Mead, the most noted irrigationist in the world, who was paid nearly $50,000 a year by the Government of Australia to go over there and superintend their irrigation propositions, and yet the irrigationist from Ohio [Mr. BEGG], with that air of finality in his voice that almost makes assurance doubly sure, tells us that this bill is poorly drafted; that we are going to reach into the Treasury of the United States and deplete that Treasury; and the gentleman from Texas [Mr. BLANTON], whose State was wise enough to keep its own public lands, ridicules the bill.

Would that the people of the Northwest Territory, when they came into this Union, when they wrung from England at the Champoeg meeting in Oregon in 1852 the States of Oregon, Washington, Idaho, and parts of Wyoming and Montana—would that they had had the sagacity of the pioneers of Texas and had retained their public lands. Then we would not be here asking you for the proceeds from this land to develop the land that those proceeds were intended by the God of Nature to be expended upon.

I wish I could take you out into my country and show you that the Almighty Himself meant the snows upon the mountains should be wedded to those broad areas of fertile volcanic dust. I wish you could see how amphitheaterlike the hills rise and radiate from the Colorado and the Columbia to the cardinal points. How hills pile on hills, how they rise in the purple haze of twilight like billows suddenly stilled on the crest; how the rim of the amphitheater and the horizon is pillared with a dozen lofty, eternally snow-capped peaks, once blazing beacons, now only reflecting above the dust of the valleys the soft glow of the setting sun as the day drops into the western waters of the Pacific. These snowcaps eternal are our reservoirs, the Almighty invites us to wed the snow on those mountains with our vast areas of fertile, volcanic dust, and this bill, if it is passed, will allow us to do that in a very small measure without taking a dollar from the Treasury of the United States, and I hope the Members of this House will not to-day rebuke the wet farmer of the West as you rebuked the dry farmer last Tuesday. [Applause.]

Mr. MADDEN. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oregon [Mr. SINNOTT] to recede and concur.

The question was taken; and on a division (demanded by Mr. SINNOTT) there were—ayes 70, noes 80.

Mr. WILLIAMSON. Mr. Speaker, I object to the vote and ask for the yeas and nays.

The SPEAKER pro tempore. The gentleman has made two inconsistent motions.

Mr. VAILE. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

Mr. BLANTON. Mr. Speaker, I make the point of order that where a point of order is made that there is no quorum present that stops everything.

The SPEAKER pro tempore. The gentleman from South Dakota made the same point, but the gentleman asked for the yeas and nays at the same time, and the two are inconsistent.

Mr. WILLIAMSON. Mr. Speaker, I object to the vote on the ground that there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and twenty-six Members are present, a quorum.

Mr. SINNOTT. Mr. Speaker, I demand the yeas and nays.

The SPEAKER pro tempore. The gentleman from Oregon demands the yeas and nays. All those in favor of taking this vote by the yeas and nays will rise and stand until counted. [After counting.] Forty-six Members have risen, in the opinion of the Chair not a sufficient number, and the yeas and nays are refused.

Mr. EVANS of Montana. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. EVANS of Montana. Is one entitled to call for the other side?

The SPEAKER pro tempore. There must be one-fifth of those present. If the gentleman makes that demand, the Chair will count.

Mr. LONGWORTH. Mr. Speaker, I could not hear what the count was.

The SPEAKER pro tempore. There were 46 Members who rose.

Mr. LONGWORTH. I submit, Mr. Speaker, there is no other side. The Chair has just ascertained the number present.

The SPEAKER pro tempore. The Chair is of the opinion that there are more than five times 46 Members present. The Chair will court again. [After counting.] Two hundred and thirty-eight Members present. Not a sufficient number have arisen, and the yeas and nays are refused. The question recurs on the motion of the gentleman from Illinois to further insist on the disagreement to the Senate amendment.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 148, noes 58.

So the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

For the development of oil shale, including construction of necessary plant, purchase, lease, or condemnation of necessary land for erection of plant; purchase or mining of shale, operation of plant, and for all necessary expenses incident thereto, including clerical and technical assistance in the District of Columbia and elsewhere, to remain available until June 30, 1925, $90,000.

Mr. MADDEN. Mr. Speaker, I move to further insist on the disagreement to the Senate amendment.

The SPEAKER pro tempore. The gentleman from Illinois moves to further insist on the disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that amendment 36, which is an irrigation project of some length—I ask unanimous consent that the reading of the amendment be dispensed with, and I move to further insist on the disagreement.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the reading be dispensed with. Is there objection?

The gentleman from Illinois moves to further insist on the disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Appropriations for salaries, fees, and expenses of marshals for the fiscal year 1924 and thereafter shall be available for advances to be made by United States marshals when authorized or approved by the Attorney General, the provisions of section 3648 of the Revised Statutes to the contrary notwithstanding.

Mr. MADDEN. Mr. Speaker, I move to recede and concur in the Senate amendment. This is an amendment to correct the statute on account of the decision of the Comptroller General.

The SPEAKER pro tempore. The gentleman from Illinois moves to recede and concur in the Senate amendment.

The motion was agreed to.

The Clerk read the next amendment in disagreement, as follows:

*Provided*, That said bridge shall be open to use by the public under such rules and regulations as prescribed by the Attorney General.

Mr. MADDEN. Mr. Speaker, I move to recede and concur.

The motion was agreed to.

Mr. MADDEN. Mr. Speaker, the next amendment is 58, and I ask unanimous consent that Senate amendments 58 and 59 be considered together, as 59 depends entirely on what is done with 58.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MADDEN. Mr. Speaker, there are four or five pages of this amendment. It is for a proposed irrigation or reclamation service in the West. I ask unanimous consent that the reading of the amendment be dispensed with.

The SPEAKER pro tempore. Is there objection?

Mr. RAKER. Reserving the right to object, will the gentleman allow me 10 minutes?

Mr. MADDEN. I can not do that, but I will give the gentleman five minutes. I want to get this bill back to conference.

Mr. RAKER. But the House ought to know what is in these amendments.

Mr. LONGWORTH. It is now 3 o'clock, and in four hours the two Houses will adjourn.

Mr. RAKER. I did not intend to object.

Mr. HOWARD of Nebraska. Reserving the right to object, and I will not object if the chairman will tell me what this is.

Mr. MADDEN. This is a proposal for a general law regulating reclamation projects.

Mr. HOWARD of Nebraska. The gentleman thinks it is not good?

Mr. MADDEN. It has never been presented for consideration in the House. It is a separate bill that they have attached to this appropriation bill.

Mr. HOWARD of Nebraska. And the gentleman wants to kill it?

Mr. MADDEN. I propose to move to further insist.

Mr. SUMNERS of Texas. Reserving the right to object, does the chairman mean to move to further insist on the disagreement?

Mr. MADDEN. Yes. Mr. Speaker, I move to further insist on the disagreement of the House to the Senate amendment.

Mr. SMITH. Mr. Speaker, I offer a preferential motion, to recede and concur.

The SPEAKER pro tempore. The gentleman from Idaho moves to recede and concur.

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Idaho.

Mr. SMITH. Mr. Speaker and gentlemen of the House, the amendments which have been considered during the last hour and voted down were to provide for new projects. This amendment is to take care of the unfortunate settlers on established projects who are unable to meet their payments as provided under the reclamation law.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman tell me whether, in substance, this amendment No. 58 is the bill that was reported from the committee of which he is a member?

Mr. SMITH. Yes.

Mr. MOORE of Virginia. Was it a unanimous report?

Mr. SMITH. The amendment attached to this bill is copied from the Senate bill, as amended, and is similar to the one that I introduced in the House. The Senate bill was unanimously reported to the Senate. The House bill was reported favorably with but one dissenting vote. I may state that this legislation is based upon the report of the fact finding commission, composed of five of the most distinguished economists in the country, who have spent five months in examining these reclamation projects. They made their report to the Secretary of the Interior, which was transmitted to Congress by the President of the United States, with a message urging this legislation. As I stated, this legislation is intended to relieve the delinquent settlers on these projects and adjust the payments so that they may meet their obligations in the future.

The original reclamation law provided for 10 years within which to repay the charges for constructing these great dams and reservoirs. It was soon found out that because of the expenses incident to reclaiming the desert land, which amounts to $25 to $30, sometimes $40 and $50, an acre, it would be impossible to meet their payments under that law. Later Congress came to the relief of the settlers and extended the time to 20 years, and up until four years ago the settlers were able to meet their payments, but on account of the depression of agriculture throughout the country, they have found great difficulty in meeting their payments during the last four years.

The settlers on irrigation projects have an annual overhead expense amounting to from $10 to $20 per acre, which includes

the repayment cost of construction, expense of operation and maintenance necessary to keep up these projects, and also the interest charges which they are forced to pay on money which they had to borrow to meet this overhead expense at a time when they could not sell their agricultural products at a price which would enable them to discharge their obligations.

This bill was considered very carefully in the Committee on Irrigation and Reclamation covering a period of three weeks. We had before the committee two members of the fact finding commission who had been working for five months investigating reclamation projects. We brought out a bill which we believe is fair and equitable and which will protect these settlers in their homes. Without the enactment of this legislation it is quite probable that three or four thousand settlers on these projects who have been struggling to maintain their homes will be closed out by the mortgage holders who have advanced money to enable them to buy machinery and to take care of their farms.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. SMITH. Yes.

Mr. BLANTON. The gentleman wants to be fair; but when he states that this Senate bill, which has been put on this deficiency appropriation bill as a rider, is identical with the House bill he is mistaken.

Mr. SMITH. I did not say that it was identical.

Mr. BLANTON. I would vote for the House bill, because I think it is a good bill, but in the Senate bill there are some things that even the gentleman himself would not vote for.

Mr. SMITH. I said identical bills were introduced originally in each House of Congress. The bill was amended in the Senate and also in the House, and a new bill containing the amendments was introduced.

Mr. BLANTON. But the gentleman knows that the House bill which is attached to this deficiency bill as a rider is a much better bill.

Mr. SMITH. I think the Senate bill will bring relief to the settlers and will protect the Government in the investments which it has made. The gentleman from Ohio [Mr. Begg] attempted to criticize the bill, but anyone who is familiar with the reclamation laws and their administration can soon discover that he is not well posted on the points that he raised against this legislation.

The SPEAKER pro tempore. The time of the gentleman from Idaho has expired.

Mr. SMITH. May I have five minutes more?

Mr. MADDEN. Mr. Speaker, I yield the gentleman one minute more.

Mr. SMITH. Mr. Speaker, I appeal to this House to adopt this amendment in order to take care of the settlers who are delinquent in their payments, not only to the Government but who are so involved in debt that the bankers and the bondholders who have mortgages on their lands will most certainly close them out if the legislation is not enacted. These money lenders say that if this legislation is enacted, so as to put the settlers on the basis where they can pay, which gives them more time where the land is unproductive, they will not foreclose their mortgages. I appeal to you to not bring disappointment and discouragement to these worthy people on these projects located in the desert lands of the West, who are not only making homes and building up communities but who are creating markets for the manufacturers in the eastern sections of the country. It is something that we owe to the farmers on these projects, who are struggling to save their homes, especially when the Government will not lose anything but will be a great deal more likely to get its money back if you put the settlers in a position where they can make something on the land and meet these payments.

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Michigan [Mr. Cramton].

Mr. CRAMTON. Mr. Speaker, five minutes does not give much time in which to discuss a bill that is eight pages long. We ought not to legislate in this way comprehensive legislation on an appropriation bill, and no time even to read it. I want to give you the high lights from my examination of the legislation, which I have been studying in different forms for some time. The gentleman from Idaho [Mr. Smith] has in part repudiated the Senate bill, because he could not agree to all the provisions of it when he reported out a bill from his committee five days ago. He rejected a number of the provisions in the Senate bill, and his own committee changed their minds three times in three days as to some important provisions, so that gentlemen can see that this is a complicated subject about which those who are informed can easily disagree.

Mr. LEAVITT. How did the gentleman find out what happened in executive session of the committee?

Mr. CRAMTON. If I am wrong, I would like to know it.

Mr. LEAVITT. The committee would like to know.

Mr. CRAMTON. I can not yield. What does this bill do? At the present time, under the reclamation fund, these projects get their money from the Treasury for 20 years without interest, and there is quite an agitation, now that the experimental period is passed, to make it a business proposition and charge interest, and they would expect them to pay the money back some time. That is what ought to be done. This legislation is headed in the wrong direction. It extends the time to pay their money for an indefinite period, it may be 40 or 50 years, without interest, based on the return of a percentage of the productive power of the land. We have to have some supervision over the books on this project to know what is the gross return and to know whether we are getting our money or not. It cuts the penalty for nonpayment from 1 per cent to one-half of 1 per cent a month.

That is not in the direction of insisting on their paying up. It is all in the direction of making reclamation a gift enterprise. The bill turns the profit that comes from power plants, the money furnished out of the Treasury without interest, over to the irrigation district. Suppose your Boulder project was constructed, a tremendous power plant. Here is the possibility of a distribution of an estimated unending profit from power to those who are on irrigation projects connected with it. Subdivision (j) gives the old existing project the profit on furnishing water to an extension. Why give the old a lien on the new? Subdivision (e) gives authority for extending the payment of charges to the Secretary with no limitation on it, and whenever he wants to he can extend the charges over the balance of the contract period. Now, those are some of the things in the bill so far as I can find from a very hasty examination. My judgment is instead of enacting this kind of law we ought to insist on a business policy. I have introduced a bill proposing that these construction charges should carry interest at 4 per cent and an amortization plan, similar to the way our farmers get money from the Farm Loan Board interest. That would be easy for them and it would be a business proposition. A project that can not stand that ought not to be built. I do not know why the farmers of one State are different from the farmers of another State, or are to be treated differently. Furthermore, we ought to protect them against the speculator. The big trouble with the proposition is that the more favorable the Government makes terms the better is the play into the hands of the speculators because they put the price of the land up as high as they can induce them to pay, and there ought to be some stringent regulation. There is nothing in this bill in reference to that. There is one reference to 160 acres, but that land may quickly again get into the hands of the speculators and then the lid is off.

Furthermore, we have passed this session relief legislation ample for the present time. We have passed this session a law providing every dollar owed on an existing project for maintenance or construction on the 1st of March last can be extended three years, and a further extension is provided if the Secretary desires to do it. Why, this Congress having denied relief to the farmers of the country, as has been said by the gentleman from Oregon, and having given relief by the extension of these charges for three years to the irrigation farmer, why do we yield to the lash of the Senate in reference to a rider on an appropriation bill? Why should we permit ourselves to be sandbagged and permit more money to be taken out of the Treasury or paid out of the Treasury for the relief of a particular pet class of farmers? This bill carries an authorization that all investigations hereafter are to be at the expense of the General Treasury and not at the expense of the reclamation fund. Gentlemen, we are a coordinate body with the Senate. They have no right on the last day of the session to come across here and say we have got to do this thing or the bill will fail. This legislation has no place on an appropriation bill. This House should assert its rights and reject such legislation. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MADDEN. Mr. Speaker, I yield three minutes to the gentleman from Nebraska [Mr. Simmons].

Mr. SIMMONS. Mr. Speaker, I wonder if the men from the rainless sections will listen to me just a minute. Some have been maintaining this bill will give an increased acreage. This bill does not increase the acreage of tillable land in the United States one acre. It does not cost the Federal Government one cent. It does not do anything except let the farmers on these reclamation projects, who can not meet their charges now, get in shape to pay their debts to the Federal Government. That is what we are asking you to do. The gentleman

who spoke just now spoke of the temporary relief act. Everybody who knew anything about that bill knew that act would only apply until this act could be brought out and passed by the Congress, a permanent act based on the findings of the commission that has studied this matter all winter, a permanent act based on hearings held by the Senate and hearings held by the House, hearings which have been approved and bills which have been brought out by committees of both bodies.

Mr. WINTER. Will the gentleman yield?

Mr. SIMMONS. I will.

Mr. WINTER. Is this the legislation which was the result of six months of work of the fact finding commission, recommended to the Secretary of the Interior, and supported by a special message from the President? [Applause.]

Mr. SIMMONS. It is. This is legislation which President Coolidge asked this Congress to pass in order that the western reclamation farmers might have a chance to pay their debts to the Government and maintain and retain their homes. It is a wise measure. Nobody says it is not necessary; nobody says there is no need; all the argument is against some little pet scheme, and it is not fair——

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. SIMMONS. I will.

Mr. SUMMERS of Washington. What advantage is it for the Federal Government to force these men off their land and put new men on and let them try to get a start?

Mr. SIMMONS. They can not. It is the experience of these reclamation States that the Federal Government will not get this money back as fast under the present law as they will if this law goes into effect and the farmers have a chance to pay their debts.

That is all the interest there is in this thing. That is all there is to it. It does not cost the Government a dollar. It does no take a dollar out of the Federal Treasury. It does not increase the number of irrigable acres of land. It just says this to the farmers who are trying to make the desert produce, "We are going to let you repay, and at the same time we are going to protect the Government."

You gentlemen who are in favor of the man who wants to keep his home and pay his debts to the Government ought to support this kind of a measure, and I am confident you will do it. [Applause.]

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from California [Mr. RAKER].

The SPEAKER. The gentleman from California is recognized for five minutes.

Mr. RAKER. Mr. Speaker, no one can present this matter adequately in five minutes or within less than an hour. The committee spent some three weeks, and heard only from two of the men who were members of the fact finding commission, and one other, the attorney of the department, Mr. Hamele.

I say this, and I say it advisedly, we were denied the right to bring witnesses and present the facts before the Committee on Irrigation and Reclamation, having charge of this proposed legislation. On important amendments, the very vital parts of the bill, the proponents of the legislation had the votes, and we were given five minutes in which to examine those experts that appeared before the committee. Time limit fixed on sections of five minutes to each member. (See hearings.)

Mr. LEATHERWOOD. Mr. Speaker, will the gentleman yield?

Mr. RAKER. No; I am sorry I can not yield.

Gentlemen, I can only hit the high places. But I say that what the gentleman from Ohio [Mr. BEGG] said regarding the effect and purposes of this amendment is true. This legislation will retard the payments on these projects from 35 to 99 years. Here is a statement made by the experts and presented to the committee. Here is one project where the payments will run 99 years. Here is another where the payments will run 61 years; another one which will run 42 years; still another one which will run 77 years; another one which will run 49 years; and another one 80 years, in which they expect to repay in the gross produce of the farm per acre. No one knows what it is, and the intention is not plain.

I want to say, sirs, that for the last 25 years I have given as much consideration to irrigation as any other man in this House. Irrigation of our arid and semiarid lands in the West is one of the things I advocate and stand sponsor for. I am a friend of irrigation. I am in sympathy with the men who have pioneered in this work. The men on these Government irrigation projects are entitled to a just and fair deal. They are entitled to proper treatment. These irrigation projects should and can be operated so that the men on the projects can make a good living and at the same time the money expended by the Government should be repaid. As a member of the committee that framed the extension law, I want to assure you that they said it would work.

As to this amendment now before the Congress, I want to say to you who are friends of the bill that this will be a sad day for irrigation and our reclamation projects if you succeed in putting this upon the statute books.

I have here a letter from Secretary Work which shows that this fact finding commission spent over $20,000, and when they came before the committee they were unable to say that they had a definite and well-rounded proposition upon which they could rely to present to the committee so that the committee could come to a final determination as to what should be done on any one particular project. Here are two letters from the Secretary of Agriculture in reference to the investigations referred to in this proposed irrigation bill, placed here as a rider in the last days of the session on an appropriation bill. No chance to amend or even consider it on its merits. The Secretary of Agriculture shows that over $4,000,000 has been spent for the farmers on these various irrigation projects in various ways; over $2,000,000 has been spent on these reclamation projects outside of what has been appropriated by the reclamation law in the way of experts, in the way of investigations, in the way of soil surveys, in the way of county advisers, and in the way of the appointment of scientific men. Everything in the way of aid and advice to the farmers on the several irrigation projects has been readily and willingly given. Every interest has been shown by acts and financial aid and help.

Mr. SIMMONS. Mr. Speaker, will the gentleman yield?

Mr. RAKER. I must beg the gentleman's pardon. Under the circumstances I can not yield.

The history of the fact finding commission will appear in the following letter from the Secretary of the Interior, addressed to me as a member of the Committee on Irrigation and Reclamation, of date May 26, 1924, in response to my letter to the Secretary of date May 21, 1924, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D. C., May 21, 1924.*

Hon. HUBERT WORK,
*Secretary of the Interior, Washington, D. C.*

In re Fact Finding Commission.

MY DEAR MR. SECRETARY: As a member of the Committee on Irrigation and Reclamation now having under consideration the bill (H. R. 8836) which involves the report of the fact finding commission embodied in Senate bill 92, Sixty-eighth Congress, first session, will you kindly furnish me the following information:

1. That the committee most respectfully requests a copy of the order appointing committee of special advisers on reclamation known as "The fact finding commission."

2. The authority under which such fact finding commission was appointed.

3. The amount paid, if any, to each of said six commissioners; (a) the amount paid each; and (b) the amount of traveling and personal expenses.

4. The amount of money expended in taking of testimony and transcribing same.

5. The number of clerks that are regularly employed in the department and amount of time consumed in working for the fact finding commission.

6. The number of clerks and the amount paid each and total of any special employees.

7. The number of members of the fact finding commission still engaged in the work, if any, and the probable length of time such employment will continue and the cost thereof.

Respectfully submitting the same, I am

Yours most truly, JOHN E. RAKER, M. C.

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DEPARTMENT OF THE INTERIOR,
*Washington, May 26, 1924.*

Hon. JOHN E. RAKER,
*Chairman Committee on Irrigation of Arid Lands,*
*House of Representatives.*

MY DEAR MR. RAKER: I have your letter of May 21 making inquiry concerning my appointment of the special advisers on reclamation, whose report was transmitted to the Congress by the President on April 21, 1924.

Answering your specific questions as nearly as possible, I may say that the appointments were duly authorized by the Civil Service Commission. I inclose my letter of October 15, 1923, to the commission requesting authority to make the appointment, as well as subsequent correspondence in relation thereto, including the necessary authorization of the commission, dated October 15, 1923.

The amount paid the special advisers, as is indicated in the letters of appointment herewith, was $25 per day when actually employed. The only travel expense allowed was railroad and Pullman fare, the usual per diem for subsistence or actual expenses being omitted.

Two of the special advisers devoted the major portion of their time to the investigation, viz, Hon. Thomas E. Campbell and Dr. John A. Widtsoe, the services of the others being only occasional. A statement of the total payments is a part of the inclosed financial statement.

Your inquiry as to "the number of clerks that are regularly employed in the department and amount of time consumed in working for the fact finding commission" is not entirely understood. The clerks in the department as a whole perform no services for this committee. I placed at the disposal of the special advisers three stenographers, by detail, as follows:

One clerk, who acted as secretary to the special advisers; annual compensation $2,340, on the rolls of the Reclamation Service; period of service with special advisers, October 15, 1923, to April 24, 1924; total compensation for period, $1,227.50.

One clerk at rate of $1,440 per annum, detailed from the General Land Office; period of service, October 19, 1923, to April 24, 1924; total compensation, $744.

One clerk at rate of $1,140 per annum, on the rolls of the General Land Office; period of service, November 26, 1923, to April 21, 1924; total compensation, $462.33.

One clerk at rate of $1,240 per annum, on the rolls of the Indian Office; period of service, November 10, 1923, to January 19, 1924, and from February 12 to March 1, 1924; total compensation, $310.

Various employees in the Bureau of Reclamation were called upon by the special advisers to furnish information, both orally and in writing, during the progress of the investigation. This service did not entail additional expense to the reclamation fund, since no extra employees were required, and their routine work was performed as usual.

Aside from the necessity of collecting the data required in the conduct of the investigation by the special advisers, the information thus furnished was such as the Secretary of the Interior should have before him in the regular conduct of business as the responsible head of the Reclamation Service. Therefore the cost of compiling would not seem to be a proper charge against the work of the special advisers but rather to the cost of administering the Reclamation Bureau.

Efforts have been made to estimate the amount of time given to compiling this information by the employees in the Bureau of Reclamation, but because of the very nature of the service rendered and the broken periods of time they devoted to it while performing their regular work render these estimates so inaccurate as to be completely unreliable.

The report of the special advisers was completed on April 10. The services of Doctor Mead terminated on April 2, 1924, those of Messrs. Garfield, Bradfute, and Dawson on April 9, of Doctor Widtsoe on April 23, and Governor Campbell on April 25. Governor Campbell, however, was recalled from Arizona at the request of the chairman of the House Committee on Irrigation to attend the hearings in connection with H. R. 8836. It was necessary, therefore, to employ him on the same basis as previously, beginning with May 12, and he is now in Washington at the service of your committee.

Very respectfully,

HUBERT WORK.

Inclosure.

MAY 24, 1924.

*Memorandum showing expenses in connection with the work of the committee of special advisers on reclamation appointed by the Secretary of the Interior on October 10, 1923*

| | Days | Per diem in lieu of expenses | Railroad and Pullman fares | Total |
|---|---|---|---|---|
| Thomas E. Campbell | 179 | $4,475.00 | $388.59 | |
| John A. Widtsoe | 157 | 3,925.00 | 254.19 | |
| James R. Garfield | 60 | 1,500.00 | 879.53 | |
| Oscar E. Bradfute | 31 | 775.00 | 445.73 | |
| Clyde C. Dawson | 53 | 1,325.00 | | |
| Elwood Mead | 43 | 1,075.00 | 537.71 | |
| A. C. Cooley, Department of Agriculture | 52 | 208.00 | 319.44 | |
| Total | 575 | 13,283.00 | 2,825.19 | $16,108.19 |
| Salt Lake City conference with water users: | | | | |
| Railroad and Pullman fares to Salt Lake City and return | | | | 581.10 |
| Stenographic report Salt Lake conference | | | | 3,341.28 |
| Rental conference room and extra room for stenographers | | | | 173.50 |
| | | | | 4,095.88 |
| Total | | | | 20,204.07 |

DEPARTMENT OF THE INTERIOR,
*Washington, October 15, 1923.*

The CIVIL SERVICE COMMISSION,
*Washington, D. C.*

COMMISSIONERS: I desire to secure the temporary services of several prominent and specially qualified men to consider and advise concerning reclamation problems. I have been in correspondence with and have secured expression of willingness to serve from:

James R. Garfield, of Cleveland, Ohio, Secretary of the Interior in the Cabinet of President Roosevelt, who is thoroughly familiar with reclamation problems;

Thomas E. Campbell, of Phoenix, Ariz., former Governor of Arizona and chairman of the Colorado River Basin project, 1921;

Elwood Mead, of Berkeley, Calif., engineer; member of American Society of Civil Engineers and British Institute of Civil Engineers; engineer of Wyoming, 1888–1899; chief of irrigation and drainage investigations, United States Department of Agriculture, 1897–1907; chairman State Rivers and Water Supply Commission, Victoria, Australia, 1907–1915; consulting engineer for various irrigation works; and author of articles on irrigation and engineering subjects;

Oscar E. Bradfute, of Xenia, Ohio, vice president American Farm Bureau Federation, 1920–21, and president of Ohio Farm Bureau Federation; member of the board of control of Ohio Agricultural Experiment Station;

Julius H. Barnes, of Duluth, Minn., president United States Chamber of Commerce;

Dr. John A. Widtsoe, of Salt Lake City, Utah, director Utah Experiment Station, 1900–1905; president Agricultural College of Utah, 1907–1916; president of International Dry Farming Congress, 1912; and author of articles on dry farming and irrigation subjects;

Clyde C. Dawson, of Denver, Colo., lawyer, who has given much attention to irrigation law and irrigation subjects;

Henry L. Myers, lawyer; former United States Senator, of Montana; while Senator was a member of the Senate Committee on Public Lands and Surveys and is familiar with reclamation and its problems—

all of whom, by reason of their experience, qualifications, and ability, are peculiarly fitted to perform the service desired as special advisers on reclamation.

The service is of a temporary character and falls within the purview of section 4 of rule 8, civil-service rules. The work is emergent, and it is desired to make some of these appointments to-day.

I therefore ask your prior consent to make these temporary appointments of special advisers on reclamation for a period not to exceed three months from the dates of their appointments, and ask that authority be given to-day.

HUBERT WORK,
*Secretary of the Interior.*

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UNITED STATES CIVIL SERVICE COMMISSION,
*Washington, D. C., October 15, 1923.*

The SECRETARY OF THE INTERIOR.

SIR: In reply to your letter of this date, the commission has the honor to grant authority under the provisions of section 4, civil service rule 8, for the temporary appointments of the following-named persons as special advisers on reclamation for periods of not to exceed three months from the date they enter on duty: James R. Garfield, Thomas E. Campbell, Elwood Mead, Oscar E. Bradfute, Julius H. Barnes, Dr. John A. Widtsoe, Clyde C. Dawson, and Henry L. Myers.

In reporting their entrance upon duty it is desired that the salary paid be indicated in each case.

By direction of the commission.

Very respectfully, JOHN T. DOYLE, *Secretary.*

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UNITED STATES CIVIL SERVICE COMMISSION,
*Washington, D. C., January 5, 1924.*

The SECRETARY OF THE INTERIOR.

SIR: In reply to your request of January 4, 1924, authority is granted under section 4 of civil service rule 8 for an extension of the temporary job appointment of James R. Garfield, Thomas E. Campbell, John A. Widtsoe, Oscar E. Bradfute, and Clyde C. Dawson as special advisers on reclamation at $25 per diem when actually employed for such part of three months as may be required from date of expiration of present appointment.

Remarks: The effective dates of original appointments of the first four may be considered as October 10, 1923.

By direction of the commission.

Very respectfully, JOHN T. DOYLE, *Secretary.*

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DEPARTMENT OF THE INTERIOR,
*Washington, October 10, 1923.*

Mr. JAMES R. GARFIELD, of Ohio.

SIR: You are hereby appointed a special adviser on reclamation, at a salary of $25 per diem, when actually employed, and traveling expenses from Cleveland, Ohio, to Washington, D. C. Salary and

travel expenses payable from the appropriation of the Bureau of Reclamation. Authorized by the Civil Service Commission under section 4 of Rule VIII.

HUBERT WORK, *Secretary.*

Order No. 128.

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DEPARTMENT OF THE INTERIOR,
*Washington, October 10, 1923.*

Mr. THOMAS E. CAMPBELL, of Arizona.

SIR: You are hereby appointed a special adviser on reclamation, at a salary of $25 per diem, when actually employed, and traveling expenses from Phoenix, Ariz., to Washington, D. C. Salary and travel expenses payable from the appropriation of the Bureau of Reclamation. Authorized by the Civil Service Commission under section 4 of Rule VIII.

HUBERT WORK, *Secretary.*

Order No. 128.

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DEPARTMENT OF THE INTERIOR,
*Washington, October 15, 1923.*

Mr. ELWOOD MEAD, of California.

SIR: You are hereby appointed a special adviser on reclamation, at a salary of $25 per diem, when actually employed, and traveling expenses, effective on the date of entrance on duty. Salary and travel expenses payable from the appropriation of the Bureau of Reclamation. Authorized by the Civil Service Commission, under section 4 of Rule VIII.

HUBERT WORK, *Secretary.*

Order No. 128.

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DEPARTMENT OF THE INTERIOR,
*Washington, October 10, 1923.*

Mr. OSCAR E. BRADFUTE, of Ohio.

SIR: You are hereby appointed a special adviser on reclamation, at a salary of $25 per diem when actually employed, and traveling expenses from Chicago, Ill., to Washington, D. C. Salary and travel expenses payable from the appropriation of the Bureau of Reclamation. Authorized by the Civil Service Commission under section 4 of Rule VIII.

HUBERT WORK, *Secretary.*

Order No. 128.

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DEPARTMENT OF THE INTERIOR,
*Washington, October 15, 1923.*

Mr. JULIUS H. BARNES, of Minnesota.

SIR: You are hereby appointed a special adviser on reclamation, at a salary of $25 per diem when actually employed, and traveling expenses, effective on the date of entrance on duty. Salary and travel expenses payable from the appropriation of the Bureau of Reclamation. Authorized by the Civil Service Commission under section 4 of Rule VIII.

HUBERT WORK, *Secretary.*

Order No. 128.

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DEPARTMENT OF THE INTERIOR,
*Washington, October 10, 1923.*

Mr. JOHN A. WIDTSOE, of Utah.

SIR: You are hereby appointed a special adviser on reclamation, at a salary of $25 per diem when actually employed, and traveling expenses from Salt Lake City, Utah to Washington, D. C. Salary and travel expenses payable from the appropriation of the Bureau of Reclamation. Authorized by the Civil Service Commission under section 4 of Rule VIII.

HUBERT WORK, *Secretary.*

Order No. 128.

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DEPARTMENT OF THE INTERIOR,
*Washington, October 15, 1923.*

Mr. CLYDE C. DAWSON, of Colorado.

SIR: You are hereby appointed a special adviser on reclamation, at a salary of $25 per diem when actually employed and traveling expenses, effective October 15, 1923. Salary and travel expenses payable from the appropriation of the Bureau of Reclamation. Authorized by the Civil Service Commission under section 4 of Rule VIII.

HUBERT WORK, *Secretary.*

Order No. 128.

It will be noted that up to the date of transmittal of the Secretary's letter this commission had cost the reclamation fund over $20,000.

On April 20, 1924, the fact finding commission made report to the Secretary of the Interior.

This report in turn was submitted by the Secretary of the Interior to the President, and on April 21, 1924, was by the President transmitted to the Congress. In due course the same was referred to the Committees on Irrigation and Reclamation of the Senate and House.

The fact finding commission's report, the letter to the Secretary of the Interior, and the President's letter of transmittal to the Congress were ordered printed by the Senate on April 24—calendar day, May 2—1924, and printed as Senate Document No. 92, Sixty-eighth Congress, first session. This Senate document, No. 92, was used by the Senate and House Committees on Irrigation and Reclamation. I ask special consideration of this document.

The recommendations of this fact finding commission are embodied in a proposed bill—see Senate Document No. 92, pages 204–207—and among other things would:

1. Authorize the Secretary of the Interior to charge off something like $27,391,146 to start with, and it might run to over $50,000,000 before the job was ended.

2. It permits and authorizes great duplication in the work of the various departments, which will appear from letters from Secretary Wallace, of the Department of Agriculture. (See letters.)

3. Inaugurates a new system of payment of construction charges contrary to any known method of payment now in vogue in the United States, and in many ways quite unfair to prosperous and industrious and frugal farmers—encourages negligence in farming.

Relief was given the farmers on the Federal irrigation projects by the act of May 9, 1924, which act is as follows:

[PUBLIC—No. 115—SIXTY-EIGHTH CONGRESS]

[S. 1631]

An act to authorize the deferring of payments of reclamation charges

*Be it enacted, etc.*, That the Secretary of the Interior is hereby authorized and empowered, in his discretion, to defer the dates of payments of any charges, rentals, and penalties which have accrued prior to the 2d day of March, 1924, under the act of June 17, 1902 (32 Stat. L. p. 388), and amendatory and supplemental acts or prior to that that date, as against water users on any irrigation project being constructed or operated and maintained under the direction of the Commissioner of Indian Affairs, as may, in his judgment, be necessary in or concerning any irrigation project now existing under said act: *Provided*, That no payment shall be deferred under this section in any particular case beyond March 1, 1927: *Provided*, That upon such adjustment being made, any penalties or interest which may have accrued in connection with such unpaid construction and operation and maintenance charges shall be canceled, and in lieu thereof the amount so due, and the payment of which is hereby extended, shall draw interest at the rate of 5 per cent per annum, paid annually from the time said amount became due to date of payment: *And provided further*, That in case the principal and interest herein provided for are not paid in the manner and at the time provided by this section, any penalty now provided by law shall thereupon attach from the date of such default.

SEC. 2. That where an individual water user, or individual applicant for a water right under a Federal irrigation project constructed or being constructed under the act of June 17, 1902 (32 Stat. L. p. 388), or any act amendatory thereof or supplementary thereto, makes application prior to January 1, 1925, alleging that he will be unable to make the payments as required in section 1 hereof, the Secretary of the Interior is hereby authorized in his discretion, prior to March 1, 1925, to add such accrued and unpaid charges to the construction charge of the land of such water user or applicant, and to distribute such accumulated charges equally over each of the subsequent years, beginning with the year 1925, or, in the discretion of the Secretary, distribute a total of one-fourth over the first half of the remaining years of the 20-year period beginning with the year 1925, and three-fourths over the second half of such period, so as to complete the payment during the remaining years of the 20-year period of payment of the original construction charge: *Provided*, That upon such adjustment being made, any penalties or interest which may have accrued in connection with such unpaid construction and operation and maintenance charges shall be canceled, and in lieu thereof the amount so due, and the payment of which is hereby extended, shall draw interest at the rate of 5 per cent per annum, paid annually from the time said amount became due to date of payment: *Provided further*, That the applicant for the extension shall first show to the satisfaction of the Secretary of the Interior detailed statement of his assets and liabilities and probable inability to make payment at the time required in section 1: *And provided further*, That in case the principal and interest herein provided for are not paid in the manner and at the time provided by this act, any penalty now provided by law shall thereupon attach from the date of such default: *And provided further*, That similar relief,

in whole or in part, may be extended by the Secretary of the Interior to a legally organized group of water users of a project upon presentation of a sufficient number of individual showings made in accordance with the foregoing proviso to satisfy the Secretary of the Interior that such extension is necessary.

Approved, May 9, 1924.

The Congress and the committees should have time in which to prepare the proper legislation on this important question, and the same could then be passed when the Congress convenes in December session, 1924.

We should study out some permanent legislation that will give these people a chance to pay and at the same time protect the Government's investment, to the end that it is all repaid. This has been promised at all times, and it should be faithfully carried out in all particulars. I am quite convinced that the method suggested in H. R. 8836 would not do it.

On April 22, 1924, the chairman of the Committee on Irrigation and Reclamation introduced H. R. 8836, to carry out the suggested legislation by the Fact Finding Commission. (The Fact Finding Commission proposed bill is found on pp. 204–207, S. Doc. No. 92.) H. R. 8836 is in the same language and is in words and figures, as follows:

[H. R. 8836, Sixty-eighth Congress, first session]

A bill (H. R. 8836) to provide safeguards for future Federal irrigation development and an equitable adjustment of existing accounts on Federal irrigation projects, and for other purposes

*Be it enacted, etc.*, That when used in this act—

(a) The word "Secretary" means the Secretary of the Interior.

(b) The words "reclamation law" mean the act of June 17, 1902 (32 Stats. p. 388), and all acts amendatory thereof or supplementary thereto.

(c) The words "reclamation fund" mean the fund provided by the reclamation law.

(d) The word "project" means a Federal irrigation project authorized by the reclamation law.

(e) The words "division of a project" mean a substantial irrigable area of a project designated as a division by order of the Secretary.

SEC. 2. That hereafter no new project, or new division of a project, shall be approved for construction until information in detail shall have been secured concerning its feasibility, its adaptability for actual settlement and farm homes, and the probable return of the cost thereof to the United States. To this end it is directed that before approval by the Secretary of any such project or division he shall secure a report in detail concerning the water supply, engineering features, cost of construction, land prices, and probable acre cost of development. The Secretary shall also secure through the Secretary of Agriculture a report in detail relative to the climate, soil, kind of crops for which the proposed development is adapted, and probable production; also, through the Secretary of Commerce, a report in detail with respect to transportation facilities, markets, and other economic factors upon or affecting the proposed project or division.

SEC. 3. That hereafter no moneys shall be expended for construction on account of any new project or any new division of a project until an appropriate repayment contract, in form approved by the Secretary, shall have been properly executed by a district or districts organized under State law, embracing the lands irrigable thereunder, and the execution thereof shall have been confirmed by decree of a court of competent jurisdiction, which contract, among other things, shall contain an appraisal approved by the Secretary, showing the actual bona fide value of all such irrigable lands fixed without reference to the proposed Government development, and shall provide that until the Government construction charges against such lands shall have been fully paid, upon any and every sale of the land or any interest therein, 50 per cent of all moneys, credits, and property received therefor above the value thereof as shown by said appraisal, shall belong to the United States to be credited in reduction of the construction charge against the lands so sold, and the Secretary may convert into money any such credits or property so belonging to the United States; and all public lands irrigable under any such project or division shall be entered subject to the conditions of this proviso which shall be applied thereto: *Provided further*, That hereafter no moneys shall be expended for construction on account of any such project or division until all areas of land irrigable thereunder and owned by any individual in excess of 160 irrigable acres shall have been conveyed in fee to the United States free of encumbrance to again become a part of the public domain, under a contract between the United States and the individual owner providing that the value as shown by said appraisal of the land so conveyed to the United States shall be credited in reduction of the construction charge thereafter to be assessed against the land retained by such owner; and lands so conveyed to the United States shall be subject to disposition under the reclamation law when so ordered by the Secretary: *And provided further*, That hereafter no moneys shall be expended for construction on account of any such project or division until an appropriate contract in form approved by the Secretary shall have been properly executed by all holders of Federal land grants of more than 160 acres irrigable thereunder, which shall provide for the sale of such lands to actual bona fide settlers at not more than the value thereof as shown by appraisal: *And provided further*, That the provisions of this section shall not apply to Indian lands or to lands to be served with water under the Warren Act of February 21, 1911 (36 Stat. p. 925).

SEC. 4. That the Secretary is hereby authorized, under regulations to be promulgated by him, to require of each applicant for entry to public lands on a project such qualifications as to industry, experience, character, and capital, as in his opinion are necessary to give reasonable assurance of success by the prospective settler. Any person not having the qualifications so prescribed by the Secretary shall not be entitled to make such an entry or an application therefor.

SEC. 5. That hereafter the irrigable lands of each new project and new division of a project shall be classified by the Secretary with respect to their power, under a proper agricultural program, to support a family and pay water charges, and the Secretary is authorized to fix different construction charges against different classes of land under the same project for the purpose of equitably apportioning the total construction cost so that all lands may, as far as practicable, bear the burden of such cost according to their productive value. Reclassification surveys may be made by the Secretary periodically, as experience may suggest, for the purpose of determining any changes that may accompany a continued cultivation and irrigation of the lands.

SEC. 6. That hereafter the Secretary shall as to each irrigable acre of land in a project, issue two public notices relating to construction charges. The first public notice shall be issued when the land is ready for settlement and will announce the construction charge per irrigable acre. The second public notice shall be issued when in the opinion of the Secretary the agricultural development of the project shall have advanced sufficiently to warrant the commencement of payment of installments of such construction charge. The second public notice shall fix the date when payments will begin on the construction charge announced by the first public notice, which date shall be not less than five years from the date of the first public notice.

SEC. 7. That hereafter all project construction charges shall be made payable in annual installments based on the productive power of the land as provided in this section. The installment of the construction charge per irrigable acre payable each year shall be 5 per cent of the average gross annual acre income for the 10 calendar years first preceding, or for all years of record if fewer than 10 years are available, of the area in cultivation in the division of the project in which the land is located, as found by the Secretary annually. The decision of the Secretary as to the amount of any such installment shall be conclusive. These annual payments shall continue until the total construction charge is fully paid. The Secretary is authorized upon request to amend any existing contract for a project water right so that it will provide for payment of the construction charge thereunder in accordance with the provisions of this section.

SEC. 8. That the penalty of 1 per cent per month against delinquent accounts, provided in section 3 and section 6 of the act of August 13, 1914 (38 Stat. p. 686), is hereby reduced to one-half of 1 per cent per month, as to all installments hereafter coming due. The Secretary is authorized to amend all existing contracts accordingly.

SEC. 9. That whenever the water users take over the care, operation, and maintenance of a project the total accumulated net profits derived from the operation of project power plants, leasing of project grazing and farm lands, and the sale or use of town sites shall be credited to the construction of the project, and thereafter the net profits from such sources may be used by the water users to be credited, first, on account of project construction cost, second, on account of project operation and maintenance cost, and, third, as the water users may direct. No distribution to individual water users shall be made out of any such profits before all obligations to the Government shall have been fully paid.

SEC. 10. That all profits which may be derived from the sale or rental of surplus water under the Warren Act of February 21, 1911 (36 Stat. p. 925), shall be credited to the project or division of the project to which the construction cost has been charged. Contractors for the use of water under said Warren Act shall participate in the assets of the project with the contractors for the use of water within the project in proportion to the amounts paid for the water right. The Secretary is authorized upon request to amend any existing contract made under said Warren Act so that it will provide for payment of the construction charge thereunder in accordance with the provisions of section 7 of this act.

SEC. 11. That the Secretary is hereby authorized to undertake a comprehensive and detailed survey of the physical and economic features of each existing project, and to classify the irrigable lands thereunder in accordance with the provisions of section 5 of this act.

SEC. 12. That when a classification of lands under this act shows, in the opinion of the Secretary, that any such land is unsuited for immediate cultivation and unable to support a family and pay water charges at the present time, the Secretary may suspend the payment

of such charges in whole or in part until such time as the land in his opinion is found suitable for cultivation and able to support a family and pay water charges.

SEC. 13. That when it shall have been definitely determined by the Secretary that any project land classed as irrigable and subject to the payment of water charges, is in fact unsuitable for cultivation by irrigation and can not by cultivation produce a return sufficient to support a family and pay water charges, such land may be eliminated from the project as nonirrigable, and the amount of the charges assessed against the same shall then be definitely charged off as a loss to the reclamation fund.

SEC. 14. That the Secretary is hereby authorized, after making a proper survey of all existing projects and a classification of lands as provided in this act, to make, in each case where it is ascertainable from such survey and classification that the present water charges per acre are more than the land can bear, such fair and equitable adjustment of construction charges as in his opinion will fix a charge per acre which the land can reasonably bear. Any difference between the construction charge as adjusted and the original charge shall be charged off as a loss to the reclamation fund.

SEC. 15. That in any adjustment of water charges as provided in this act, all due and unpaid charges, both on account of construction and on account of operation and maintenance, including interest and penalties, may, in the discretion of the Secretary, be added in each case to the total obligation of the water user, and the new total thus established shall then be the construction charge against the land in question.

SEC. 16. That every entryman on a project farm unit not yet patented, which unit has been classified by the Secretary as being insufficient to support a family and pay water charges, shall have the right upon request to exchange his entry for another farm unit of unentered public land on the same or another project, in which event all installments of construction charges theretofore paid on account of the relinquished farm unit shall be credited on account of the new farm unit taken in exchange: *Provided*, That where two entrymen apply for the same farm unit under the exchange provision of this section, only one of whom is an ex-service man, as defined by the joint resolution of January 21, 1922 (42 Stat. p. 358), the ex-service man shall have a preference in making such exchange.

SEC. 17. That the Secretary is hereby authorized to employ trained farm and economic advisers who will give farming and business advice to enable water users on the projects to increase their farm incomes and organize for cooperation in business and social affairs.

SEC. 18. That all contracts providing for new projects and new divisions of projects shall require that all operation and maintenance charges shall be payable in advance. In each case where the care, operation, and maintenance of a project or division of a project, are transferred to the water users, the contract shall require the payment of operation and maintenance charges in advance. That whenever an adjustment of water charges is made under this act the adjustment contract shall provide that thereafter all operation and maintenance charges shall be payable in advance.

SEC. 19. That the cost and expense hereafter of the main office at Washington, D. C., of the Bureau of Reclamation in the Department of the Interior, and the cost and expense of general investigations heretofore and hereafter authorized by the Secretary, shall be charged to the general reclamation fund and shall not be charged as a part of the construction or operation and maintenance cost payable by the water users under the projects.

SEC. 20. That where, in the opinion of the Secretary, a right of way or easement of any kind over public land is required in connection with a project, the Secretary may reserve the same to the United States by filing in the General Land Office and in the appropriate local land office, copies of an instrument giving a description of the right of way or easement and notice that the same is reserved to the United States for Federal irrigation purposes under this act, in which event entry for such land and the patent issued therefor shall be subject to the right of way or easement so described in such instrument; and reference to each such instrument shall be made in the appropriate tract books and also in the patent.

SEC. 21. That where real property or any interest therein heretofore has been, or hereafter shall be, donated and conveyed to the United States for use in connection with a project, and the Secretary decides not to utilize the donation he is authorized without charge to reconvey such property or any part thereof to the donating grantor, or to the heirs, successors, or assigns of such grantor.

SEC. 22. That there is hereby authorized to be appropriated from the General Treasury the sum of $100,000 annually for five years for investigations to be made by the Secretary through the Bureau of Reclamation to obtain necessary information to determine how arid, swamp, and cut-over timberlands may best be developed in the future to meet the growing agricultural needs of the Nation.

SEC. 23. That the Secretary is hereby authorized, under regulations to be promulgated by him, to make short-time loans from the reclamation fund to entrymen upon projects, not to exceed $600 at any one time to any person, for the purchase of necessary livestock and equipment, and provision shall be made for the repayment of such loans in amortized installments during a period of not to exceed five years with interest on deferred payments at 5 per cent per annum, computed from the date of the contract: *Provided*, That no such loan shall in any case exceed 60 per cent of the cost of the livestock and equipment purchased. Such loans shall be secured by chattel mortgage upon such livestock and equipment.

The House Committee on Irrigation and Reclamation, after some days of consideration, reported out H. R. 9611, on June 3, 1924 (having been introduced June 2, 1924), to take the place of H. R. 8836. The committee made many valuable amendments. Still they did not make the bill in proper shape to protect the settlers and farmers, likewise the Government. H. R. 9611 is in words and figures as follows:

[H. R. 9611, Sixty-eighth Congress, first session]

A bill to provide safeguards for future Federal irrigation development, and an equitable adjustment of existing accounts on Federal irrigation projects, and for other purposes

*Be it enacted, etc.*, That when used in this act—

(a) The word "Secretary" means the Secretary of the Interior;

(b) The words "reclamation law" means the act of June 17, 1902 (32 Stats. p. 388), and all acts amendatory thereof or supplementary thereto;

(c) The words "reclamation fund" mean the fund provided by the reclamation law;

(d) The word "project" means a Federal irrigation project authorized by the reclamation law;

(e) The words "division of a project" mean a substantial irrigable area of a project designated as a division by order of the Secretary.

SEC. 2. That there is hereby established in the Department of the Interior a bureau of reclamation, and there shall be a director of the said bureau, who shall be thoroughly equipped for the duties of said office by technical education and experience, and who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive a salary of $10,000 per annum, and there shall also be in the said bureau such experts and other employees, to be appointed subject to the civil service laws and regulations, as may be required to carry out the purposes of the reclamation act of June 17, 1902 (32 Stat. p. 388), and acts amendatory thereof, or supplementary thereto, in accordance with the appropriations made from time to time by Congress for such purposes.

SEC. 3. That hereafter the Secretary shall not submit estimates for a new project, or new division of a project, until information in detail shall have been secured concerning its feasibility, its adaptability for actual settlement and farm homes, and the probable return of the cost thereof to the United States. Before the approval by the Secretary of estimates for any such project or division he shall secure a report in detail concerning the water supply, engineering features, cost of construction, land prices, and probable acre cost of development. The Secretary shall also secure, through the Secretary of Agriculture, a report in detail relative to the climate, soil, kind of crops for which the proposed development is adapted, probable production markets, and transportation facilities.

SEC. 4. That no moneys shall be expended for construction on account of any new project, or any new division of a project, hereafter authorized, until an appropriate repayment contract, in form approved by the Secretary, shall have been properly executed by a district or districts organized under State law, embracing the lands irrigable thereunder, and the execution thereof shall have been confirmed by decree of a court of competent jurisdiction, which contract, among other things, shall contain an appraisal approved by the Secretary, showing the actual bona fide value of all such irrigable lands fixed without reference to the proposed Government development, and all public lands irrigable under any such project or division shall be entered subject to the conditions of this section which shall be applied thereto: *Provided*, That no moneys shall be expended for construction on account of any such project or division hereafter authorized until an appropriate contract in form approved by the Secretary shall have been properly executed by all owners of land of more than 160 acres irrigable thereunder, which shall provide for the sale of such excess lands at not more than the value thereof as shown by said appraisal: *And provided further*, That the provisions of this section shall not apply to State lands or Indian lands.

SEC. 5. That the Secretary is hereby authorized, under regulations to be promulgated by him, to require of each applicant including preference-right ex-service men for entry to public lands on a project, such qualifications as to industry, experience, character, and capital as in his judgment are necessary to give reasonable assurance of success by the prospective settler.

SEC. 6. That the irrigable lands of each new project or new division of a project hereafter authorized shall be classified by the Secretary

with respect to their power, under a proper agricultural program, to support a family and pay water charges, and the Secretary is authorized to fix different construction charges against different classes of land under the same project or division of a project for the purpose of equitably apportioning the total construction cost so that all lands may as far as practicable bear the burden of such cost according to their productive value.

SEC. 7. That hereafter the Secretary shall as to each irrigable acre of land in each new project or a new division of a project issue two public notices relating to construction charges. The first public notice shall be issued when the land is ready for settlement and will announce the construction charge per irrigable acre. The second public notice shall be issued when in the opinion of the Secretary the agricultural development of the project shall have advanced sufficiently to warrant the commencement of payment of installments of such construction charge. The second public notice shall fix the date when payments will begin on the construction charge announced by the first public notice, which date shall be not more than five years from the date of the first public notice.

That construction charges on all projects hereafter authorized shall be payable in annual installments, the first of which shall be 5 per cent of the total charge and be due and payable on the 31st day of December following the second public notice: *Provided, however*, That the remainder of the construction charges shall be repaid in 30 annual payments.

SEC. 8. That hereafter all construction charges on existing reclamation projects upon application of the water users shall be made payable in annual installments based on the productive power of the land as provided in this section. The installment of the construction charge per irrigable acre payable each year shall be 5 per cent of the average gross annual acre income for the 10 calendar years first preceding, or for all years of record if fewer than 10 years are available, of the area in cultivation in the division or subdivision thereof of the project in which the land is located, as found by the Secretary annually. The decision of the Secretary as to the amount of any such installment shall be conclusive. The annual payments shall continue until the construction charge against each farm unit is paid. The Secretary is authorized, upon application of the water user, to amend any existing contract for a project water right so that it will provide for payment of the construction charge thereunder in accordance with the provisions of this section: *Provided*, That whenever two-thirds of the irrigable area of any project, or division of a project, shall be covered by water-right contracts between the water users and the United States, said project shall be required, as a condition precedent to receiving the benefits of this act, to take over, through a legally organized water users' association or irrigation district, the care, operation, and maintenance of all or any part of the project works, subject to such rules and regulations as the Secretary may prescribe, and thereafter the United States, in its relations to said project, shall deal with a water users' association or irrigation district, and when the water users assume control of a project the operation and maintenance charges for the year then current shall be covered into the construction account to be repaid as part of the construction repayments: *Provided further*, That the provisions of this section shall apply to existing reclamation projects or divisions thereof, on Indian reservations, at the request of the water users and with the approval of the Secretary.

SEC. 9. That the penalty of 1 per cent per month against delinquent accounts, provided in section 3 and section 6 of the act of August 13, 1914 (38 Stat. p. 686), is hereby reduced to one-half of 1 per cent per month as to all installments which may hereafter become due. The Secretary is authorized to amend all existing contracts accordingly.

SEC. 10. That whenever the water users take over the care, operation, and maintenance of a project or a division of a project the total accumulated net profits as determined by the Secretary, derived from the operation of project power plants, leasing of project grazing and farm lands, and the sale or use of town sites, shall be credited to the construction charge of the project, or division thereof, and thereafter the net profits from such sources may be used by the water users, to be credited annually, first, on account of project construction charge; second, on account of project operation and maintenance charge; and, third, as the water users may direct. No distribution to individual water users shall be made out of any such profits before all obligations to the Government shall have been paid.

SEC. 11. That all moneys or profits heretofore or hereafter derived from the sale or rental of surplus water under the Warren Act of February 21, 1911 (36 Stat. p. 925), or from the connection of a new project with an existing project shall be credited to the project or division of the project to which the construction cost has been charged.

SEC. 12. That in any adjustment of water charges as provided in this act all due and unpaid charges to the United States, both on account of construction and on account of operation and maintenance, including interest and penalties, may, in the discretion of the Secretary, on the application of the water user, be added in each case to the total obligation of the water user, and the new total thus established shall then be the construction charge against the land in question.

SEC. 13. That every entryman or assignee on a project farm unit not yet patented, which unit shall be found by the Secretary to be insufficient to support a family and pay water charges, shall have the right upon application to exchange his entry for another farm unit of unentered public land on the same project; in which event all installments of construction charges theretofore paid on account of the relinquished farm unit, and time of residence thereon, shall be credited on account of the new farm unit taken in exchange: *Provided*, That where two entrymen apply for the same farm unit under the exchange provision of this section only one of whom is an ex-service man as defined by the joint resolution of January 21, 1922 (42 Stat. p. 358), the ex-service man shall have a preference in making such exchange.

SEC. 14. That the Secretary is hereby authorized to employ trained farm and economic advisers who will give farming and business advice to enable water users given at an election held for that purpose on the projects to increase the farm incomes and organize for cooperation in business affairs, the cost of the same to be paid as operation and maintenance.

SEC. 15. That all contracts providing for new projects and new divisions of projects shall require that all operation and maintenance charges shall be payable annually, in advance, not later than the 1st day of March. In each case where the care, operation, and maintenance of a project or division of a project are transferred to the water users the contract shall require the payment of operation and maintenance charges in advance. That whenever an adjustment of water charges is made under this act the adjustment contract shall provide that thereafter all operation and maintenance charges shall be payable in advance.

SEC. 16. That after June 30, 1925, the cost and expense hereafter of the main office at Washington, D. C., of the Bureau of Reclamation in the Department of the Interior, and the cost and expense of general investigations heretofore and hereafter authorized by the Secretary, shall be charged to the general reclamation fund and shall not be charged as a part of the construction or operation and maintenance cost payable by the water users under the projects.

SEC. 17. That where, in the judgment of the Secretary, a right of way or easement of any kind over public land is required in connection with a project, the Secretary may reserve the same to the United States by filing in the General Land Office and in the appropriate local land office, copies of an instrument giving a description of the right of way or easement and notice that the same is reserved to the United States for Federal irrigation purposes, in which event entry for such land and the patent issued therefor shall be subject to the right of way or easement so described in such instrument; and reference to each such instrument shall be made in the appropriate tract books and also in the patent.

SEC. 18. That the Secretary of the Interior be, and he is hereby, authorized to lease for grazing or agricultural uses any lands withdrawn for any purpose under section 3 of the act of June 17, 1902 (ch. 1093, 32 Stats., p. 388), for such periods of time, upon such terms and conditions, and under such regulations as he may prescribe: *Provided*, That this act shall not apply to any of such lands while they are subject to entry under said act and acts supplemental to and amendatory thereof: *And provided further*, That the proceeds from such leases shall be turned into the reclamation fund as a credit on account of the project in connection with which the lands were withdrawn.

SEC. 19. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000 annually for five years for investigations to be made by the Secretary, through the Bureau of Reclamation, in cooperation with the Department of Agriculture, to obtain necessary information to determine how arid, swamp, or cut-over timberlands in any State may best be reclaimed.

The Senate Committee on Irrigation and Reclamation reported S. 3372 on May 31 (calendar day, June 2), 1924, with amendments, which, as amended, is as follows:

[S. 3372, Sixty-eighth Congress, first session]

A bill to provide safeguards for future Federal irrigation development, and an equitable adjustment of existing accounts on Federal irrigation projects, and for other purposes

*Be it enacted, etc.*, That when used in this act—

(a) The word "Secretary" means the Secretary of the Interior.

(b) The words "reclamation law" mean the act of June 17, 1902 (32 Stat. p. 388), and all acts amendatory thereof or supplementary thereto.

(c) The words "reclamation fund" mean the fund provided by the reclamation law.

(d) The word "project" means a Federal irrigation project authorized by the reclamation law.

(e) The words "division of a project" means a substantial irrigable area of a project designated as a division by order of the Secretary.

SEC. 2. That no new project or new division of a project shall be approved for construction or estimates submitted therefor by the Secretary until information in detail shall be secured by him concerning the water supply, the engineering features, the cost of construction, land prices, and the probable cost of development, and he shall have made a finding in writing that it is feasible, that it is adaptable for actual settlement and farm homes, and that it will probably return the cost thereof to the United States.

SEC. 3. That the Secretary is hereby authorized, under regulations to be promulgated by him, to require of each applicant, including preference right ex-service men, for entry to public lands on a project, such qualifications as to industry, experience, character, and capital as in his opinion are necessary to give reasonable assurance of success by the prospective settler. The Secretary is authorized to appoint boards, in part composed of private citizens, to assist in determining such qualifications.

SEC. 4. That hereafter the irrigable lands of each new project and new division of a project shall be classified by the Secretary with respect to their power, under a proper agricultural program, to support a family and pay water charges, and the Secretary is authorized to fix different construction charges against different classes of land under the same project for the purpose of equitably apportioning the total construction cost so that all lands may, as far as practicable, bear the burden of such cost according to their productive value.

SEC. 5. That hereafter the Secretary shall as to each irrigable acre of land in each new project, or a new division of a project issue two public notices relating to construction charges. The first public notice shall be issued when the land is ready for settlement and will announce the construction charge per irrigable acre. The second public notice shall be issued when in the opinion of the Secretary the agricultural development of the project shall have advanced sufficiently to warrant the commencement of payment of installments of such construction charge. The second public notice shall fix the date when payments will begin on the construction charge announced by the first public notice, which date shall be not more than five years from the date of the first public notice.

SEC. 6. That hereafter all project construction charges shall be made payable in annual installments based on the productive power of the land as provided in this section. The installment of the construction charge per irrigable acre payable each year shall be 5 per cent of the average gross annual acre income for the 10 calendar years first preceding, or for all years of record if fewer than 10 years are available, of the area in cultivation in the division or subdivision thereof of the project in which the land is located, as found by the Secretary annually. The decision of the Secretary as to the amount of any such installment shall be conclusive. These annual payments shall continue until the total construction charge against each unit is paid. The Secretary is authorized upon request to amend any existing contract for a project water right so that it will provide for payment of the construction charge thereunder in accordance with the provisions of this section or for the deferment of such construction charges for a period of three years from the approval of this act, or both.

SEC. 7. That whenever two-thirds of the irrigable area of any project, or division of a project, shall be covered by water-right contracts between the water users and the United States, said project shall be required, as a condition precedent to receiving the benefits of this act, to take over, through a legally organized water users' association or irrigation district, the care, operation, and maintenance of all or any part of the project works, subject to such rules and regulations as the Secretary may prescribe, and thereafter the United States, in its relations to said project, shall deal with a water users' association or irrigation district, and when the water users assume control of a project the operation and maintenance charges for the year then current shall be covered into the construction account to be repaid as part of the construction repayments.

SEC. 8. That the penalty of 1 per cent per month against delinquent accounts, provided in section 3 and section 6 of the act of August 13, 1914 (38 Stats., p. 686), is hereby reduced to one-half of 1 per cent per month, as to all installments which may hereafter become due.

SEC. 9. That whenever the water users take over the care, operation, and maintenance of a project or a division of a project the total accumulated net profits, as determined by the Secretary, derived from the operation of project power plants, leasing of project grazing and farm lands, and the sale or use of town sites shall be credited to the construction charge of the project, or a division thereof, and thereafter the net profits from such sources may be used by the water users to be credited annually, first, on account of project construction charge; second, on account of project operation and maintenance charge; and, third, as the water users may direct. No distribution to individual water users shall be made out of any such profits before all obligations to the Government shall have been fully paid.

SEC. 10. That all moneys or profits as determined by the Secretary heretofore or hereafter derived from the sale or rental of surplus water under the Warren Act of February 21, 1911 (36 Stats., p. 925), or from the connection of a new project with an existing project shall be credited to the project or division of the project to which the construction cost has been charged.

SEC. 11. That on each existing project where, in the opinion of the Secretary, it appears that on account of lack of fertility in the soil, an inadequate water supply, or other physical causes, settlers are unable to pay construction costs, or whenever it appears that the cost of any reclamation project by reason of error or mistake or for any cause has been apportioned or charged upon a smaller area of land than the total area of land under said project, the Secretary is authorized to undertake a comprehensive and detailed survey to ascertain all pertinent facts, and report in each case the result of such survey to the Congress, with his recommendations: *Provided*, That the cost and expense of each such survey shall be charged to the appropriation for the project on account of which the same is made, but shall not be charged as a part of the construction or operation and maintenance cost payable by the water users under the project.

SEC. 12. That in any adjustment of water charges as provided in this act all due and unpaid charges to the United States, both on account of construction and on account of operation and maintenance, including interest and penalties, shall be added in each case to the total obligation of the water user, and the new total thus established shall then be the construction charge against the land in question.

SEC. 13. That every entryman or assignee on a project farm unit not yet patented, which unit shall be found by the Secretary to be insufficient to support a family and pay water charges, shall have the right upon application to exchange his entry for another farm unit of unentered public land on the same or another project located in the same State, in which event all installments of construction charges therefore paid on account of the relinquished farm unit shall be credited on account of the new farm unit taken in exchange: *Provided*, That where two entrymen apply for the same farm unit under the exchange provision of this section, only one of whom is an ex-service man, as defined by the joint resolution of January 21, 1922 (42 Stat. p. 358), the ex-service man shall have a preference in making such exchange.

SEC. 14. That all contracts providing for new projects and new divisions of projects shall require that all operation and maintenance charges shall be payable in advance. In each case where the care, operation, and maintenance of a project or division of a project are transferred to the water users the contract shall require the payment of operation and maintenance charges in advance. That whenever an adjustment of water charges is made under this act the adjustment contract shall provide that thereafter all operation and maintenance charges shall be payable in advance.

SEC. 15. That the cost and expense after June 30, 1925, of the main office at Washington, D. C., of the Bureau of Reclamation in the Department of the Interior, and the cost and expense of general investigations heretofore and hereafter authorized by the Secretary, shall be charged to the general reclamation fund and shall not be charged as a part of the construction or operation and maintenance cost payable by the water users under the projects.

SEC. 16. That where, in the opinion of the Secretary, a right of way or easement of any kind over public land is required in connection with a project the Secretary may reserve the same to the United States by filing in the General Land Office and in the appropriate local land office copies of an instrument giving a description of the right of way or easement and notice that the same is reserved to the United States for Federal irrigation purposes under this act, in which event entry for such land and the patent issued therefor shall be subject to the right of way or easement so described in such instrument; and reference to each such instrument shall be made in the appropriate tract books and also in the patent.

SEC. 17. That where real property or any interest therein heretofore has been, or hereafter shall be, donated and conveyed to the United States for use in connection with a project, and the Secretary decides not to utilize the donation, he is authorized without charge to reconvey such property or any part thereof to the donating grantor, or to the heirs, successors, or assigns of such grantor.

SEC. 18. That there is hereby authorized to be appropriated from the General Treasury the sum of $100,000 for investigations to be made by the Secretary through the Bureau of Reclamation to obtain necessary information to determine how arid, swamp, and cut-over timber lands may best be developed.

Amendment 58 of the bill H. R. 9559, known as the "second deficiency act, fiscal year 1924," now under consideration, is

the irrigation legislation proposed as a rider. This amendment (amendment 58, H. R. 9359) follows:

SEC. 5. SUBSECTION A. That when used in this section—

(a) The word "Secretary" means the Secretary of the Interior.

(b) The words "reclamation law" means the act of June 17, 1902 (32 Stat. p. 388), and all acts amendatory thereof or supplementary thereto.

(c) The words "reclamation fund" mean the fund provided by the reclamation law.

(d) The word "project" means a Federal irrigation project authorized by the reclamation law.

(e) The words "division of a project" means a substantial irrigable area of a project designated as a division by order of the Secretary.

SUBSEC. B. That no new project or new division of a project shall be approved for construction or estimates submitted therefor by the Secretary until information in detail shall be secured by him concerning the water supply, the engineering features, the cost of construction, land prices, and the probable cost of development, and he shall have made a finding in writing that it is feasible, that it is adaptable for actual settlement and farm homes, and that it will probably return the cost thereof to the United States.

SUBSEC. C. That the Secretary is hereby authorized, under regulations to be promulgated by him, to require of each applicant including preference right ex-service men for entry to public lands on a project, such qualifications as to industry, experience, character, and capital, as in his opinion are necessary to give reasonable assurance of success by the prospective settler. The Secretary is authorized to appoint boards in part composed of private citizens, to assist in determining such qualifications.

SUBSEC. D. That the irrigable lands of each new project and new division of a project hereinafter approved shall be classified by the Secretary with respect to their power, under a proper agricultural program, to support a family and pay water charges, and the Secretary is authorized to fix different construction charges against different classes of land under the same project for the purpose of equitably apportioning the total construction cost so that all lands may as far as practicable bear the burden of such cost according to their productive value.

SUBSEC. E. That hereafter the Secretary shall as to each irrigable acre of land in each new project, or a new division of a project, issue two public notices relating to construction charges. The first public notice shall be issued when the land is ready for settlement and will announce the construction charge per irrigable acre. The second public notice shall be issued when in the opinion of the Secretary the agricultural development of the project shall have advanced sufficiently to warrant the commencement of payment of installments of such construction charge. The second public notice shall fix the date when payments will begin on the construction charge announced by the first public notice, which date shall be not more than five years from the date of the first public notice.

SUBSEC. F. That hereafter all project construction charges shall be made payable in annual installments based on the productive power of the land as provided in this subsection. The installment of the construction charge per irrigable acre payable each year shall be 5 per cent of the average gross annual acre income for the 10 calendar years first preceding, or for all years of record if fewer than 10 years are available, of the area in cultivation in the division or subdivision thereof of the project in which the land is located, as found by the Secretary annually. The decision of the Secretary as to the amount of any such installment shall be conclusive. These annual payments shall continue until the total construction charge against each unit is paid. The Secretary is authorized upon request to amend any existing contract for a project water right so that it will provide for payment of the construction charge thereunder in accordance with the provisions of this subsection or for the deferment of such construction charges for a period of three years from the approval of this section, or both.

SUBSEC. G. That whenever two-thirds of the irrigable area of any project, or division of a project, shall be covered by water right contracts between the water users and the United States, said project shall be required as a condition precedent to receiving the benefits of this section to take over, through a legally organized water users' association or irrigation district, the care, operation, and maintenance of all or any part of the project works, subject to such rules and regulations as the Secretary may prescribe, and thereafter the United States, in its relation to said project, shall deal with a water users' association or irrigation district, and when the water users assume control of a project the operation and maintenance charges for the year then current shall be covered into the construction account, to be repaid as part of the construction repayments.

SUBSEC. H. That the penalty of 1 per cent per month against delinquent accounts provided in section 3 and section 6 of the act of August 13, 1914 (38 Stats. p. 686), is hereby reduced to one-half of 1 per cent per month, as to all installments which may hereafter become due.

SUBSEC. I. That whenever the water users take over the care, operation, and maintenance of a project or a division of a project the total accumulated net profits, as determined by the Secretary, derived from the operation of project power plants, leasing of project grazing and farm lands, and the sale or use of town sites shall be credited to the construction charge of the project, or a division thereof, and thereafter the net profits from such sources may be used by the water users to be credited annually, first, on account of project construction charge; second, on account of project operation and maintenance charge; and, third, as the water users may direct. No distribution to individual water users shall be made out of any such profits before all obligations to the Government shall have been fully paid.

SUBSEC. J. That all moneys or profits as determined by the Secretary heretofore or hereafter derived from the sale or rental of surplus water under the Warren Act of February 21, 1911 (36 Stat., p. 925), or from the connection of a new project with an existing project shall be credited to the project or division of the project to which the construction cost has been charged.

SUBSEC. K. That on each existing project where, in the opinion of the Secretary, it appears that on account of lack of fertility in the soil, an inadequate water supply, or other physical causes, settlers are unable to pay construction costs, or whenever it appears that the cost of any reclamation project by reason of error or mistake or for any cause has been apportioned or charged upon a smaller area of land than the total area of land under said project, the Secretary is authorized to undertake a comprehensive and detailed survey to ascertain all pertinent facts and report in each case the result of such survey to the Congress with his recommendations: *Provided*, That the cost and expense of each such survey shall be charged to the appropriation for the project on account of which the same is made, but shall not be charged as a part of the construction or operation and maintenance cost payable by the water users under the project.

SUBSEC. L. That in any adjustment of water charges as provided in this section all due and unpaid charges to the United States, both on account of construction and on account of operation and maintenance, including interest and penalties, shall be added in each case to the total obligation of the water user, and the new total thus established shall then be the construction charge against the land in question.

SUBSEC. M. That every entryman or assignee on a project farm unit not yet patented which unit shall be found by the Secretary to be insufficient to support a family and pay water charges shall have the right upon application to exchange his entry for another farm unit of unentered public land on the same or another project located in the same State, in which event all installments of construction charges theretofore paid on account of the relinquished farm unit shall be credited on account of the new farm unit taken in exchange: *Provided*, That where two entrymen apply for the same farm unit under the exchange provision of this subsection, only one of whom is an ex-service man, as defined by the joint resolution of January 21, 1922 (42 Stat. p. 358), the ex-service man shall have a preference in making such exchange.

SUBSEC. N. That all contracts providing for new projects and new divisions of projects shall require that all operation and maintenance charge shall be payable in advance. In each case where the care, operation, and maintenance of a project or division of a project are transferred to the water users the contract shall require the payment of operation and maintenance charge in advance. That whenever an adjustment of water charges is made under this section the adjustment contract shall provide that thereafter all operation and maintenance charges shall be payable in advance.

SUBSEC. O. That the cost and expense after June 30, 1925, of the main office at Washington, D. C., of the Bureau of Reclamation in the Department of the Interior, and the cost and expense of general investigation heretofore and hereafter authorized by the Secretary, shall be charged to the general reclamation fund and shall not be charged as a part of the construction or operation and maintenance cost payable by the water users under the projects.

SUBSEC. P. That where, in the opinion of the Secretary, a right of way or easement of any kind over public land is required in connection with a project the Secretary may reserve the same to the United States by filing in the General Land Office and in the appropriate local land office copies of an instrument giving a description of the right of way or easement and notice that the same is reserved to the United States for Federal irrigation purposes under this section, in which event entry for such land and the patent issued therefor shall be subject to the right of way or easement so described in such instrument; and reference to each such instrument shall be made in the appropriate tract books and also in the patent.

SUBSEC. Q. That where real property or any interest therein heretofore has been, or hereafter shall be, donated and conveyed to the

United States for use in connection with a project, and the Secretary decides not to utilize the donation, he is authorized without charge to reconvey such property or any part thereof to the donating grantor, or to the heirs, successors, or assigns of such grantor.

SUBSEC. R. That there is hereby authorized to be appropriated from the General Treasury the sum of $100,000 for investigations to be made by the Secretary through the Bureau of Reclamation to obtain the necessary information to determine how arid and semiarid, swamp, and cut-over timberlands may best be developed.

It will be noted that this rider—amendment 58—carries some new provisions not carried in any of the bills above set out and leaves out many that the originally proposed bills carried.

This record should be so placed in compact form that it may be used for future action.

To show the present condition of the various Federal irrigation projects I am printing herewith two tables, Exhibits A and B, which are as follows:

*Federal irrigation projects, Bureau of Reclamation*

EXHIBIT A

| State | Project | Average acre cost | Construction to June 30, 1923 | | | | Construction | | Loss | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Net cost [1 2 3] | Per cent | Paid [3] | Due [4] | Contracted | Uncontracted | Probable | Definite |
| Arizona | Salt River | $60.00 | $10,548,119.28 | 8.4 | $891,815.82 | [5] $9,656,303.46 | $10,548,119.28 | | | $382,097.00 |
| Arizona-California | Yuma | 71.00 | 9,026,546.52 | 12.1 | 1,093,052.01 | 7,933,494.51 | 5,743,556.85 | $3,282,989.67 | $2,700,000.00 | 1,361,000.00 |
| California | Orland | 44.00 | 1,091,795.87 | 22.0 | 240,614.58 | 851,181.29 | 1,091,795.87 | [6] 27,776.88 | | |
| Colorado | Grand Valley | | 4,017,921.98 | | [7] | 4,017,921.98 | 1,000,000.00 | 3,017,921.98 | 1,000,000.00 | |
| Do | Uncompahgre | 70.00 | 6,715,074.41 | 1.5 | 102,706.34 | 6,612,368.07 | 6,715,074.41 | [6] 45,880.90 | 1,500,000.00 | 47,370.00 |
| Idaho | King Hill | | 1,881,391.45 | | [8] | 1,881,391.45 | 1,881,391.55 | [6] 118,608.55 | | 1,000,000.00 |
| Do | Minidoka: | | | | | | | | | |
| | Gravity | 29.00 | 8,054,663.26 | 35.5 | 2,866,208.24 | 5,188,455.02 | 7,098,768.13 | 955,895.13 | | |
| | South Side | 57.00 | | | | | | | | |
| Idaho-Oregon | Boise | 76.00 | 12,731,409.73 | 11 | 1,408,314.08 | 11,323,095.65 | 12,648,436.56 | 82,973.17 | | |
| Kansas | Garden City [9] | | 385,651.07 | 13.2 | 51,176.11 | 334,474.96 | | | | 334,475.00 |
| Montana | Huntley | 34.00 | 1,474,408.81 | 24.5 | 361,056.23 | 1,113,352.58 | 1,320,119.25 | 154,289.56 | 400,000.00 | 100,000.00 |
| Do | Milk River | | 6,762,083.25 | .16 | 1,114.00 | 6,760,969.25 | | 6,762,083.25 | | 3,000,000.00 |
| Do | Sun River [10] | 33.00 | 4,245,842.94 | 4 | 170,178.73 | 4,075,664.21 | 420,608.14 | 3,825,234.80 | 130,000.00 | 1,920,000.00 |
| Montana-North Dakota | Lower Yellowstone | 45.00 | 3,110,449.22 | 1.13 | 41,332.70 | [5] 3,069,116.52 | 3,091,604.16 | 18,845.06 | | 1,000,000.00 |
| Nebraska-Wyoming | North Platte: | | | | | | | | | |
| | Interstate | 55.00 | 13,672,160.32 | 12.45 | 1,742,767.58 | 11,929,392.74 | 8,634,885.57 | 5,037,274.75 | 600,000.00 | |
| | Northport | 70.00 | | | | | | | | |
| Nevada | Newlands | 41.00 | 6,988,475.92 | 7.5 | 522,100.51 | 6,466,375.41 | 2,636,256.08 | 4,352,219.84 | | 3,500,000.00 |
| New Mexico | Carlsbad | 49.00 | 1,393,994.79 | 28 | 391,577.34 | 1,002,417.45 | 1,393,994.79 | [6] 35,944.02 | | |
| Do | Hondo [8] | | 371,867.17 | | [9] | 371,867.17 | | | | 371,886.00 |
| New Mexico-Texas | Rio Grande | 90.00 | [6] 12,146,114.43 | .6 | 76,491.00 | 12,069,623.43 | 7,650,000.00 | 3,496,114.43 | | 600,000.00 |
| North Dakota | Williston | 38.00 | 460,107.18 | 1.8 | 8,250.63 | 451,856.55 | 290,803.74 | 169,303.44 | | 600,000.00 |
| Do | Buford Trenton [8] | | 221,864.69 | | [9] | 221,864.69 | | | | 294,318.00 |
| Oregon | Umatilla | 70.00 | 2,683,399.89 | 13.1 | 373,919.76 | [5] 2,309,480.13 | 2,514,446.02 | 168,953.87 | | 600,000.00 |
| Oregon-California | Klamath | 35.00 | 2,974,463.70 | 13.5 | 537,692.72 | 2,436,770.98 | 2,162,547.36 | 811,916.34 | 500,000.00 | 250,000.00 |
| South Dakota | Belle Fourche | 33.00 | 3,547,045.03 | 13.4 | 478,279.90 | 3,068,765.13 | 2,576,886.29 | 970,158.74 | 750,000.00 | |
| Utah | Strawberry Valley | 82.00 | 3,466,968.09 | 11.45 | 396,582.88 | 3,070,385.12 | 3,084,099.37 | 382,868.63 | | |
| Washington | Okanogan | 98.00 | 1,302,161.65 | 3.9 | 54,427.70 | 1,247,733.95 | 1,302,161.65 | [6] 104,838.88 | 500,000.00 | 275,000.00 |
| Do | Yakima: | | | | | | | | | |
| | Sunnyside | 52.00 | 12,161,931.67 | 25.6 | 3,171,575.12 | 8,990,356.95 | 9,635,600.84 | 2,526,330.83 | | |
| | Tieton | 96.00 | | | | | | | | |
| Wyoming | Riverton [10] | | 1,060,228.09 | | [11] | 1,060,228.09 | | 1,060,228.09 | | |
| Wyoming-Montana | Shoshone: | | | | | | | | | |
| | Greenfields | 52.00 | 8,290,865.42 | 7.4 | 611,608.50 | 7,679,256.92 | 5,591,391.68 | 2,699,473.74 | 750,000.00 | [12] 2,325,000.00 |
| | Frannie | 80.00 | | | | | | | | [12] 1,200,000.00 |
| | Total | | 141,787,605.74 | | 15,592,842.48 | 126,194,163.26 | 100,032,547.49 | 39,442,026.09 | 8,830,000.00 | 18,561,146.00 |

EXHIBIT B

| State | Project | Operation and maintenance, June 30, 1923. | | | Construction, years to pay out. [13] | |
|---|---|---|---|---|---|---|
| | | Due | Paid | Unpaid | 6 per cent present contract | 5 per cent crop returns |
| Arizona | Salt River | [14] | [14] | [14] | 13 | 14 |
| Arizona-California | Yuma | $1,667,960.69 | $956,921.68 | $711,039.91 | 33 | 42 |
| California | Orland | 218,610.67 | 200,351.55 | 18,259.12 | 17 | 19 |
| Colorado | Grand Valley | [15] | | | | |
| Do | Uncompahgre | 81,724.16 | 1,543.60 | 80,180.56 | 21 | 42 |
| Idaho | King Hill | [16] | | | | |
| Do | Minidoka | 1,381,916.18 | 1,198,418.06 | 183,498.12 | 18 | 24 |
| Idaho-Oregon | Boise | 1,631,887.35 | 1,424,251.14 | 207,636.21 | 26 | 61 |
| Kansas | Garden City [17] | | | | | |
| Montana | Huntley | 850,502.46 | 321,806.29 | 528,696.17 | 17 | 22 |
| Do | Milk River | [16] | | | | |
| Do | Sun River | 201,770.14 | 124,686.46 | 77,083.68 | | |
| Montana-North Dakota | Lower Yellowstone | 744,420.61 | 62,361.87 | 682,058.74 | 19 | 52 |
| Nebraska-Wyoming | North Platte | 2,032,953.08 | 1,347,895.73 | 685,057.35 | | 70 |
| | Interstate | | | | | |
| | Fort Laramie | | | | | |
| | Northport | | | | | |
| Nevada | Newlands | 1,046,236.05 | 708,990.14 | 337,245.91 | 54 | 99 |
| New Mexico | Carlsbad | 483,724.56 | 405,595.17 | 78,129.39 | 14 | 18 |
| Do | Hondo [18] | | | | | |

[1] These costs include supplemental construction and amounts expended under Warren Act and special contracts on 11 projects (estimated total, $12,922,455).
[2] Represents amount to be repaid by water users (including operation and maintenance during construction; excluding arrearages in operation and maintenance heretofore transferred to construction).
[3] Extension act, 1914, provided 20 years additional time for payment of unpaid amounts.
[4] Includes advance payments: Construction, $366,334.27.
[5] Charges deferred: Salt River, $738,602.20; Lower Yellowstone, $21,112.48; Umatilla, $28,000.
[6] Contracted in excess of present costs.
[7] Not under public notice. Water sold on rental basis.
[8] Abandoned.
[9] Includes $1,000,000 covered by special appropriation, not to be repaid by water users.
[10] Fort Shaw.
[11] Under construction. No lands irrigated.
[12] Secondary projects.
[13] Acreage under water right contract used in computing years to pay out.
[14] Operated by Salt River Valley Water Users' Association.
[15] Not under public notice. Water sold on rental basis.
[16] Abandoned.

*Federal irrigation projects, Bureau of Reclamation*—Continued

EXHIBIT B—Continued

| State | Project | Operation and maintenance, June 30, 1923 | | | Construction, years to pay out | |
|---|---|---|---|---|---|---|
| | | Due | Paid | Unpaid | 6 per cent present contract | 5 per cent crop returns |
| New Mexico-Texas | Rio Grande | $548,366.12 | $386,742.40 | $161,623.72 | 15 | 15 |
| North Dakota | Williston | 357,244.00 | 28,696.51 | [17] 328,647.49 | 26 | 60 |
| Do | Buford-Trenton [16] | 74,771.07 | 2,317.41 | [17] 72,453.66 | | |
| Oregon | Umatilla | 534,116.72 | 251,651.55 | 282,465.17 | 23 | 34 |
| Oregon-California | Klamath | 582,268.18 | 439,773.12 | 142,495.06 | 36 | 77 |
| South Dakota | Belle Fourche | 972,057.67 | 529,317.96 | 442,739.71 | 29 | 49 |
| Utah | Strawberry Valley | 352,254.65 | 243,775.56 | 108,479.09 | | |
| Washington | Okanogan | 379,212.10 | 223,082.51 | 156,129.59 | 26 | 18 |
| Do | Yakima | 2,300,887.18 | 2,093,687.09 | 207,200.09 | | 32 |
| | Sunnyside | | | | | |
| | Tieton | | | | | |
| | Storage | | | | | |
| Wyoming | Riverton [18] | | | | | |
| Wyoming-Montana | Shoshone | 616,347.91 | 418,978.89 | 197,369.02 | | 80 |
| Total | | [19] 17,059,231.85 | [20] 11,370,744.09 | [19] 5,688,487.76 | | |

[16] Abandoned.
[17] Williston: Operation and maintenance loss prior to April 1, 1919, $178,667.20; Buford-Trenton, abandoned, operation and maintenance loss $71,149.39.
[18] Under construction. No lands irrigated.
[19] This amount includes $1,059,864.34, representing costs from Jan. 1 to June 30, 1923, for which no assessments have been made against the water users, leaving a net arrearage of $4,628,623.45 on operation and maintenance.
[20] Includes advance payments; operation and maintenance, $19,251.60.

To show the extra expense to the Government and added burden to the already overtaxed farmers on these Federal irrigation projects, as well as the duplication of work in the various Government departments that this proposed legislation will entail, which alone would justify the elimination and defeat of this amendment 58, I am submitting a letter sent to Secretary Wallace, of the Department of Agriculture, and his reply thereto:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D. C., May 27, 1924.*

Hon. HENRY C. WALLACE,
*Secretary of Agriculture,*
*Washington, D. C.*

In re reclamation projects.

MY DEAR MR. SECRETARY: The bill H. R. 7220, a bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, on page 61 contains the item—

"Miscellaneous items. Demonstrations on reclamation projects. To enable the Secretary of Agriculture to encourage and aid in the agricultural development of the Government reclamation projects; to assist, through demonstration, advice, and in other ways, settlers on the projects; and for the employment of persons and means necessary in the city of Washington and elsewhere, $36,460."

First. (a) Would you kindly advise me how long a similar item has been carried in the Agricultural appropriation bills for such work?

(b) The total amount up to date thus expended for such work?

(c) Where, how, and upon what Government reclamation projects has such work been done as provided in the above authorization and appropriations made thereunder?

Second. Investigation as to arid, swamp, and cut-over lands: What amount has been appropriated and used for the last 10 years for the use of your department for investigations relative to determining information regarding how arid, swamp, and cut-over lands could best be used?

Third. Soil surveys: Has there been any soil survey under your department within the last 10 years under provisions authorizing appropriations for the Bureau of Soils on any of the Government reclamation projects? If so, what ones?

If a soil survey has not been made on each Government reclamation project, would you kindly advise me why the same has not been done and the reason therefor?

Fourth. In re H. R. 8836.

Section 22 of the above-named bill, which is now pending before Congress, provides as follows:

"SEC. 22. That there is hereby authorized to be appropriated from the General Treasury the sum of $100,000 annually for five years for investigations to be made by the Secretary, through the Bureau of Reclamation, to obtain necessary information to determine how arid, swamp, and cut-over timberlands may best be developed in the future to meet the growing agricultural needs of the Nation."

Would you kindly advise me if it is not a fact that this work authorized would be a duplication of the work now authorized under existing law for the Department of Agriculture under the Bureau of Soils, Bureau of Entomology, Bureau of Chemistry, Forest Service, and other bureaus and branches of the Department of Agriculture?

I would greatly appreciate an early reply, as I desire to use it before the committee now having charge of the legislation above named, which, as I now view it, is a transfer from the Department of Agriculture to the Department of the Interior and a duplication.

Respectfully submitting the same, I am,

Yours most truly,

JOHN E. RAKER, M. C.

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DEPARTMENT OF AGRICULTURE,
*Washington, May 29, 1924.*

Hon. JOHN E. RAKER,
*House of Representatives.*

DEAR MR. RAKER: Immediately yesterday upon receipt of your letter asking certain questions concerning the work of this department, people were set at work compiling the information desired. A short time will be required to assemble it, but I hope to be able to write you later to-day, or at least to-morrow, and answer your various questions.

In the meantime, inasmuch as the purpose of your inquiry seems to be to ascertain whether the activities proposed in H. R. 8836, dealing with irrigation developments, will be a duplication of work already being carried on in the Department of Agriculture, it will be proper for me to make some general observations concerning this bill.

Section 2 provides that before approving a new reclamation project the Secretary of the Interior shall secure information concerning its feasibility and adaptability, and that he shall secure through the Secretary of Agriculture a report in detail relative to the climate, kind of soil, kind of crops, and probable production, and through the Secretary of Commerce a report in detail with respect to transportation facilities, markets, and other economic factors. If this latter provision should stand, it would result in large duplication by the Department of Commerce work being carried on by the Department of Agriculture with respect to transportation facilities, markets, and other economic factors. The Government has spent millions of dollars in the way of appropriations to this department, in building up the sort of organization necessary to acquire and furnish this information. Information of this character needed by farmers on reclamation projects is also needed by farmers who are not on reclamation projects, and the creation of machinery in another department necessary to secure such information would certainly duplicate the facilities already existing in this department for handling such work.

While section 2 directs the Secretary of the Interior to secure through the Secretary of Agriculture information of an agricultural character preliminary to establishing a new reclamation project or a new division of an old project, section 11 seems to contemplate that the Secretary of the Interior shall set up within his own department the force necessary to obtain exactly the same sort of information with regard to each existing project. To do this effectively it will be necessary for the Secretary of the Interior to build up within that department activities of a strictly agricultural character, which will duplicate a great deal of the organization of the Department of Agriculture. For example, to make a reliable determination of the "physicial and economic features of each existing project" it will be necessary—

1. To make a soil survey as is done in the Bureau of Soils of the Department of Agriculture.

2. To make a study of the crops which may be grown successfully, which will involve a duplication of the work of our Bureau of Plant Industry, comprehending, as it does, the crops adapted to the soil and climatic conditions and the varieties of those crops best adapted to the particular locality, and a consideration of the plant diseases to which such crops are subject and their control.

3. To make an investigation of the insect pests which must be controlled, thus duplicating the work of our Bureau of Entomology.

4. In order to assure, if possible, the profitable sale of the crops grown, to make a study of the transportation facilities and rates, market points at which such crops can be sold, the competition which such crops will meet from other sections of the country, which in turn involves an understanding of the seasons at which various crops of different regions flow to market, etc., all of which will involve almost complete duplication of the work of our Bureau of Agricultural Economics.

5. To develop the elements of farm management involved. Back of it all is the question of farm management, a matter to which the Department of Agriculture has been giving extensive and detailed study for many years.

6. To consider the question of animal husbandry intimately related with crops to be grown. On some reclamation projects the character of the most profitable agriculture is such as not to require large numbers of animals, while on others many of the crops grown can be marketed best through animals. This involves a study of the animals best suited to the conditions on the particular project being considered—breeds, methods of feeding, etc.—all of which would involve the duplication of the work being carried on by the Bureau of Animal Industry of this department.

What I have said in the foregoing with reference to section 11 applies in part to sections 12, 13, and 14.

Section 17 authorizes the Secretary of the Interior to employ trained farm and economic advisers who will give farming and business advice. It is not clear whether it is proposed that these farm and economic advisers shall be employed at the expense of the farmers on the various projects or whether they shall constitute an extension service duplicating the established extension service of this department. Apparently the latter is contemplated. Since 1915 an item has been carried in the Agricultural appropriation act for "demonstrations on reclamation projects." Under this appropriation the Department of Agriculture, so far as the funds appropriated have permitted, has employed trained farm advisers to assist farmers on reclamation projects in planning their farm operations. The appropriation has never been sufficient to place advisers on all of the projects. At the present time there are such advisers employed for the entire year on six projects and for part of the year on two additional projects. In addition to this specific appropriation for demonstration on reclamation projects, the Smith-Lever Act of 1914 provides for a system of extension work in agriculture and home economics to be conducted cooperatively by the Department of Agriculture and the State colleges of agriculture. Each of the States has a staff of extension workers, including county agricultural agents, home demonstration agents, and specialists in the various lines of agriculture and home economics. The joint extension services of the Federal Government and the States maintain county agricultural agents in a large proportion of the counties in which reclamation projects are located. Obviously there should be the closest relations between the farm advisers employed on reclamation projects and the extension services of the various States, particularly the county agents. As this extension service is carried on under the general supervision of the Department of Agriculture, the setting up of a similar service by another department would not only be much more expensive to the Government but would be far less efficient because of lacking that close relationship necessary with similar agencies.

With regard to section 22, the letter which I shall send you shortly will discuss it at more length, and it is necessary to say here only that this section contemplates a complete and costly duplication of work which has been going on in this department for several years, and to which almost every bureau of this department is contributing and must contribute in a very direct way if the work is to be of any value.

You will see from the foregoing that, in my opinion, if H. R. 8836 should become a law as it now reads, it will result in very large and unnecessary duplication of work of this department and add very considerable expense to the Federal Government. There is no question but that the difficulties on many of our reclamation projects are due to the ignoring of the agricultural requirements and practices to make such projects a success. This is brought out very clearly by the report of the special advisory committee on reclamation printed as Senate Document No. 92. Before a reclamation project is undertaken there should first be a study of the soil, of what it will produce, of the possible markets for the crops produced, and a reasonable assurance that water can be put on the land at a cost which will enable intelligent and industrious farmers to establish a prosperous farm community. That is an agricultural inquiry pure and simple, and it can be answered satisfactorily only by calling upon the entire resources of such a department as the Department of Agriculture. If such inquiry results in a satisfactory answer to the major question, the next step is the construction of the irrigation works. This is an engineering problem. When the engineers have finished and the work is complete the problem again becomes agricultural. Most of the trouble the Federal Government has experienced in its reclamation enterprises has been due to the fact that they have been promoted too largely from the viewpoint of the engineers who lack agricultural knowledge.

It is my opinion, and I so testified before the reorganization committee, that in the interest of good Federal administration the entire Reclamation Service, except perhaps that part which deals with engineering construction, should be transferred from Interior to Agriculture. Until that is done there will be unnecessary duplication of work and expenditures. You will note from the foregoing that I am in full accord with the theory of the bill which you are considering. It proposes to do what ought to be done, namely, to consider the agricultural aspects of a proposed project before beginning upon the engineering work, and to consider what needs to be done to promote good farming after the projects have been constructed.

My point is that this work, both before and after construction, can be done best and most economically by the Department of Agriculture, and if undertaken by any other department must inevitably result in a vast amount of duplication and millions of dollars of additional expense.

Very truly, HENRY C. WALLACE, *Secretary.*

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DEPARTMENT OF AGRICULTURE,
*Washington, May 30, 1924.*

Hon. JOHN E. RAKER,
*House of Representatives.*

DEAR MR. RAKER: With further reference to your letter of May 27 asking for information concerning the relation of House bill 8836 to the work of the Department of Agriculture, I am glad to supply you with the facts requested. As I indicated in my previous communication, some of the provisions of the bill cut squarely across the work of this department and seem to me to involve a wholly unnecessary duplication of machinery and function.

In reply to your specific inquiries—

(1) You ask me to advise you how long the item for enabling the Secretary of Agriculture to encourage and aid in the agricultural development of the Government reclamation projects, to assist through demonstrations, advice, and in other ways settlers on the projects, etc., has been carried in the annual agricultural appropriation bill, the total amount provided to date, and the projects and conditions under which work has been done in accordance with this authorization.

The item referred to has been carried in the act making appropriations in the Department of Agriculture since the fiscal year 1915. For the current year it is as follows:

DEMONSTRATIONS ON RECLAMATION PROJECTS

"To enable the Secretary of Agriculture to encourage and aid in the agricultural development of the Government reclamation projects; to assist, through demonstrations, advise, and in other ways, settlers on the projects; and for the employment of persons and means necessary in the city of Washington and elsewhere, $39,000."

The total amounts appropriated and expended to date under this provision from the fiscal years 1915 to 1924, and including the item carried in the bill for 1925, is as follows:

| Fiscal year | Appropriated | Expended |
|---|---|---|
| 1915 | $40,000.00 | $23,079.33 |
| 1916 | 40,000.00 | 37,747.09 |
| 1917 | 40,000.00 | 38,555.66 |
| 1918 | 50,000.00 | 39,145.91 |
| 1919 | 48,600.00 | 39,988.47 |
| 1920 | 48,600.00 | 44,498.51 |
| 1921 | 30,000.00 | 28,543.10 |
| 1922 | 30,000.00 | 27,671.67 |
| 1923 | 39,000.00 | 33,797.49 |
| 1924 | 39,000.00 | [1] 31,883.55 |
| 1925 (pending bill) | 36,460.00 | |
| Total | 441,660.00 | 344,312.18 |

[1] May 29, 1924.

The work conducted under this item has been under the supervision of the Chief of the Bureau of Plant Industry. It has consisted of the employment of competent field men who have been stationed on each of certain reclamation projects and who have devoted their entire time to aiding the farmers, both individually and through local organizations. The aid given has been in the way of advice in dealing with local problems, such as preparing land for irrigation, planning better systems of farming, improving livestock, controlling diseases of live-

stock, improving methods of marketing livestock products, forage production and pasturing, including the cooperative utilization of pastures in the national forests. This work has been conducted on the following projects: Uncompahgre, Colo.; Boise and Minidoka, Idaho; Huntley, Milk River, Sun River, and Flathead, Mont.; North Platte, Nebr., and Wyo.; Newlands, Nev.; Umatilla, Oreg.; Bellefourche, S. Dak.; Yakima, Wash.; and Shoshone, Wyo. There have been temporary assignments of field men to deal with special problems on certain other projects. At the present time field men are employed on the following projects: Uncompahgre, Minidoka, Flathead, North Platte, Newlands, Bellefourche, and Shoshone.

A statement is attached (Exhibit A) showing, as requested, the various reclamation projects and periods during which work has been conducted thereon in connection with the activity described above.

In addition to the foregoing the annual appropriation act of the department for some time has included the following appropriation:

EXPERIMENTS IN DAIRYING AND LIVESTOCK PRODUCTION IN SEMIARID AND IRRIGATED DISTRICTS OF THE WESTERN UNITED STATES

To enable the Secretary of Agriculture to conduct investigations and experiments in problems connected with the establishment of dairying and meat-production enterprises on the semiarid and irrigated lands of the western United States, including the purchase of livestock and the employment of necessary persons and means in the city of Washington and elsewhere, $40,000.

This item carries an appropriation of $40,000, available during the current fiscal year.

(2) You ask concerning investigations as to arid, swamp, and cut-over lands, and inquire concerning the appropriations for such investigations for the past 10 years, for use by the Department of Agriculture for investigations relative to determining information regarding how arid, swamp, and cut-over lands can best be used.

Specific work in the study of irrigation and drainage in this department was begun in 1914. Annual appropriations ranging from $116,200 to $205,600 have been made available by Congress for this work. The total amount appropriated since the beginning of this work, including the appropriation for the coming year, is $1,868,160.

The scope and character of this work is indicated in the pending appropriation act for the year ending June 30, 1925, under the Bureau of Public Roads, which includes our rural engineering work, as follows:

> "For investigating and reporting upon the utilization of water in farm irrigation, including the best methods to apply in practice; the different kinds of power and appliances; the flow of water in ditches, pipes, and other conduits; the duty, apportionment, and measurement of irrigation water; the customs, regulations, and laws affecting irrigation; for investigating and reporting upon farm drainage and upon the drainage of swamp and other wet lands which may be made available for agricultural purposes; for preparing plans for the removal of surplus water by drainage; for the development of equipment for farm irrigation and drainage and for giving expert advice and assistance; for field experiments and investigations and the purchase and installation of equipment for experimental purposes; for the preparation and illustration of reports and bulletins; for the employment of assistants and labor in the city of Washington and elsewhere; for rent outside the District of Columbia; and for supplies and all necessary expenses, $145,650."

Under the general authority of the appropriation to the Bureau of Agricultural Economics to investigate and encourage the adoption of improved methods of farm management and farm practice the Department of Agriculture has carried on various studies on reclamation projects concerning cost of production and economic aspects of farm organization and practice. No specific appropriation has been made by Congress for this work applicable solely to reclamation projects, but existing projects have come in for considerable attention under these studies. At the present time a continuous economic survey is being made in the Twin Falls project. This has been made annually for the past four years and has involved an expenditure of approximately $30,000. Another survey in the Yakima Valley has been made for two years in succession at a cost of about $10,000. In the neighborhood of Fort Collins, Colo., a study of the cost of producing beef cattle is being made. This involves both irrigation and dry-farming methods. For the fiscal years 1915–1917 a special appropriation of $15,000 was made to the old office of farm management for the study of methods and costs of cleaning lands in cut-over regions. Altogether this office has spent upward of $90,000 in special studies on reclamation projects. Under the same appropriation the bureau, through its division of land economics, has for the last four years carried on studies in methods of land settlement, both private and public, including consideration of both private and public reclamation projects. At the present time a survey is being made in the Southwest, which has covered the Federal projects of Carlsbad, Los Cruces, and El Paso, as well as various private irrigation projects. Arrangements have been made to extend this work into other parts of the West during the coming fiscal year. The object of these studies is to determine the economic conditions affecting the success or failure of settlers, and particularly the annual amount in the way of construction charges, water charges, and interest on land value and equipment that is justified by the net-value product of agriculture under various types of farming. Such studies should be conducted on a more extensive scale than has been possible under the funds available.

(3) You ask whether there have been any soil surveys made by the Department of Agriculture within the past 10 years under provisions authorizing appropriations for the Bureau of Soils on any of the Government reclamation projects, and if so, which projects have been so surveyed? The Bureau of Soils has for at least 10 years been conducting soil surveys generally throughout the United States which incidentally cover reclamation projects, this work having been carried on under the following provision, which has been included annually in the Agricultural appropriation act:

> "For the investigation of soils, in cooperation with other branches of the Department of Agriculture, other departments of the Government, State agricultural experiment stations, and other State institutions, and for indicating upon maps and plats, by coloring or otherwise, the results of such investigations. * * *"

For at least 10 years the Bureau of Soils has been specifically cooperating with the Reclamation Service in special examinations of soils to aid in the classification of agricultural lands under another provision carried in our annual appropriation act, as follows:

> "For examination of soils to aid in the classification of agricultural lands, in cooperation with other bureaus of the department and other departments of the Government. * * *"

Lists showing the reclamation projects that have been covered by the Bureau of Soils under each of these items are attached (Exhibits B and C) as requested.

The Bureau of Soils is working in cooperation with the Reclamation Service under an agreement between the Secretary of the Interior and the Secretary of Agriculture, and where necessary is supported in part by transfer of funds from the Reclamation Service to the Bureau of Soils. The funds at the disposal of the Bureau of Soils have not always been adequate to pay the expenses of the work requested by the Reclamation Service.

In response to the part of your inquiry which requests that if a soil survey has not been made on each Government reclamation project I advise you why this has not been done and the reason therefor, I may state that it has been recognized that the Reclamation Service was responsible for these enterprises, but that the Bureau of Soils has complied with every request made by the Reclamation Service for soil surveys and soil investigations.

With reference to section 22 of H. R. 8836, which proposes to appropriate $100,000 annually for five years for investigations through the Bureau of Reclamation to determine how arid, swamp, and cut-over timberlands may best be developed in the future to meet the growing agricultural needs of the Nation, I can only reiterate that this proposed work would comprise a clear-cut duplication of similar work mentioned above as now carried on by the Division of Agricultural Engineering (irrigation and drainage studies) and the Division of Land Economics of the Bureaus of Roads and Agricultural Economics of this department. A special committee on land utilization, appointed by the by the Secretary of Agriculture, consisting of representatives of the various bureaus of this department, has been studying this whole question for the past two years. The committee has considered present and future needs for crop land, forests, and pastures; the extent and location of areas that can be made available for these various uses; and the governmental policies that should be adopted to adjust use to needs. The matter is referred to in more detail in the last annual report of the Secretary of Agriculture (1923 report, p. 78), a copy of which is attached (Exhibit D).

The most serious duplication, however, consists in the fact that the determination of the proper utilization of land is only incidentally an engineering problem. It necessarily involves the concentration on the single problem the knowledge and methods of research peculiar to many different types of agricultural specialists, such as soil physicists and chemists, agricultural engineers, agronomists, horticulturists, livestock and dairy specialists, entomologists, forestry experts, and agricultural economists trained in the special problems of farm organization and management, land valuation, etc.

Furthermore, the determination of the scope and direction of agricultural expansion is a matter of peculiar concern to the Department of Agriculture, for such expansion has a direct influence on the prosperity of the existing industry of agriculture, and when the development of new agricultural areas is ill advised the burden of restoration of the unfortunate farmers falls largely on this department.

Again, it should be noted that the determination of the most efficient utilization of land, particularly of cut-over land, is a matter of vital concern to the Forest Service, for the question is largely one of determining whether the land is best adapted to farming or to forests. The Forest Service has accumulated a vast amount of experience along this line through its work in classifying the 150,000,000 acres of land

in the national forests, and it is incidentally concerned in land classification through the necessity of selecting forest lands for purchase under the forest acquisition law.

If I have not given exactly the information you desire, I shall be glad to have you call upon me further. I feel very strongly that the committee should have before it all available facts before passing on this important legislation.

Sincerely yours,

HENRY C. WALLACE, *Secretary.*

EXHIBIT A

OFFICE OF DEMONSTRATIONS ON RECLAMATION PROJECTS,
BUREAU OF PLANT INDUSTRY,
DEPARTMENT OF AGRICULTURE,
*March 29, 1924.*

Statement showing reclamation projects and periods during which work has been conducted thereon by the Office of Demonstrations on reclamation projects:

Bellefourche project (South Dakota), from May, 1918, to March, 1920; from December, 1922, to date.

Boise project (Idaho), from March, 1915, to March, 1919.

Grand Junction project (Colorado), spring, 1921.

Huntley project (Montana), from February, 1915, to July, 1917; from February, 1919, to July, 1921.

Lower Yellowstone project, from April, 1920, to September, 1920.

Flathead project (Montana), from July, 1923, to date.

Milk River project (Montana), each summer, 1920 to 1923.

Minidoka project (Idaho), from October, 1914, to June, 1918; from February, 1919, to September, 1920; from November, 1920, to March, 1922; from August, 1922, to date.

Newlands project (Nevada), from 1914 to date.

North Platte project (Nebraska-Wyoming), from July, 1914, to November, 1917; from February, 1918, to March, 1920; from May, 1922, to date.

Shoshone project (Wyoming), from March, 1915, to September, 1920; from July, 1921, to date.

Sun River project (Montana), each summer, 1920 to 1923.

Tieton project (Washington), from 1915 to 1920.

Umatilla project (Oregon), from January, 1918, to October, 1919.

Uncompahgre project (Colorado), from October, 1915, to September, 1919; from December, 1919, to date.

Yakima project (Washington), from 1914 to 1920.

EXHIBIT B

List of United States reclamation projects covered by soil surveys under the general appropriation for soil investigations:

Arizona—
- Yuma, Yuma area, 1905.
- Salt River, Salt River Valley area, 1900.

California—Orland, Colusa area, 1907.

Colorado—
- Grande Valley, Grand Junction area, 1905.
- Uncompaghre, Uncompaghre area, 1910.

Idaho—
- Boise, Boise area, 1901.
- Minidoka, Minidoka area, 1907.
- Shoshone, no surveys.
- King Hill, no survey.

Montana—
- Sun River, no survey.
- Fort Peck, no survey.
- Huntley, Billings area, 1902.
- Lower Yellowstone Valley, no survey.
- Milk River, no survey.
- Flathead, no survey.
- Blackfoot, no survey.

Nebraska—North Platte, Morrill County, 1917; Scotts Bluff County, 1913; Banner County, 1919; Sioux County, 1919; Fort Laramie (Wyo.) area, 1917; Western Kansas reconn., 1911.

Nevada—Newlands, Fallon area, 1909.

New Mexico—
- Rio Grande, Mesilla Valley area, 1912.
- Carlsbad, Pecos Valley area, 1899.
- Hondo, Pecos Valley area, 1899.

North Dakota—North Dakota pumping, Williston area, 1906.

Oregon—
- Klamath, Klamath reclamation project area, 1908.
- Umatilla, no survey.

South Dakota—Belle Fourche, Belle Fourche area, 1907.

Utah—Strawberry Valley, Provo area, 1903.

Washington—
- Yakima, Yakima area, 1901.
- Okanogan, no survey.

Wyoming—
- Shoshone, no survey.
- Riverton, no survey.

The years indicated above refer to the particular volume of the field operations of the Bureau of Soils in which the report and map of an area may be found.

EXHIBIT C

*Soil investigations made in cooperation with the Reclamation Service indicating the projects for which special reports and maps were furnished under the special appropriation made the Bureau of Soils for this work.*

| State | Project | Date received | By— |
|---|---|---|---|
| Arizona | Salt River | Aug. 28, 1913 | Macy H. Lapham. |
| | Sentibel | Oct. 16, 1919 | A. T. Strahorn. |
| | Yuma | Nov. 23, 1914 | Do. |
| California | Imperial Valley | June 20, 1921 | Do. |
| Colorado | Grand Valley | July, 1915 | Do. |
| | Montezuma | Jan. 19, 1919 | Do. |
| | Uncompahgre | June 20, 1915 | Do. |
| New Mexico | Carlsbad | Apr. 13, 1923 | Do. |
| New Mexico and Texas. | Rio Grande | Dec., 1914 | Do. |
| Oklahoma | Lawton | Oct., 1914 | Do. |
| Oregon | Warm Springs | Oct. 9, 1923 | H. H. Krusekopf. |
| | Umatilla | June 4, 1914 | A. T. Strahorn. |
| Oregon-California | Klamath (Tule Lake Division). | Aug. 30, 1922 | A. E. Kocher. |
| | Klamath (Tule Lake Division.) | Oct 9, 1923 | Scott Ewing. |
| Texas | Rio Grande | Dec, 1921 | A. T. Strahorn. |
| Utah | Green River | Oct. 24, 1921 | Do. |
| | Salt Lake Basin (Tooele Valley). | Aug. 26, 1922 | Do. |
| Wyoming | Alcova-Casper | Apr. 13, 1923 | Do. |
| | Green River (viz: Bonneville, Big Piney La Barge and Church Buttes). | Oct. 7, 1918 | Do. |
| | Wind River | Sept. 8, 1917 | Do. |
| | Shoshone (Sp.) | Nov. 27, 1922 | Do. |
| | Shoshone (Willwood and Frannie Extensions). | Sept. 27, 1922 | Do. |
| | Shoshone (Willwood and Frannie Divisions). | Aug. 18, 1914 | Do. |

In addition to the above we find that special examination and report was made on the Minidoka project, Idaho, in July, 1915, by Mr. Strahorn, for which no maps were supplied. This also applies to investigations on the Huntley project, Montana, Weber-Provo project, Utah, and Uncompahgre project, Colorado.

On August 14, 1922, Mr. Strahorn wrote a memorandum to the board of engineers of the Milk River project, Montana, but no other report was made.

In August, 1922, analyses of four soil samples from the Tieton Dam, Washington, was made for the Reclamation Service, and last year we made analyses of 146 soil samples for the Reclamation Service in connection with the Klamath marshes on the Klamath projects.

In 1923 the Baker, Oreg., and Columbia River basin, Wash., projects were completed and reports and maps have been submitted.

*County agents in counties in which irrigation projects are located*

| Project | State | County | County agent |
|---|---|---|---|
| Salt River | Arizona | Maricopa[1] | Herman C. Heard. |
| Do | do | Gila | None. |
| Yuma | do | Yuma[1] | J. G. Hamilton. |
| Do | California | Yuma | Edwin L. Garthwaite, 2 assistants. |
| Orland | do | Glenn[1] | Enoch Torken. |
| Do | do | Tehama | Donald M. Smith. |
| Grand Valley | Colorado | Mesa | Leo P. McCann. |
| Uncompahgre | do | Montrose | Benj. H. King. |
| Do | do | Delta | None. |
| Boise | Idaho | Ada | Do. |
| Do | do | Boise | Do. |
| Do | do | Canyon | Do. |
| Do | do | Elmore | Do. |
| Do | Oregon | Malheur | L. R. Breithaupt. |
| King Hill | Idaho | Elmore | None. |
| Do | do | Gooding | O. E. McConnell. |
| Do | do | Owyhee | None. |
| Do | do | Twin Falls[1] | R. E. Brossard. |
| Minidoka | do | Minidoka[1] | None. |
| Do | do | Cassia[1] | Jas. W. Barber. |
| Huntley | Montana | Yellowstone[1] | Wm. P. Stapleton. |
| Sun River | do | Cascade | F. E. MacSpadden. |
| Do | do | Chouteau | Chas. H. Ruzicka. |
| Do | do | Lewis and Clark | W. H. Sutton. |
| Do | do | Teton | Robt. Clarkson. |
| Lower Yellowstone | do | Dawson | None. |
| Do | do | Richland | Harold F. DePue. |
| Do | North Dakota | McKenzie | Paul C. Wagner. |
| Milk River | Montana | Hill | E. B. Duncan. |
| Do | do | Blaine | G. W. Gustafson. |
| Do | do | Phillips | Henry L. Lantz. |
| Do | do | Valley | Murray E. Stebbins. |
| North Platte | Nebraska | Scottsbluff | Phil Sheldon. |
| Do | do | Sioux | None. |
| Do | do | Banner | Do. |
| Do | do | Morrill | E. C. Nelson. |

[1] Indicates home demonstration agent also.

*County agents in counties in which irrigation projects are located*—Continued

| Project | State | County | County agent |
|---|---|---|---|
| North Platte | Wyoming | Natrona | Gerald M. Penley. |
| Do | do | Carbon | None. |
| Do | do | Converse | Arthur E. Hyde. |
| Do | do | Goshen | Paul H. Dupertuis. |
| Do | do | Platte | B. S. Tedmon, jr. |
| Newlands | Nevada [1] | Churchill | Albert J. Reed. |
| Do | do | Storey | None. |
| Do | do | Lyon | Edw. C. Reed. |
| Do | do | Washoe | Thos. Buckman. |
| Carlsbad | New Mexico | Eddy | None. |
| Rio Grande | do | Dona Ana [1] | Robt. C. Stockdale. |
| Do | Texas | El Paso [1] | G. A. Altgelt. |
| North Dakota Pumping (Williston). | North Dakota | Williams [1] | E. G. Schollander. |
| Umatilla | Oregon | Umatilla | Fred Bennion. |
| Do | do | Morrow | R. M. Morse. |
| Klamath | do | Klamath | Chas. Henderson. |
| Do | California | Siskiyou | None. |
| Do | do | Modoc | Do. |
| Belle Fourche | South Dakota | Butte | Arthur D. Ellison. |
| Do | do | Meade | F. F. Collins. |
| Strawberry Valley | Utah | Utah | Joseph P. Welch. |
| Do | do | Wasatch | Ezra R. Rice. |
| Okanogan | Washington | Okanogan | None. |
| Yakima | do [1] | Kittitas [1] | W. L. Davis. |
| Do | do | Yakima | A. E. Lovett. |
| Do | do | Benton | None. |
| Riverton | Wyoming | Fremont | P. T. Meyers. |
| Shoshone | do | Park [1] | Royal J. Allen. |
| Do | do | Big Horn | L. E. McDaniels. |
| Do | Montana | Carbon | None. |

[1] Indicates home demonstration agent also.

THE FOREST PROBLEM ONLY ONE PART OF A GENERAL NATIONAL PROBLEM OF LAND UTILIZATION

In reality the problems of forestry and the better regulation of the grazing resources on the public domain are merely phases, though very important phases, of the broad problem of land utilization. As the timber is cut millions of acres are thrown out of use. Some of this land is now suitable for use as farming land, some of it will be needed for that purpose in the course of time, but most of it is permanently unsuited to use for farming purposes. Of the arid or semiarid open public grazing lands relatively little is physically capable of growing crops except where irrigation may be possible, no matter how pressing the national need for crop land may become, and under present conditions it is steadily declining in capacity for use for the only form of use to which it can be put, while being held open for entry under the homestead laws. It is clear that a proper distribution of our reserve areas between the three uses—forests, grazing, and crops—implies some kind of policy of giving direction to the utilization of our land resources.

LAND UTILIZATION POLICY

While many of the agricultural difficulties of the past three years have been due in part to surplus production resulting from overstimulation during the war, it is evident that before many years our population will have grown to a point which will enable it to consume not only all we produce at the present time but considerably more. Where this increased production is to come from and how our national land resources may be best used is therefore a matter of major importance. Some two years since I appointed a departmental committee, consisting of representatives of various bureaus, to consider present and future needs for crop land, forests, and pastures; the extent and location of areas that can be made available for these various uses; and the governmental policies that should be adopted to adjust use to needs.

The more immediate problems of the adjustment of type of use to climate, soil, and economic conditions in the semiarid regions of the West have received the major part of the attention of the section working on land utilization problems. Particular attention has been given to the Great Plains as a whole and the spring-wheat section as a part of the larger field. Frequently recurring seed loans are not a solution of the problem; this lies rather in a change in the type of agriculture and farm organization.

War prices, propaganda urging increased food production, and local desire for the development of unused resources have brought about the reclamation by irrigation and drainage of large areas of land on some of which it is being found difficult to repay the cost of reclamation. Effort has been made during the past year to coordinate the policy of the Reclamation Service with the studies of this department in directing land utilization and settlement. The Secretary of the Interior has recognized the desirability of obtaining the judgment of the Department of Agriculture concerning the agronomic and economic feasibility of proposed reclamation projects and has referred such projects to this department for consideration.

Tenancy on farm lands has been increasing. Studies of the extent of tenancy and of the various forms of contract under which tenants operate have been made with a view of promoting farm ownership and the use of equitable forms of rental agreements.

Farm credits are based primarily on land values. The proper appraisal of farm lands is of great importance in order that the farmer may obtain the credit to which he is entitled and at the same time that credit agencies may have adequate security. During the year much attention has been given to a determination of the influence of the various factors affecting land values as a basis for developing scientific methods of appraisal.

It is hoped that the report of this departmental land committee will be ready for inclusion in the Yearbook of the department for 1923, and it is expected that this Yearbook will be available for distribution early in the spring of 1924. (Report of the Secretary of Agriculture, 1923, pp. 78 and 79.)

It is most deplorable that legislation of such vital and wide-reaching importance should be jammed through the committees during the last days of the Congress, but what ought to be said about the present attempt to rush it through as a rider on an appropriation bill on the last day of the session.

This is how and the method by which the people get stung.

Prior legislation by riders on appropriation bills has demonstrated how unwise and dangerous such legislation has turned out to be to the interests of the people. This should not be tolerated. It ought to be stopped.

The SPEAKER. The time of the gentleman from California has expired.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its Chief Clerk, announced that the Senate had passed the following resolution:

*Resolved*, That a committee of two Senators be appointed by the Presiding Officer of the Senate to join a similar committee appointed by the Speaker of the House of Representatives to wait upon the President of the United States and inform him that the two Houses having completed the business of the present session are ready to adjourn unless the President has some other communication to make to them.

SECOND DEFICIENCY BILL, 1924

Mr. MADDEN. Mr. Speaker, I yield to the gentleman from Colorado [Mr. TAYLOR] five minutes.

The SPEAKER. The gentleman from Colorado is recognized for five minutes.

Mr. TAYLOR of Colorado. Mr. Speaker, the reclamation law was enacted 22 years ago this month. Almost immediately thereafter every one of the Western States wanted several projects. The Reclamation Service rushed out engineers, and within a comparatively short time they approved some 28 projects. They approved some of them without thorough or proper investigation.

Many of those projects were based and approved upon the proposition that they could irrigate from two to three times as much practically irrigable land as there is under them today. They based the cost of construction upon that estimated acreage. One project in my State was estimated at 55,000 acres. They never yet have been able to irrigate half of that amount.

The result is that instead of it being about $50 an acre, as the settlers expected it to be, if the land now actually under practical irrigation was compelled to pay the entire cost it would be $324.80 an acre. Of course, they never on earth can or will pay it.

Another project was estimated at 140,000 acres. After 15 years' operation they have not much over half of that acreage in irrigated crops. They can not and should not pay this extra cost. The cost of construction has been, in some instances, nearly three times what it was originally estimated to be by the reclamation engineers. We are not asking any relief for any of the mistakes or hardships of its settlers. But we have a right to and are asking relief from the impossible burdens that have been heaped upon the public-land settlers by the incompetency of the Government officials.

Now, the poor people who settled on these lands with their families are not responsible for the mistakes of the Government, and they can not be compelled or expected to do impossibilities. All that this bill provides is that it gives the Secretary of the Interior discretionary power to figure out how much money per acre per year they can pay, and then require them to pay that amount only. And no human being can honestly or fairly ask any more.

This is a humane as well as a business proposition. If you are going to insist upon not giving those people any relief—and many hundreds of them have gone away from some of the projects already, and many more of them will be compelled to move off—as a sensible business proposition I ask this House

to grant to the Secretary of the Interior the power to do the very thing that President Coolidge and Secretary Work have asked you to do, to grant this relief to the settlers on such of the projects in the West that need it. I say it is a humane and necessary measure. It will not cost the Federal Treasury a dollar. Not one of the older States from which most of you gentlemen come produces one dollar toward this reclamation fund. The money all comes from the reclamation fund.

We are simply asking you to allow us to make this absolutely necessary adjustment, so that the original settlers upon those projects may be able to hold their homes—save part of the work of many hard and trying years. The policy of trying to fix a flat, horizontal rate of charges upon all kinds of lands, upon all kinds of projects, is so frightfully stupid and harsh that it is a crime.

As I said in my speech before the House on the 12th of last January, every project is different from all the others. The lands under each one are widely different in character. The Reclamation Service must ascertain what is the real, practical, ordinary, and fair actual annual net cash return per acre of the actually irrigated land—that is, what does the farmer get out of it? What is the ordinary and actual cash productivity per acre per year to the farmer? And the only sane or businesslike or successful or fair way is to classify the lands under each of the projects with respect to their actual power to support a family and pay water charges, and those charges must be apportioned equitably, so that no land will be charged with a greater cost than its actual cash productivity will bear.

In other words, the Reclamation Bureau must be put upon and conducted upon a common-sense, reasonable, and businesslike basis, and until that is done some of these projects never will be a success. That is all we of the West are asking Congress to do by this bill. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I want to appeal to gentlemen, no matter what side of this question they are on, not to ask for more time. I do this merely to get time in which the necessary conference can be conducted. The Senate has sent over a message stating that their business has been completed and that they are ready to adjourn. We have only three hours in which to act before the time set for adjournment. It makes no difference in the matter of sending this bill to conference. After all, the conferees must be guided by their own judgment.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. GARRETT of Tennessee. It is very undesirable that a condition should be brought about by which it might seem necessary to turn the clock back.

Mr. LONGWORTH. I sincerely hope nothing like that may happen, and if gentlemen will content themselves now with permitting this bill to go to conference and allowing the conferees to use their judgment it will be the best thing for everybody concerned.

The SPEAKER. The question is on the motion of the gentleman from Idaho that the House recede and concur.

The question was taken; and on a division (demanded by Mr. SMITH) there were—ayes 62, noes 93.

So the motion was rejected.

Mr. SMITH. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. The gentleman from Idaho makes the point of order that there is no quorum present. The Chair will count.

Mr. SMITH. Mr. Speaker, I withdraw the point of order of no quorum.

Mr. MADDEN. Mr. Speaker, I move that the House further insist on its disagreement.

Mr. BLANTON. The gentleman from Illinois ought to understand that if the conferees should put this proposition in there will be a point of order——

The SPEAKER. The gentleman is out of order. The gentleman from Illinois moves that the House further insist on its disagreement.

The motion was agreed to.

Mr. MADDEN. Mr. Speaker, I move that the House agree to the conference requested by the Senate.

The motion was agreed to.

The SPEAKER appointed the following conferees: Messrs. MADDEN, ANTHONY, and BYRNS of Tennessee.

PERMITTING CERTAIN ALIENS TO REMAIN IN THE UNITED STATES

Mr. JOHNSON of Washington. Mr. Speaker, I move to take from the Speaker's table House Joint Resolution 283, and agree to the Senate amendment.

The SPEAKER. The gentleman from Washington calls up House Joint Resolution 283, with a Senate amendment. The Clerk will report the Senate amendment.

The Senate amendment was read.

Mr. RAKER. Will the gentleman from Washington yield?

Mr. JOHNSON of Washington. Yes; certainly.

Mr. RAKER. Will the gentleman yield a little time to the gentleman from Texas [Mr. BOX] and myself?

Mr. JOHNSON of Washington. Yes; and I trust the gentlemen will get along with as little time as possible.

Mr. RAKER. The gentleman realizes that we have given considerable consideration to all these matters together with the gentleman himself, and he brings up this matter without even showing it to the Members on the other side.

Mr. JOHNSON of Washington. I beg the gentleman's pardon. It has been shown, and the text of the amendment adopted by the Senate is printed almost literally in this morning's RECORD as a part of the remarks which I made at the time the resolution was passing the House.

Now, then, the resolution adopted yesterday to admit certain aliens—most of whom came in under court decisions—was conceived by some to be the least bit broad and uncertain—that is, not sufficiently tying. It was the intention of your Committee on Immigration to tie it to the four classes described in yesterday's debate and it was the intention of the Secretary of Labor to have that done. The Committee on Immigration in the other body has so tied it and used the words decided upon after this resolution had been reported from the House committee. All that is in the Senate resolution is a positive tying of the purpose of the reserve to the four classes which we wanted to relieve. This has been done as a matter of safety, even though it may not have been necessary.

Mr. RAKER. Will the gentleman yield me five minutes?

Mr. JOHNSON of Washington. I will yield the gentleman three minutes.

Mr. WATKINS. Will the gentleman answer a question?

Mr. JOHNSON of Washington. Yes.

Mr. WATKINS. Does this resolution prevent seamen who left prior to May 26, 1924, from changing their occupation and coming in?

Mr. JOHNSON of Washington. No sailor can get in, and I doubt whether any could have gotten in under the other proposition, because seamen are not immigrants. But this amendment ties it down to the four classes exactly. I now yield three minutes to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Speaker and gentlemen, we tried to defeat the original resolutions, but in this we failed, and the House saw fit to pass it. I want to say this to show how you can easily make mistakes. The resolution (H. J. Res. 283) which passed yesterday would have admitted from 100,000 to 500,000 aliens not admissible under the present law and in contravention of the new immigration law of 1924. It would have admitted every seaman on the high seas; it would have admitted every man who left his home before the 26th of May, 1924, and who had embarked—started—on his way to the United States. The stream would have been endless from every corner of the globe. I fully presented this to the Members of the Senate last night and this morning.

Mr. VAILE. And who are lawfully here?

Mr. RAKER. No; not at all; that is not in it at all. I took it up with at least 8 or 10 lawyers, and took it up with the Senators yesterday and last night. I went over to the Library and found that the word "embarked" means having started for the United States at any time before that date. They embarked for the United States from the interior of Russia when they started on their journey for this country. Thousands have been on the road for years. No limit as to time when they started except it be before May 26, 1924. There are literally thousands of women and men in the ports of foreign countries and there are thousands there now having "embarked"—started—on their way to the United States. These could have all entered the United States under the resolution as it passed the House. The Senate has cut this vast number down to those admitted under the court decision. That is bad enough. Those men could come in, as well as every man on the high seas.

The Senators admitted that and amended this resolution so that could not be done. The legal definition of the word "embark" means to start to a place; it does not necessarily mean to enter upon a ship; and a reading of the resolution shows that if an alien embarked—started—for the United States on or before that date—May 26, 1924—he could enter.

No such resolution as this has ever been presented to Congress after an exclusion bill whereby the entire floodgates of

the United States were thrown open for admission. I am pleased to know the Senate has placed these restrictions on this resolution, and in this work I am glad. It was my fortune to assist, however little that may have been.

The immigration act of 1924 closed the front door, as it were, and this Resolution 283 as it passed the House threw the back door wide open; but as the resolution is now amended it lets those remain who entered the back door by the Gottlieb and kindred decisions—though illegally and without authority of law—and now having thus entered we finally close the door and say, "Though you entered illegally we will be generous and let you remain." We are promised by the officials that this will not occur again. Let us hope this is true. It should be. Hereafter peoples will enter, if at all, under the new act.

The SPEAKER. The time of the gentleman has expired.

Mr. JOHNSON of Washington. Mr. Speaker, I yield three minutes to the gentleman from Texas [Mr. BOX].

Mr. BOX. Mr. Speaker, of course, every Member of this House who wants to restrict immigration and wants to go as far as he can toward enforcing the law ought to vote for these amendments because they lessen the bad effect of the bad resolution which passed the House yesterday. It improves it in particulars that were very necessary. Nobody knows how many thousands it would have admitted, but they were many. It was wide open, as my colleague, the gentleman from California [Mr. RAKER] has told you. We did not have the time to present it to you yesterday, but it included an unknown and great number, and that illustrates, my colleagues, the extreme folly of dealing with important questions like this in the hasty manner in which we dealt with this yesterday.

The chairman of the committee, unfortunately, is not exactly accurate when he says the Secretary of Labor intended the resolution operate as they interpreted it here yesterday. The Secretary of Labor asked us to include all people at foreign ports who are admissible under the old law. That is what the resolution you passed yesterday did, if they started for the United States prior to May 26.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. BOX. Yes.

Mr. JOHNSON of Washington. But the committee did not grant that. Yes; they did, in substance, but these amendments were added by the Senate, which lessened the serious evil this resolution does.

Mr. BOX. I understand that the committee did not tell the House that they granted the Secretary's request, but I understand that the bill did grant it as to all who started to America before May 26, 1924. We did not have time to develop the facts. We ought to be frank with this body. If I serve with you a long time or a short time, on this or any other committee, when I make a statement to you I want you to know that the facts are as presented to you. Had the House known what was involved in the resolution, I am persuaded it would not have passed it. [Applause.]

The Senate, through the efforts of Members of the House Committee, and through their own diligence, have partially protected the country against its act of extreme folly on the part of this House in passing this resolution presented under circumstances which were unjustified. [Applause.]

Mr. JOHNSON of Washington. For the RECORD, I want to say that sailors are not regarded as immigrants. Sailors would not have been admitted under the resolution adopted yesterday, but we have thought it best to play safe. I am not alarmed as to the great numbers of the other classes. As I said yesterday they are mostly here in the United States now.

Before I conclude I would like to say to all Members that after you have gone to your homes you will receive the quota-allotment figures under the new law and you will find in those quota allotments 100 for Japan, 100 for China, and 100 for each little mandated place in the barred zone and mandated countries elsewhere, but you need not be alarmed about that because that quota is, of course, for those eligible for citizenship. I am trying to find time to place in the RECORD some explanation of the new law which I think you will all need when you get back to your districts in order to answer the questions of interested persons.

I ask for a vote, Mr. Speaker.

The SPEAKER. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the RECORD.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

## WAR MINERALS RELIEF ACT

Mr. ROBSION of Kentucky. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2797) to authorize the payment of claims under the provisions of the so-called war minerals relief act, with an amendment, which the Clerk has at the desk.

The SPEAKER. The Chair would suggest it is very doubtful if it can be enacted at this hour with an amendment.

Mr. BLANTON. It was understood that that was to be put in.

Mr. ROBSION of Kentucky. Mr. Speaker, there was no agreement that I ever heard of that we had to offer this amendment.

The SPEAKER. The Chair does not know what the amendment is.

Mr. BLANTON. Mr. Speaker, right at this point we ought to have a quorum here. This is a $2,500,000 bill.

Mr. ROBSION of Kentucky. No; it is not $2,500,000 at all.

The SPEAKER. The Chair will count.

Mr. BLANTON. Mr. Speaker, I withdraw the point of no quorum.

The SPEAKER. The gentleman from Kentucky moves to suspend the rules and pass the bill S. 2797.

Mr. BLANTON. What is the request?

The SPEAKER. A motion to suspend the rules and pass the bill.

Mr. ROBSION of Kentucky. With an amendment which the Clerk has.

The Clerk read the bill, as follows:

*Be it enacted, etc.*, That to enable the Secretary of the Interior to lawfully pay adjudicated claims arising under the provisions of the so-called war minerals relief act, entitled "An act to provide relief in cases of contracts connected with the prosecution of the war, and for other purposes," approved March 2, 1919, as amended, the limitation in said act on the aggregate amount to be disbursed thereunder in the payment of said claims is hereby repealed.

Mr. WINGO. Mr. Speaker, I demand a second.

Mr. BLANTON. Mr. Speaker, I make the point of order that the gentleman from Arkansas is in favor of this bill and some one should be recognized to demand a second who is against it. If there is any member of the committee against it, I yield to him, but if not, I claim recognition.

The SPEAKER. Is the gentleman from Arkansas in favor of the bill?

Mr. WINGO. I am in favor of the bill.

The SPEAKER. Is there any other gentleman against the bill who desires recognition? If not, the Chair recognizes the gentleman from Texas.

Mr. BLANTON. I yield half of my time to the gentleman from Arkansas.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ROBSION of Kentucky. Mr. Speaker, I yield three minutes to the gentleman from Colorado [Mr. VAILE].

Mr. VAILE. Mr. Speaker and gentlemen of the House, this amendment makes this bill comply exactly with the recommendations of the Secretary of the Interior. The other night in the discussion of this matter the gentleman from Ohio [Mr. BEGG] made what was not entirely an accurate statement through a too rapid reading of this bill. I am sure the gentleman now realizes that he did not quite correctly state it.

The Secretary of the Interior calls attention to the fact that the necessity for removing this limitation imposed by the present law is because of decisions of the Supreme Court and the Court of Appeals of the District of Columbia holding that certain items, namely, losses in purchase of property and interest on borrowed money, are recoverable by the claimants. This contention has been carried to the Supreme Court of the United States, where it is now pending. If the contention of the Government is sustained in these cases, the present amount of about $1,750,000 which is left in the fund will be sufficient to pay all of these claims or within a very small margin. If the contention of the Government is not sustained, of course, we would have to come to Congress and ask a further appropriation; but the point is that on account of the limitation in the law, to the effect that the appropriation of $8,500,000 in no event could be exceeded, the Secretary has been obliged to hold up the payment of claims which have already been adjudicated and upon which the claimants have been waiting for their money in some cases as long as five years.

Let me call the attention of the House to this fact that the claims which have been proved and paid are the claims of the large miners. They are the claims of the people with whom the

Government made individual contracts by personal individual solicitation. These claims, which were later adjudicated, have not yet been paid. [Applause.]

This results in a very pathetic situation. About 60 per cent of the claims have been adjudicated and paid in full. Those were the large claims, the cases in which the Government by individual personal solicitation induced the large producers to undertake the work, and where in consequence the proof of the claims was easy.

The claims which were adjudicated late and which are not yet paid are those of the small producers who found it more difficult to prove their claims because instead of entering into an individual written contract they began work as a result of appeals made at mass meetings and appeals published by the Government in the western newspapers—appeals to their patriotism to produce the necessary minerals which we could not then get from abroad and which were as necessary to the winning of the war as was the valor of our soldiers.

It required an act of Congress to permit these people to prove their claims, and, their proof being late through no fault of their own, these little fellows have not been paid. They can not be paid in full unless we remove this limitation.

I know one widow who, fired by patriotic fervor, as the result of a public appeal made by a Government agent at Leadville, personally did most of the manual labor necessary to reopen her little mine, herself pulling rock out of the shaft by the original "armstrong hoist."

She has not been paid. Without this relief she never can be paid in full, while claims as large as half a million dollars, claims no more deserving perhaps but not nearly so urgent, have been completely settled.

I hope this Congress will perform a plain obligation of the Government, an obligation to a most patriotic and deserving class of citizens, by passing this bill. [Applause.]

The SPEAKER. The time of the gentleman from Colorado has expired.

Mr. BLANTON. I yield two minutes to the gentleman from Ohio.

Mr. ROBSION of Kentucky. I yield two minutes to the gentleman from Ohio.

Mr. BEGG. Mr. Speaker and gentlemen of the committee, the night before last it was I who stopped this bill from going through, and at that time I offered to permit its passage if they would insert such an amendment as we have now before us; that is, an amendment that would not carry any appropriation but would remove the restrictions on the one million seven hundred thousand and odd dollars that are now available for the payment of these claims. If the Supreme Court reverses the decision next November, this action to-day will not have been futile. Last October, after the suits were entered and courts found that they could gain in compensation in their claims for original investments plus interest, it immediately became apparent that $8,500,000 would not be enough to pay all of the claims. Then the Secretary of the Interior, in order to protect himself against spending more than the appropriation, said that he would stop paying any of the claims, and as a result a number of claimants whose claims had been allowed have been compelled to go without their money since last October, at great injury to themselves. All this amendment does is to permit the Secretary of the Interior to pay the claims that have been found to be justifiable down to date. This does not carry one cent of appropriation. Next November, if the Supreme Court itself finds that the lower courts have been accurate in their findings and that we are obligated to pay for the original investment plus the interest, then the claimants will all come back to Congress and ask for a new appropriation, for enough to cover the amount of the original investment plus the interest for all the claimants. That is the whole thing in a nutshell. There is no charge in this, it removes the restriction and that alone on money already appropriated, claims already found to be just, and there can not be any damage in passing this legislation.

Mr. BLANTON. Mr. Speaker, I have fought this mineral bonus bill since four or five years ago when it was first passed. With the amendment that we have forced to be offered it is not so bad as it was last night, when it embraced an authorization for $2,500,000 appropriation. There is just one argument for the passage of this bill, and only one, and that is a good one. The big fellows, as our colleague from Arkansas [Mr. WINGO] has said, have already gotten their money. It is the little fellows who have been left out in the cold, it is the little fellows who are still unpaid, and my sympathies are with the little fellows on the proposition.

Mr. SMITH. Where were the gentleman's sympathies in respect to the poor farmers on the reclamation projects?

Mr. BLANTON. I want to quote the RECORD right here on those northwestern reclamation farmers. I want to tell the gentleman from Idaho [Mr. SMITH] something about these poor people of his who live in the Northwest, who have been coming in here and asking hand-outs from Congress because they are so poor they can not pay their debts.

Mr. SMITH. We are not asking for any hand-outs, but we are asking for a little time in which to pay.

Mr. BLANTON. The last census of 1920 shows that the approximate average per capita wealth in all of the 48 States is $2,918. Yet these poor people out in Idaho who can not pay their debts, however, have an average per capita wealth of $3,301, which is $383 per person more than the average per capita wealth of the 48 States. And I notice that the great State of Nevada heads the list as the richest State in per capita wealth of all the 48.

Mr. RICHARDS. I wish the gentleman would put the figures in the RECORD.

Mr. BLANTON. I notice that Wyoming, that is seeking so much of this jack pot to be taken out of the Treasury—this common joint northwestern jack pot to be divided up there—Wyoming is the second richest State in the Union in per capita wealth. Wyoming has $4,663 per person, as compared with the average of $2,918 for the 48 States. Then I notice South Dakota is third and Iowa is fourth and Oregon is fifth, California is sixth, and Nebraska is seventh in per capita wealth. [Applause.] Let us see about a comparison of increase of per capita wealth from 1912 to 1922, given by the census, as to these "poor people seeking hand-outs to pay their debts." I notice Arizona heads the list, and I notice Wyoming comes next, and I notice that Idaho is the fourth State on the list. And they talk to me about "the poor people of the Northwest"!

I am not going to take up any more time. I think with this amendment probably the rights of the people are safeguarded, and I am not going to take up any more time against it.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

### HOWARD UNIVERSITY ATHLETIC FIELD AND GYMNASIUM

Mr. ZIHLMAN. Mr. Speaker, I move to suspend the rules and pass the bill S. 2694, a bill to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

**An act (S. 2694) to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes**

*Be it enacted, etc.*, That for the purpose of developing an athletic field and gymnasium project, the trustees of Howard University are hereby authorized to acquire, by gift, purchase, condemnation, or otherwise, so much of square 3059, formerly block 6, Howard University Subdivision, as the university does not already own, also 45,000 square feet of land, being that portion of square 3057, formerly block 7, Howard University Subdivision, which lies south of the 15-foot alley running east and west in said square, also known as the east 300-feet front on Euclid Street: *Provided*, That no special appropriation of funds of the United States shall be made for this purpose, and that no liability on the part of the United States shall be involved in said acquisition.

SEC. 2. That those portions of Fairmont and Girard Streets lying within the area to be acquired and between the said area and the present grounds of Howard University, together with all alley space not subject to the terms of the Code of Laws for the District of Columbia, shall and are hereby declared to be closed and abandoned as public ways and shall be subject to acquisition under section 1 hereof.

SEC. 3. That the Secretary of War is hereby authorized and directed to reconvey to the trustees of the Howard University a triangular plot of land now included in McMillan Park and situated between Fairmont Street, Fifth Street, and the McMillan Park Reservoir, at the price per foot formerly paid to the said university by the United States for the said property, subject to such terms and conditions as may be prescribed by the Secretary of War.

SEC. 4. That no street shall be closed until all of the property abutting on the portion to be closed shall have been acquired by the trustees of Howard University: *Provided*, That no street shall be closed until the trustees of Howard University shall have secured the necessary title to and shall have dedicated to the District of Columbia the land necessary to provide the following streets, to wit:

An extension of Sixth Street, with a width of 50, north for 194 feet from its present terminus at Girard Street; also a street, with a width of 44 feet, from the terminus of Sixth Street as above extended

eastwardly to Fifth Street: *Provided further*, That an easement in the areas of the streets hereby closed shall remain in the District of Columbia for all except highway purposes, and that no structures shall be erected thereon except with the permission of the Commissioners of the District of Columbia.

Mr. ZIHLMAN. Mr. Speaker, I would like to explain this proposition.

Mr. STEVENSON. Mr. Speaker, I ask for a second on this.

The SPEAKER. The gentleman demands a second.

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

There was no objection.

Mr. ZIHLMAN. Mr. Speaker and gentlemen of the House, this bill provides for the closing of Fairmont Street to Girard Street through the northern end of the land north of Howard University, two short spurs of streets, and running from Sixth Street down to the reservoir. One street, Fairmont Street, is now closed having a dwelling and parking space across the street. This bill also provides the Secretary of War shall sell this piece of land which was purchased back to the university, and that the university could condemn and open up Sixth Street to a point on the present line of Girard Street and then carry down to the road running around the reservoir. It has the approval of the District Commissioners who reserve the right of easement over the property to be used, and it has the approval of the Secretary of the Interior. Congress has appropriated $197,500 for this improvement, and unless this bill passes it will be impossible for this improvement to be made.

Mr. TILSON. Will the gentleman yield?

Mr. ZIHLMAN. I will yield.

Mr. TILSON. How far beyond the ball park is this street?

Mr. ZIHLMAN. I would say two squares.

Mr. TILSON. It seems to me that district is rather congested at times and there seems to be a lack of streets running off from Georgia Avenue.

Mr. ZIHLMAN. I will say these streets run from Sixth Street down to the reservoir, and there is no congestion there because there is only one piece of property in all the land to be acquired except the property necessary for the extension and opening up of Sixth Street.

Mr. TILSON. The gentleman's plan has nothing to do with the extension between Vermont Avenue and Georgia Avenue?

Mr. ZIHLMAN. Nothing whatever. This is vacant land directly north of Howard University and between Sixth Street and the reservoir.

Mr. TILSON. And it is entirely east of Georgia Avenue?

Mr. ZIHLMAN. Yes; and entirely east of Georgia Avenue.

Mr. CRISP. Mr. Speaker, it is impossible to hear what is being said; but I desire to ask the gentleman, does this directly or indirectly lead to a charge on the United States Treasury?

Mr. STEVENSON. Does it not lead to an expenditure by the Government of the United States?

Mr. ZIHLMAN. There is an appropriation for this in the current law.

Mr. CRAMTON. The appropriation has been made for the athletic field.

Mr. ZIHLMAN. In the appropriation act of 1923.

Mr. CRISP. But this bill does not involve an expenditure——

Mr. BLANTON. If the bill called for an expenditure, I would have raised an objection to it. I will say to the gentleman, because it comes from a committee of which I am a member. They are going to spend this $190,000 that has already been appropriated in some way, and they might just as well expend it on this as any other purpose.

Mr. STEVENSON. I agree with the gentleman from Connecticut that those are rather congested streets up in that particular part; and if this closes two streets running from Georgia Avenue, it seems to me it will lead to more congestion.

Mr. ZIHLMAN. If the gentleman will read the bill, he will see that they are to open up Sixth Street running from Girard Street down to the road running around the edge of the reservoir.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield for a question?

Mr. ZIHLMAN. I yield.

Mr. HOWARD of Nebraska. Does this bill close streets in the city of Washington?

Mr. ZIHLMAN. It closes the ends of two streets running from Sixth Street down to the reservoir, and gives the District the right of easement over those streets.

Mr. HOWARD of Nebraska. Have the property owners adjacent consented to the closing?

Mr. ZIHLMAN. The major part of the property belongs to Howard University. One side of it, from Sixth Street to the reservoir, is entirely controlled by the university. There is a small piece of land owned by the Government which the Government will deed to the university upon the payment of the purchase price.

Mr. HOWARD of Nebraska. Are there people on the other side? Are there any white folk?

Mr. ZIHLMAN. None whatever.

Mr. STEVENSON. I see it says, "The easement hereby reserved shall remain in the District of Columbia except for highway purposes." Why do you contemplate keeping an easement when it can not be used?

Mr. ZIHLMAN. That language was suggested by the District commissioners.

Mr. UNDERHILL. It may be needed for sewerage purposes or water mains.

Mr. STEVENSON. If it is for city purposes, all right. That is what I wanted to know.

The SPEAKER. The question is on the motion of the gentleman from Maryland [Mr. ZIHLMAN] to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in the affirmative, the rules were suspended, and the bill was passed.

MONUMENT COMMEMORATING THE SACRIFICES OF AMERICAN WOMEN IN THE WORLD WAR

Mr. LUCE. Mr. Speaker, I move to suspend the rules and pass Senate Joint Resolution 43.

The SPEAKER. The gentleman from Massachusetts moves to suspend the rules and pass Senate Joint Resolution 43. The Clerk will report it.

The Clerk read as follows:

*Resolved*, That there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated the sum of $150,000 as a part contribution to the erection of a memorial building with equipment in the District of Columbia to commemorate the services and sacrifices of the patriotic women of the United States of America, of its insular possessions, and of the District of Columbia during the World War. Said memorial to be erected on the land now occupied in part by the Memorial to the Women of the Civil War, the permanent headquarters of the American Red Cross.

SEC. 2. That said memorial shall be a building monumental in design and character and shall be used by the American National Red Cross and shall cost not less than $300,000: *Provided*, That this expenditure shall include complete equipment.

SEC. 3. That the sum hereby authorized to be appropriated shall not be payable until there shall be raised by private subscription an additional sum of $150,000.

SEC. 4. That the money hereby authorized to be appropriated shall not be paid until the plan of the proposed building shall have been approved by a commission consisting of the president of the American Red Cross, the Secretary of War, the chairman of the Senate Committee on the Library, the chairman of the House Committee on the Library, and a representative of the central committee of the American Red Cross. The plans of the said memorial shall likewise be approved by the Commission of Fine Arts.

The expenditures for said memorial building shall be made under the direction of a commission consisting of the chairman of the Senate Committee on the Library and the chairman of the House Committee on the Library. That said memorial building shall remain the property of the United States Government but under the supervision of the Superintendent of Public Buildings and Grounds, and the American Red Cross shall at all times be charged with the responsibility, the care, keeping, and maintenance of the said memorial building without expense to the United States.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Massachusetts, to suspend the rules and pass the resolution.

The question was taken; and two-thirds having voted in the affirmative, the rules were suspended and the resolution was passed.

PUBLIC ALLEY FACILITIES IN SQUARE 616, DISTRICT OF COLUMBIA

Mr. CRAMTON. Mr. Speaker, I move to suspend the rules and pass Senate bill 2265.

The SPEAKER. The gentleman from Michigan moves to suspend the rules and pass Senate bill 2265, which the Clerk will report.

The Clerk read as follows:

*Be it enacted, etc.*, That the Commissioners of the District of Columbia be, and they hereby are, authorized and directed to rearrange the public alley facilities in square 616 in the District of Columbia by the opening of a new public alley along and over the west 10 feet

in width by 135 feet in length of the lot designated for assessment and taxation purposes as lot 801 in said square, now occupied as the site for the O Street vocational school, and likewise by the opening of a new public alley along and over the east 10 feet in width by 135 feet in length of said lot 801; and upon the opening and paving without cost to the abutting private property owners of said new public alleys the Commissioners of the District of Columbia are further authorized and directed to close the portion of the public alley 30 feet in width by 117.36 feet in length now existing and abutting upon the north boundary of said lot 801, and to use said closed portion of said alley for school purposes.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Michigan [Mr. CRAMTON] to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in the affirmative, the rules were suspended and the bill was passed.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. The gentleman can get time on the next bill.

Mr. HOWARD of Nebraska. Oh; let it go this time.

Mr. LEHLBACH rose.

The SPEAKER. The gentleman from New Jersey is recognized.

AMENDMENT TO CLASSIFICATION ACT

Mr. LEHLBACH. Mr. Speaker, I move to suspend the rules and pass Senate Joint Resolution 146.

The SPEAKER. The gentleman from New Jersey moves to suspend the rules and pass Senate Joint Resolution 146. The Clerk will report it.

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. LEHLBACH. I will say to the gentleman from Texas that this is not the bill which has come under discussion heretofore. This is merely to correct a clerical error.

Mr. BLANTON. What bill is this?

Mr. LEHLBACH. I will make it plain.

Mr. DYER. Mr. Speaker, I ask that the resolution be reported first.

Mr. BLANTON. Mr. Speaker, I withdraw the reservation until it is reported.

The Clerk read as follows:

*Resolved, etc.*, That paragraph 5, under the heading "Custodial Service," of section 13 of the act entitled "An act to provide for the classification of civilian positions within the District of Columbia and in the field services" be amended by striking out the sums "$780" and "$840" from the rates of compensation fixed for grade 2 in said section, and that paragraph 7 under said heading in said section 13 be amended by striking out the sums "$900" and "$960" as rates of compensation fixed for grade 3 in said service; said amendments being made necessary for the purpose of correcting a clerical error in preparing the bill for the signature of the President, the bill as it passed both Houses and agreed to in conference not having included the sums proposed to be stricken out.

Mr. LEHLBACH. Mr. Speaker, this is merely to correct a clerical error in the copy of the reclassification bill enrolled for the signature of the President.

Mr. BLANTON. Mr. Speaker, I demand a second, to protect that feature of it.

Mr. SANDERS of Indiana. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from Indiana asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

Mr. LEHLBACH. Mr. Speaker, a number of copies of the reclassification bill were from time to time introduced and referred to the committee, and changes were made, and the bill was reintroduced. That happened in the House and it happened in the Senate. The bill was passed in the House and the bill, with amendments, was passed in the Senate. The bill went to conference and was further amended in conference, and the conference report was agreed to by both Houses. Now, the four sums which are mentioned in the bill, $780, $840, $900, and $960, in one of the earlier bills appeared in the compensation schedules in the custodial service. They were eliminated from the bill before it passed the House, they were not in the bill when it passed the Senate, and they were not in the conference report, but when the bill was enrolled for the signature of the President the enrolling clerk inadvertently got hold of a copy of one of the earlier bills, which had passed neither the House nor the Senate, and erroneously inserted in the copy signed by the President these four items, which were not contained in the bill as passed by both Houses of Congress at all.

Now, these salaries being effective on the 1st day of July, if this correction is not made, in view of the mandatory provision of the statute, it will be necessary for new employees to enter at a rate of compensation not contemplated by the Congress. This is merely to correct a clerical error and is in no sense new legislation.

Mr. BLANTON. Will the gentleman yield?

Mr. LEHLBACH. I will.

Mr. BLANTON. Has the President signed this bill?

Mr. LEHLBACH. It became a law on the 4th of March, 1923.

Mr. BLANTON. I thought this bill was seeking to affect the gentleman's bill, the one he had here the other day.

Mr. LEHLBACH. No; this is to affect a statute which is now in existence and make it conform with the statute that was actually adopted by the Congress and to eliminate the error which the enrolling clerk put in the bill.

Mr. BLANTON. This does not seek in any way to increase any of the salaries that were specified in the gentleman's bill?

Mr. LEHLBACH. Absolutely not. This is merely a resolution to correct a clerical error.

Mr. BLANTON. Mr. Speaker, I do not care to use any time.

The SPEAKER. The question is on the motion of the gentleman from New Jersey to suspend the rules and pass the bill.

The question was taken, and two-thirds having voted in favor thereof, the rules were suspended, and the bill passed.

REMITTANCE OF DUTY ON A CARILLON OF BELLS

Mr. O'CONNELL of Rhode Island. Mr. Speaker, I move to suspend the rules and pass the bill S. 3397.

The SPEAKER. The gentleman from Rhode Island moves to suspend the rules and pass a bill, which the Clerk will report.

The Clerk read the bill, as follows:

An act (S. 3397) to remit the duty on a carillon of bells to be imported for the Church of Our Lady of the Rosary, Providence, R. I.

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to admit free of duty a certain carillon of 16 bells to be imported for the Church of Our Lady of the Rosary, Providence, R. I.

The SPEAKER. The question is on the motion of the gentleman from Rhode Island to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

MARINE HOSPITAL RESERVATION, DETROIT MICH.

Mr. McLEOD. Mr. Speaker, I move to suspend the rules and pass H. R. 8588.

The SPEAKER. The gentleman from Michigan moves to suspend the rules and pass a bill, which the Clerk will report.

The Clerk read the bill, as follows:

A bill (H. R. 8588) authorizing the Secretary of the Treasury to sell the United States marine hospital reservation and improvements thereon at Detroit, Mich., and to acquire a suitable site in the same locality and to erect thereon a modern hospital for the treatment of the beneficiaries of the United States Public Health Service, and for other purposes

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized, in his discretion, to sell at such time and upon such terms as he may deem for the best interests of the United States, the marine hospital reservation and improvements thereon at Detroit, Mich., and to convey said property to the purchaser thereof by the usual quitclaim deed.

SEC. 2. That the proceeds derived from the sale of said marine hospital and the site thereof are hereby made available for the acquisition of a new site within the county of Wayne, State of Michigan, and for the construction thereon of suitable hospital facilities.

SEC. 3. That the Secretary of the Treasury be, and he is hereby, further authorized and empowered to acquire by purchase, condemnation, or otherwise, in the county of Wayne, State of Michigan, a suitable site, and to enter into contracts for the construction thereon of the necessary hospital facilities for the beneficiaries of the United States Public Health Service and such other beneficiaries of the United States Government, its departments, bureaus, and establishments as may be eligible for care and treatment in hospitals operated by the United States Public Health Service. The limit of cost for such site and buildings shall not exceed the amount realized from the sale of the present hospital and site.

SEC. 4. That not exceeding 3 per cent of the amount received for said marine hospital shall be available for the payment of the necessary technical services, preparation of designs, plans, estimates, and specifications for such new hospital facilities, supervision of work, etc.

Mr. WOLFF. Mr. Speaker, I demand a second.

Mr. BLANTON. Is the gentleman from Missouri opposed to the bill?

Mr. WOLFF. I want an explanation.

Mr. BLANTON. Mr. Speaker, I am opposed to the bill, and unless the gentleman from Missouri is opposed to it I claim that right.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. WOLFF. I can not say I am, but I want to find out about it.

Mr. BLANTON. Mr. Speaker, I am opposed to the bill, and I demand a second.

Mr. McLEOD. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. The gentleman from Michigan asks unanimous consent that a second may be considered as ordered. Is there objection? [After a pause.] The Chair hears none.

Mr. McLEOD. Mr. Speaker and gentlemen, this authorization is merely for the Secretary of the Treasury to sell an old marine hospital in Detroit, which is over 40 years old, and use the money derived from the sale thereof for a new hospital. There is not one nickel of additional appropriation asked for in this bill.

The hospital in Detroit is now situated next door to a large varnish factory, one of the largest in the world; a large glue factory, with railroad tracks in the rear; and the property is a very valuable business site. With the money which can be obtained by the sale of this hospital a very up-to-date building, with all modern facilities, can be obtained for Detroit, and Michigan has no Government hospital at the present time. And the disabled service men of Michigan are entitled to it.

Mr. CRAMTON. Will the gentleman yield?

Mr. McLEOD. Yes.

Mr. CRAMTON. I understand my colleague's statement to be that there will be enough money from the sale of this very valuable site to completely construct a new one and not involve an additional appropriation?

Mr. McLEOD. Yes.

Mr. CRAMTON. I am somewhat familiar with the site. I know it is very valuable as a business proposition and very unsuitable for a hospital.

Mr. McLEOD. That is correct.

Mr. TILSON. Will the gentleman yield further?

Mr. McLEOD. Yes.

Mr. TILSON. The gentleman has made it clear that the present site is very unsuitable for a hospital site and very valuable for other kinds of business. Has a new site, more suitable, been selected?

Mr. McLEOD. It has not been selected as yet, but there are several sites that are available. There are many available sites.

Mr. BLANTON. Will the gentleman yield?

Mr. McLEOD. I yield.

Mr. BLANTON. I have a report now in my office of the hundreds of vacant beds that exist in Government-owned and Government-controlled hospitals, and in the face of that report we passed a comprehensive hospital bill the other day involving millions of dollars to build new ones. Why was not the gentleman's proposition included in that bill?

Mr. McLEOD. I will answer the gentleman by saying there was no appropriation asked for. We already have a hospital in Detroit which has a small number of beds.

Mr. BLANTON. If my colleague will yield further, what is in my mind is this: Is not this a case of the camel getting his nose under the tent? Are we not going to sell this block of land out there and then begin the construction of another hospital with the money that is taken in, and then will not the gentleman from Michigan and his colleagues—I started to say conspirators—come back to Congress next year asking for some more money?

Mr. CRAMTON. If the gentleman will yield, I will say to the gentleman that my colleague is not especially a follower of the camel, politically.

Mr. BLANTON. After November he will hardly be a follower of the elephant any longer.

Mr. McLEOD. In answer to the gentleman I will say that the money obtained from the sale of this property will absolutely warrant the building of a hospital that will accommodate a sufficient number of beds, with no additonal appropriation.

Mr. BLANTON. And the gentleman will state absolutely here that there will be no more requests for additional money?

Mr. McLEOD. I do not think so.

I yield five minutes to the gentleman from Michigan [Mr. CLANCY].

Mr. CLANCY. Mr. Speaker, I would like to exlain this bill a little further. The gentleman from Michigan [Mr. McLEOD] and myself saw the President of the United States a few hours ago, and he is willing that this bill should be passed. Every American Legion post in Michigan is in favor of the bill. It takes care of a number of ex-soldiers. This hospital lies in the factory district next to a large glue factory, and next to the largest varnish factory in the world. As my colleague from Michigan has explained, it does not mean the expenditure of an additional dollar out of the Treasury. Every Treasury official is in favor of it, and the chief of the Hospital Service and the Surgeon General are very much in favor of it.

This hospital has been such a scandal in the city of Detroit that the newspapers have devoted columns to it. I have in my hand a number of those newspaper items now. I do not see how any gentleman can sincerely object to this humanitarian measure.

Mr. BLANTON. Mr. Speaker, I yield to the gentleman from Missouri [Mr. WOLFF] such time as he may desire.

Mr. WOLFF. Mr. Speaker and gentlemen, if this bill had come up in the regular way I possibly would not have had any objection to it. As a member of the Committee on Public Buildings and Grounds of this House I believe that bills of this kind should come before that committee. I have attended every meeting of that committee, and this bill has not been before the committee.

Mr. ZIHLMAN. If the gentleman will yield, this bill is reported from the gentleman's committee.

Mr. WOLFF. I do not remember it, if it was reported. I may be mistaken.

Mr. CLANCY. The gentleman from Indiana [Mr. ELLIOTT], the ranking member of that committee, is here, and he will tell the gentleman that the bill was reported unanimously from that committee.

Mr. WOLFF. Well, I will say to the gentleman that, even at that, I am opposed to taking Government property which the Government owns in the down-town district or any commercial district, which becomes valuable property, and then turning it over to a commission or then selling it and making a graft on that sale and then grafting on the new purchase. I am opposed to deals of that kind. We have a hospital bill that we reported out from the committee carrying over $6,000,000 this year to help build hospitals for these veterans. I would not oppose any proposition that is for the good of the veterans, but I will say to the gentleman that I am opposed to selling this property and possibly getting nothing for it.

Mr. CLANCY. Will the gentleman yield?

Mr. WOLFF. Yes.

Mr. CLANCY. We have no Federal hospital in Michigan to take care of cases of this kind. It does not necessarily follow that there will be any graft in the sale of this property. This same thing was done in Cleveland two years ago, where they sold an old, antiquated hospital in the down-town section and built one in the outskirts of the city and made $300,000 on the deal.

Mr. WOLFF. There is not any such hospital in my town, either, so far as that goes.

Mr. SCHAFER. Will the gentleman yield?

Mr. WOLFF. I yield.

Mr. SCHAFER. I see no provision in this bill to provide for an appraisal, which means that it leaves everything in the hands of the Secretary of the Treasury.

Mr. WOLFF. Absolutely.

Mr. CLANCY. I will say in answer to that statement that we have two appraisals, one from the Detroit Real Estate Board, of Detroit——

Mr. SCHAFER. Who are interested in the sale.

Mr. WOLFF. Sure.

Mr. CLANCY. Oh, no; not at all; and the other appraisal is from the city appraisers.

Mr. WOLFF. This property has now become commercially valuable, and I say you are making a mistake if you sell the property in this way.

Mr. BLANTON. Mr. Speaker, I yield my judgment on this proposition to the judgment of the minority leader, who asked me to withdraw objection, and under the circumstances I shall not oppose the bill any longer.

Mr. GARRETT of Tennessee. Mr. Speaker, this matter has been represented to me as being property of much value for business purposes; that it can be sold at this time and another site purchased in a more desirable location and a hospital erected that will accommodate an equal number to those accommodated by this hospital; that a new hospital can be erected for the sum of money that will be realized by this hospital and that there will be no expense to the Treasury. That is my

understanding, and for that reason I said I thought it was a proper bill to be passed.

Mr. SCHAFER. Will the gentleman yield?

Mr. GARRETT of Tennessee. I do not know that I have the floor, but if I do, I yield.

Mr. SCHAFER. There is no provision in this bill for appraisal. The fact that the gentleman says that the real estate board has appraised it and the city appraisers have appraised it means nothing. There is nothing in the bill that compels the Secretary of the Treasury to keep within the amount of that appraisal.

Mr. McLEOD. The appraisal has been made, $630,000.

Mr. HUDDLESTON. Will the gentleman yield? What is there in the bill to insure that a fair price will be realized on the sale of this property?

Mr. McLEOD. It will be sold by competitive bids.

Mr. HUDDLESTON. Is it so provided in the bill?

Mr. McLEOD. That is the general law.

Mr. HUDDLESTON. It will be sold by competitive bids without an upset price.

Mr. McLEOD. Does the gentleman think that will protect the Treasury? That is the regular business method.

Mr. HUDDLESTON. Does not the gentleman think there ought to be some provision for public bids and some upset price?

Mr. CLANCY. If my colleague will yield, is it not true that every American Legion post is in favor of this bill, and that several officers and American Legion posts said that they desired this legislation? It does not mean the expenditure of an additional dollar, and that they desire this more than they did the bonus.

Mr. HUDDLESTON. What does the American Legion know about this as a business transaction? What has the American Legion to do with it? It is our responsibility and it is high time that we got away from hiding behind the soldiers to put over things that ought not be put over. If this is right, do it; and if it is wrong, stop it. Let us stop trying to hide behind the American Legion.

Mr. McLEOD. Let me say that this morning the President of the United States recommended this bill.

Mr. JOHNSON of South Dakota. Mr. Speaker, this bill was originally sent to the committee on Veterans' Legislation. We gave it as careful consideration as we could, but we came to the conclusion that under the rule creating the Veterans' Committee it properly belonged to the Committee on Public Buildings and Grounds. At the request of my committee, and myself as chairman, it was referred to the Committee on Public Buildings and Grounds. The bill has had careful consideration in that committee and has been considered informally but nevertheless considered by the members of the Veterans' Legislation Committee. I see no objection to the measure. This hospital that we have in Detroit is located in the business part of the town and is no place for a hospital. This land would be appraised and sold by the Government under the same regulations, the same restrictions, that any Government property is sold, and the money would be used to purchase some other ground outside the city. It ought to be done, so that we can have an up-to-date modern hospital.

Mr. FULBRIGHT. How long has this hospital been located there?

Mr. JOHNSON of South Dakota. I think over 50 years, and the city has grown up around it.

Mr. SCHAFER. The gentleman from Michigan says that this will be sold under competitive bids. What about this language, "upon such terms as he may deem for the best interest"?

Mr. JOHNSON of South Dakota. That is whether it is cash or part payment, and so forth.

Mr. McLEOD. Mr. Speaker and gentlemen of the House, a six-year fight is nearing its close. A six-year battle in the interest of humanity, one to provide the proper medical and surgical treatment for the many Michigan boys who so gallantly responded to the Nation's call to colors in 1917 when America entered the World War, and who came back from France maimed and in dire need of proper care and attention.

Six years seems an exceedingly long time to wage a fight for right, and there is no one here—there is no one in the United States—who will deny that providing adequate hospitalization facilities for these heroes is right and just. These same mothers' sons helped conquer for the cause of right in a little over one year; these same men made untold sacrifices in the interest of right, and it is no more than justice that the United States Government should care for them in the proper manner in recognition of their great service to the Nation and to mankind.

In the year 1855 there was erected in the city of Detroit, Mich., the marine hospital with facilities enabling it to handle 80 patients. During the years that followed there sprang up a large glue factory and one of the largest, if not the largest, varnish establishment in the entire universe adjacent to the hospital. The site on which this hospital building was erected has increased steadily in value and to-day it is appraised at $630,000, and is one of the most desirable commercial locations in Detroit. The building has deteriorated to such an extent that it is now a disgrace to my fair city. It is to-day a delapidated affair, infested with rats, bugs, and vermin of all species; it is a fire trap, and to ask veterans of the great conflict, maimed men, men who are entitled to the best there is, to stay there and receive such treatment as the hospital authorities are in a position to give, which is not what it should be—to ask these men to inhale the foul odors emanating from the near-by factories, endure the nerve-racking noise, and put up with the pests that have practically seized the hospital is entirely too much.

During the last four months 140 men have been hospitalized in hospitals in Illinois and Wisconsin. Men from my city and State were sent to Chicago to have their tonsils removed, each case costing the United States Government $30. And, mind you, this is a year of Government economy.

To remedy this unusual condition, which is wholly unfair to the disabled men of Michigan, and to enable our men to receive the proper treatment at home, I introduced this bill to permit the Secretary of the Treasury to sell the old marine hospital and grounds, and with the money acquired from the sale of the land on which it stands he is authorized to purchase a new site in a more desirable neighborhood and erect thereon a modern building with a capacity of 300 beds.

Mr. Speaker and gentlemen, we are not asking for one cent's appropriation from the Federal Government. We have been assured that the money derived from the sale of the old marine hospital and the land on which it stands will enable us to meet this most urgent demand for proper hospitalization facilities in the State of Michigan. The majority of us here in Congress are in hearty accord with the administration's economy policy, and when large sums of money are sought for this and that project we ponder and give serious thought to the advisability of the appropriation. But, as I have said before, this old site will bring approximately $700,000, and with that amount we could build our new hospital without any fiscal aid from the United States Treasury.

The end of this session is growing near, Mr. Speaker, and it would be a shame indeed for Congress to deny my disabled comrades what they rightfully deserve in recognition of their heroic services for their country, their glorious fight that our great land might be saved from the hand of the militarist and the soviet.

Pass this bill giving our disabled men something that they badly need, a Government hospital in Detroit with the proper facilities to relieve their intense suffering, and those distasteful memories of days and nights on the battle fields and in the vermin-infested trenches of France, those terrible horrors that our boys viewed, will be made less vivid by an attempt on the part of their Government to help them and give them the best there is.

This is indeed a humanitarian measure, and I am sure that my colleagues will rally to this cause of right and justice. Give our boys, my comrades, a decent place where their pains can be relieved, and I trust be discharged as well men. Give them what the disabled men in other States are receiving, and these boys of Michigan will be just as grateful to Congress as Congress should be to them—men who were willing to give their all for humanity's sake.

Mr. Speaker, I am ready to yield the floor with the firm conviction that my colleagues and friends will vote for this measure to a man.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and on a division (demanded by Mr. WOLFF) there were 103 ayes and 2 noes.

Mr. WOLFF. Mr. Speaker, I make the point of order that no quorum is present.

The SPEAKER. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 314, nays 5, not voting 114, as follows:

YEAS—314

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|---|---|---|---|
| Abernethy | Almon | Bankhead | Begg |
| Ackerman | Arnold | Barbour | Bell |
| Aldrich | Ayres | Barkley | Bixler |
| Allen | Bacon | Beers | Black, N. Y. |

| | | | |
|---|---|---|---|
| Black, Tex. | Free | Longworth | Robsion, Ky. |
| Bland | French | Lowrey | Rogers, Mass. |
| Blanton | Frothingham | Lozier | Sabath |
| Bloom | Fulbright | Luce | Sanders, Ind. |
| Box | Fuller | McClintic | Sanders, N. Y. |
| Boyce | Fulmer | McDuffie | Sanders, Tex. |
| Boylan | Funk | McFadden | Sandlin |
| Brand, Ga. | Gallivan | McLaughlin, Mich. | Schall |
| Brand, Ohio | Garber | McLaughlin, Nebr. | Scott |
| Briggs | Gardner, Ind. | McLeod | Sears, Nebr. |
| Browne, Wis. | Garrett, Tenn. | McNulty | Seger |
| Browning | Garrett, Tex. | McReynolds | Shallenberger |
| Brumm | Gasque | McSwain | Simmons |
| Buchanan | Gibson | McSweeney | Sinnott |
| Buckley | Gifford | MacGregor | Sites |
| Burdick | Glatfelter | MacLafferty | Smith |
| Burtness | Goldsborough | Magee, N. Y. | Smithwick |
| Busby | Graham, Ill. | Magee, Pa. | Snell |
| Byrns, Tenn. | Green, Iowa | Major, Ill. | Snyder |
| Cable | Greene, Mass. | Major, Mo. | Speaks |
| Campbell | Greenwood | Manlove | Sproul, Ill. |
| Canfield | Griest | Mansfield | Stalker |
| Cannon | Griffin | Mapes | Steagall |
| Carew | Hadley | Martin | Stedman |
| Casey | Hardy | Mead | Stephens |
| Chindblom | Harrison | Merritt | Stevenson |
| Christopherson | Hastings | Michener | Strong, Pa. |
| Clague | Haugen | Miller, Wash. | Summers, Wash. |
| Clancy | Hawes | Milligan | Sumners, Tex. |
| Clarke, N. Y. | Hawley | Minahan | Swank |
| Cleary | Hayden | Montague | Swing |
| Cole, Iowa | Hickey | Mooney | Swoope |
| Cole, Ohio | Hill, Ala. | Moore, Ga. | Taber |
| Collier | Hill, Md. | Moore, Ohio | Tague |
| Colton | Hill, Wash. | Moore, Va. | Taylor, W. Va. |
| Connally, Tex. | Hoch | Moores, Ind. | Temple |
| Connery | Holaday | Morehead | Thatcher |
| Cook | Hooker | Morgan | Thomas, Ky. |
| Cooper, Wis. | Howard, Nebr. | Morrow | Thomas, Okla. |
| Corning | Hudson | Murphy | Thompson |
| Cramton | Hull, Iowa | Nolan | Tilson |
| Crisp | Hull, Morton D. | O'Brien | Tincher |
| Croll | Hull, William E. | O'Connell, N. Y. | Tinkham |
| Crosser | Humphreys | O'Connell, R. I. | Underhill |
| Crowther | Jacobstein | O'Connor, La. | Underwood |
| Cullen | James | O'Connor, N. Y. | Upshaw |
| Cummings | Jeffers | O'Sullivan | Vaile |
| Dallinger | Johnson, Ky. | Oldfield | Vare |
| Darrow | Johnson, S. Dak. | Oliver, Ala. | Vestal |
| Davey | Johnson, Tex. | Oliver, N. Y. | Vincent, Mich. |
| Davis, Minn. | Johnson, Wash. | Park, Ga. | Vinson, Ga. |
| Davis, Tenn. | Johnson, W.Va. | Parker | Vinson, Ky. |
| Deal | Jones | Parks, Ark. | Voigt |
| Dempsey | Kearns | Peery | Wason |
| Denison | Keller | Perkins | Watkins |
| Dickinson, Iowa | Ketcham | Perlman | Watres |
| Dickstein | Kincheloe | Porter | Watson |
| Dowell | Kindred | Pou | Weller |
| Dyer | King | Prall | White, Kans. |
| Eagan | Kopp | Purnell | Williams, Ill. |
| Edmonds | Kurtz | Quin | Williams, Mich. |
| Elliott | Kvale | Rainey | Williams, Tex. |
| Evans, Iowa | LaGuardia | Raker | Williamson |
| Evans, Mont. | Lampert | Ramseyer | Wilson, Ind. |
| Fairchild | Lanham | Rankin | Wilson, La. |
| Fairfield | Langford | Ransley | Wingo |
| Faust | Larsen, Ga. | Rathbone | Winslow |
| Favrot | Lazaro | Rayburn | Winter |
| Fenn | Leatherwood | Reece | Woodruff |
| Fish | Leavitt | Reed, Ark. | Wurzbach |
| Fisher | Lee, Ga. | Reed, N.Y. | Wyant |
| Fitzgerald | Lehlbach | Reid, Ill. | Young |
| Fleetwood | Lindsay | Richards | Zihlman |
| Foster | Lineberger | Roach | |
| Frear | Linthicum | Robinson, Iowa | |

NAYS—5

| | | | |
|---|---|---|---|
| Huddleston | Sinclair | Wefald | Wolff |
| Schafer | | | |

NOT VOTING—114

| | | | |
|---|---|---|---|
| Allgood | Drewry | McKenzie | Sherwood |
| Anderson | Driver | McKeown | Shreve |
| Andrew | Fredericks | Madden | Spearing |
| Anthony | Freeman | Michaelson | Sproul, Kans. |
| Aswell | Garner, Tex. | Miller, Ill. | Stengle |
| Bacharach | Geran | Mills | Strong, Kans. |
| Beck | Gilbert | Moore, Ill. | Sullivan |
| Beedy | Graham, Pa. | Morin | Sweet |
| Berger | Hammer | Morris | Taylor, Colo. |
| Boies | Hersey | Mudd | Taylor, Tenn. |
| Bowling | Howard, Okla. | Nelson, Me. | Tillman |
| Britten | Hudspeth | Nelson, Wis. | Timberlake |
| Browne, N. J. | Hull, Tenn. | Newton, Minn. | Treadway |
| Bulwinkle | Jost | Newton, Mo. | Tucker |
| Burton | Kahn | Paige | Tydings |
| Butler | Kelly | Patterson | Wainwright |
| Byrnes, S. C. | Kendall | Peavey | Ward, N. Y. |
| Carter | Kent | Phillips | Ward, N. C. |
| Celler | Kerr | Quayle | Weaver |
| Clark, Fla. | Kiess | Ragon | Welsh |
| Collins | Knutson | Reed, W.Va. | Wertz |
| Connolly, Pa. | Kunz | Rogers, N. H. | White, Me. |
| Cooper, Ohio | Langley | Romjue | Wilson, Miss. |
| Curry | Larson, Minn. | Rosenbloom | Wood |
| Dickinson, Mo. | Lea, Calif. | Rouse | Woodrum |
| Dominick | Lilly | Rubey | Wright |
| Doughton | Little | Salmon | Yates |
| Doyle | Logan | Schneider | |
| Drane | Lyon | Sears, Fla. | |

So, two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

The Clerk announced the following additional pairs:
Until further notice:

Mr. Treadway with Mr. Bowling.
Mr. Mills with Mr. Driver.
Mr. Anthony with Mr. McKeown.
Mr. Wood with Mr. Romjue.
Mr. Madden with Mr. Sears of Florida.
Mr. Newton of Minnesota with Mr. Quayle.
Mr. Wainwright with Mr. Celler.
Mr. Britten with Mr. Browne of New Jersey.
Mr. Hersey with Mr. Tydings.
Mr. Anderson with Mr. Woodrum.
Mr. Yates with Mr. Spearing.
Mr. Nelson of Maine with Mr. Allgood.
Mr. Sproul of Kansas with Mr. Geran.
Mr. Andrew with Mr. Morris.
Mr. Beedy with Mr. Garner of Texas.
Mr. Kelly with Mr. Ragon.
Mr. McKenzie with Mr. Salmon.
Mr. Miller of Illinois with Mr. Rouse.
Mr. Schneider with Mr. Sherwood.
Mr. Moore of Illinois with Mr. Dickinson of Missouri.
Mr. Wurtz with Mr. Taylor of Colorado.
Mr. Rosenbloom with Mr. Wright.
Mr. Nelson of Wisconsin with Mr. Tillman.
Mr. Peavey with Mr. Aswell.
Mr. Beck with Mr. Rubey.
Mr. Strong of Kansas with Mr. Carter.
Mr. Freeman with Mr. Gilbert.
Mr. Kendall with Mr. Rogers of New Hampshire.
Mr. Morin with Mr. Kent.
Mr. Reed of West Virginia with Mr. Collins.
Mr. Timberlake with Mr. Lea of California.
Mr. Knutson with Mr. Berger.

The result of the vote was announced as above recorded.

DECLARING AGRICULTURE TO BE THE BASIC INDUSTRY

Mr. HOCH. Mr. Speaker, I call up a conference report upon Senate Joint Resolution 107, declaring agriculture to be the basic industry of the country, and for other purposes, and ask its immediate consideration.

The SPEAKER. The gentleman from Kansas calls up a conference report, which the Clerk will report.

The Clerk read as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 107) declaring agriculture to be the basic industry of the country, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as follows: In lieu of the matter inserted by the amendment of the House insert the following:

"That it is hereby declared to be the true policy in rate making to be pursued by the Interstate Commerce Commission in adjusting freight rates, that the conditions which at any given time prevail in our several industries should be considered in so far as it is legally possible to do so, to the end that commodities may freely move.

"That the Interstate Commerce Commission is authorized and directed to make a thorough investigation of the rate structure of common carriers subject to the interstate commerce act, in order to determine to what extent and in what manner existing rates and charges may be unjust, unreasonable, unjustly discriminatory, or unduly preferential, thereby imposing undue burdens, or giving undue advantage as between the various localities and parts of the country, the various classes of traffic, and the various classes and kinds of commodities, and to make, in accordance with law, such changes, adjustments, and redistribution of rates and charges as may be found necessary to correct any defects so found to exist. In making any such change, adjustment, or redistribution the commission shall give due regard, among other factors, to the general and comparative levels in market value of the various classes and kinds of commodities as indicated over a reasonable period of years, to a natural and proper development of the country as a whole, and to the maintenance of an adequate system of transportation. In the progress of such investigation the commission shall, from time to time, and as expeditiously as possible, make such decisions and orders as it may find to be necessary or appropriate upon the record then made in order to place the rates upon designated classes of traffic upon a just and reasonable basis with relation to other rates. Such investigation shall be conducted with due regard to other investigations or proceedings affecting rate adjustments which may be pending before the commission.

"In view of the existing depression in agriculture, the commission is hereby directed to effect with the least practicable delay such lawful changes in the rate structure of the country

as will promote the freedom of movement by common carriers of the products of agriculture affected by that depression, including livestock, at the lowest possible lawful rates compatible with the maintenance of adequate transportation service: *Provided*, That no investigation or proceeding resulting from the adoption of this resolution shall be permitted to delay the decision of cases now pending before the commission involving rates on products of agriculture, and that such cases shall be decided in accordance with this resolution."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title, and agree to the same.

SAMUEL E. WINSLOW,
HOMER HOCH,
SAM RAYBURN,
*Managers on the part of the House.*

E. D. SMITH,
A. B. CUMMINS,
KEY PITTMAN,
*Managers on the part of the Senate.*

Mr. HOCH. Mr. Speaker and gentlemen of the House, I shall take only one minute on this conference report, and then yield five minutes to the gentleman from Alabama [Mr. HUDDLESTON], after which I shall ask for a vote on the conference report. This is a complete report, and in the judgment of the House conferees does not substantially change the resolution as it passed the House. There are only one or two words changed, and there is added one sentence from the Senate resolution which is in line with the policy declared in the resolution as it passed the House.

Mr. BROWNE of Wisconsin. Mr. Speaker, does the gentleman feel that this will fully satisfy the farmers of Kansas and of the West?

Mr. HOCH. I think that this will be very helpful to the farmers of Kansas and the country.

Mr. HUDDLESTON. Will not the gentleman explain what changes have been made in the paragraph over which there was controversy?

Mr. HOCH. The only change from the House resolution is in the latter part of the resolution, where the commission is directed to make such "reasonable and lawful changes" in the rates on agricultural products as are consistent with the maintenance of an adequate transportation system. The word "reasonable" is stricken out, leaving the commission to fix such "lawful" rates, and in the judgment of the conferees this makes no substantial change, as they believe that no rates can be fixed that are "lawful" which are not reasonable, "reasonable" taking into consideration all of the elements that should be taken into consideration. We have given very careful thought to it, and our judgment is that it does not substantially change the law.

Mr. STEVENSON. Mr. Speaker, will the gentleman yield?

Mr. HOCH. I can not yield further. I now yield five minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Speaker, the objectionable second paragraph of this resolution is reported by the conferees in the following form:

> In view of the existing depression in agriculture the commission is hereby directed to effect with the least practicable delay such lawful changes in the rate structure of the country as will promote the freedom of movement by common carriers of the products of agriculture affected by that depression, including livestock, at the lowest possible lawful rates compatible with the maintenance of adequate transportation service.

By the change in conference it is directed that rates on agricultural products shall be reduced to "the lowest possible lawful rates." The word "reasonable" has been eliminated.

The descriptive term for rates carried by the transportation act and generally used is "just and reasonable." This term has been defined by the courts and its meaning is fairly well understood. I know of no construction of the word "lawful" as applied to rates, but think it must mean such a rate as is nonconfiscatory; in other words, which is not violative of the fifth amendment. The case of Smythe *v.* Ames, construing the fifth amendment, holds that a regulatory body can not make rates so low as not to yield the carrier a "just return," and that rates below that limit are a confiscation of the carrier's property and violative of the fifth amendment. I can not be certain as to the meaning of "lawful," as used in the resolution, but believe that it will be held to justify any rate which will leave the carriers such a return from all rates as will not amount to a confiscation of their property. That is the best interpretation that I can put on the word "lawful" without time for further investigation.

A reduction of rates on agricultural products may never prove not to be "lawful" where it is accompanied by rates on other commodities which will in the aggregate altogether yield the carrier a "just return." If the Interstate Commerce Commission, in reducing rates on grain and hay, should raise them correspondingly on coal, iron, and lumber, there seems to be no low limit to which they may not prefer agriculture.

The point I want to present in these few moments is, are Members of the House willing that any industry or any group shall be preferred at the expense of the general public? In the concrete, are you willing that the agricultural interests shall receive a reduction in rates, to what is below what is reasonable, and that the rates upon the balance of the country shall be held at figures which are above what is reasonable and just? If you are prepared to do that kind of thing, then accept this resolution in the form in which it is reported by the conferees. But if you feel that it is bad public policy that any interest in this country shall profit at the expense of other interests, if you feel that every interest should pay a just return for the value of service that it receives from a carrier and not impose the expense of that serivce upon some other interest, then you can not afford to vote for this resolution.

There is no time to do more than merely to give you my hasty interpretation. For my part I want to do everything possible and that is reasonable and honest for the farmers, but I would not consider it honest to the balance of the people of this country, nor would I consider it good public policy to prefer the agricultural interests at the expense of the other legitimate business interests.

Mr. JACOBSTEIN. Is it intended that this is merely an emergency measure?

Mr. HUDDLESTON. Oh, no; this is a matter of permanent policy. The resolution establishes a permanent rule of rate making, which will work incalculable injustice and harm to the general public of the United States.

The SPEAKER. The time of the gentleman from Alabama has expired. The question is on agreeing to the conference report.

The question was taken, and on a division (demanded by Mr. HUDDLESTON) there were—ayes, 170, noes 13.

So the conference report was agreed to.

## EXTENSION OF AIRPLANE MAIL SERVICE TO BOSTON, MASS.

Mr. DALLINGER. Mr. Speaker, I move to suspend the rules and pass the bill S. 3319, authorizing the extension and operation of the transcontinental airplane mail service to Boston, Mass., which I send to the desk.

The Clerk read as follows:

> *Be it enacted, etc.*, That the Postmaster General is hereby authorized to extend and operate the transcontinental airplane mail service to Boston, Mass.: *Provided*, That the appropriations heretofore or hereafter made for the operation and maintenance of the transcontinental airplane mail service shall be sufficient for such purpose.

The SPEAKER. Is a second demanded?

Mr. CRAMTON. Mr. Speaker, I demand a second.

Mr. BLANTON. Mr. Speaker, I want to know whether the gentleman from Michigan is against this bill?

Mr. CRAMTON. One hundred per cent.

Mr. BLANTON. I make the point of order that there is no quorum present.

The SPEAKER. The Chair overrules the point of order. He has just counted a quorum.

Mr. DALLINGER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Massachusetts is entitled to 20 minutes and the gentleman from Michigan to 20 minutes.

Mr. DALLINGER. Mr. Speaker, the Post Office Department would like to have this authority. The bill as originally introduced provided that the Postmaster General was "authorized and directed." The Post Office Department objected to the words "and directed," and those words were eliminated at the time the bill passed the Senate. Now, this bill is carefully guarded as to the question of appropriations. It involves not an additional dollar of expense to the Government. There is a proviso in it which says:

> *Provided*, That the appropriations heretofore or hereafter made for the operation and maintenance of the transcontinental airplane service shall be sufficient for such purpose.

If this appropriation, already passed by Congress, for the transcontinental air mail route is sufficient, then they might experiment between New York and Boston. I want to call the attention of the House to the fact that Boston is on this transcontinental line, simply 150 or 200 miles east, and the Post Office Department would like to have this authority, and I trust the House will vote to suspend the rules and pass the bill.

Mr. Speaker, I reserve the remainder of my time.

Mr. CRAMTON. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I am using up this five minutes against this bill, knowing that it will be an uphill job to defeat it, because in this confusion it is likely that the bill will pass; but I am going to use the five minutes nevertheless, because by using it maybe the bill will not get through after all in time to be signed by 7 o'clock, when the Congress will adjourn.

A MEMBER. It will be signed then.

Mr. BLANTON. I hope and pray that it will not. It is a special class bill for air mail service through Massachusetts, and when a Member gets up and, exercising his constitutional privileges, makes a point of order to insist on a constitutional quorum being present such point of order is arbitrarily overruled.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. No; I regret I can not yield. My time is entirely too limited. When a man gets up under the Constitution and makes a proper point of order against a Massachusetts bill our splendid presiding officer gets out of humor and becomes very abrupt in arbitrarily overruling it. [Laughter and applause.]

I remember when the then very distinguished gentleman from Kansas, Mr. Phil Campbell, was presiding over the last hours of the final session of the Sixty-seventh Congress he, too, became abrupt in denying this Member his constitutional rights, and he became so abrupt that his abruptness ended in his ceasing to remain a Member of Congress. It does not pay for even Speakers to get abrupt. He ought to keep in a good humor in the closing hours of the Congress, and when a man makes a constitutional point of order if there is a quorum present he should say so in parliamentary words and not act abruptly.

This bill ought not to be passed. It is not a meritorious measure. The gentleman from Massachusetts [Mr. DALLINGER], I know, wants this bill as a political help this summer. [Laughter.] He thinks if he can pass this bill in the closing hours of Congress, giving air mail service to Boston, it will help him across the hall to another body. [Laughter and applause.] But I am not going to let him take advantage of the Speaker in any such manner. [Laughter.] I am going to see that his opponent, the distinguished Speaker of this House, gets a square deal [laughter and applause], because everyone is entitled to that.

Mr. WATKINS. Will the gentleman yield?

Mr. BLANTON. I regret that I have not time to yield, for it is very important that some one should denounce this unmeritorious measure.

Mr. SCHAFER. Will the gentleman please give us a little information as to why this bill should not be passed? [Laughter.]

Mr. BLANTON. I will tell the gentleman. This special air mail service to Boston will cost just about 15 times as much as to send it by the United States mail.

Mr. DALLINGER. As a matter of fact it will not cost anything.

Mr. BLANTON. How does the gentleman know?

Mr. GALLIVAN. Because Paul Henderson, the Second Assistant Postmaster General, says so.

Mr. BLANTON. We have had such reports from time to time, but I am willing to take the word of the distinguished gentleman from Illinois [Mr. MADDEN], our efficient chairman of the Committee on Appropriations, who has assured us that it costs 15 times as much to send the mail by air as it does by rail, and Chairman MADDEN knows what he is talking about, and I am for saving the money of the people. The gentleman from Massachusetts [Mr. DALLINGER] ought to use some other means to help himself up the ladder politically and not waste the people's money on air mail service to Boston.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. BLANTON. Yes. I could not refuse my worthy friend from California.

Mr. MACLAFFERTY. I want to say to the gentleman I want this bill passed and I am not trying to get over on the other side of the Capitol Building.

Mr. BLANTON. Mr. Speaker, the distinguished four-minute man from California has already gotten his air mail service from New York to California and now he wants to give it to Boston.

The SPEAKER. The time of the gentleman has expired.

Mr. CRAMTON. I yield three additional minutes to the gentleman.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. I do.

Mr. SCHAFER. The gentleman for political purposes would rather use his taxpayers and spend thousands of dollars of the people's money to print a lot of ads in newspapegs in the RECORD each day. [Laughter and applause.]

Mr. BLANTON. Printing those newspaper advertisements in the RECORD showing that hundreds of residences and apartments were being advertised for rent in Washington at the very time Congress was declaring an emergency and extending the Rent Commission for another year, was used by the courts in declaring the law unconstitutional and saving the people's money.

Possibly, too, the gentleman has in mind the fact that I spent a few dollars last night to put some pertinent, material facts in the RECORD about the so-called surplus bill and thereby saved the people of the country about $4,500,000, which was sought to be taken out of the Treasury, as such facts stopped the passage of that bill to-day.

Mr. SCHAFER. Mr. Speaker, will the gentleman yield further?

Mr. BLANTON. No; I regret exceedingly that I can not yield further, as my time is limited.

The gentleman from California [Mr. MACLAFFERTY]—and, by the way, he is one of the most affable colleagues that we have—already has his mail service by air from New York to San Francisco and Los Angeles. Now he wants to have air mail service connection from Boston to San Francisco.

Mr. MACLAFFERTY. We do. We want to be connected with the Hub by air. [Applause.]

Mr. BLANTON. Of course. He should worry! The people are to pay for it. I want to say this to the gentleman from California, that this special air mail service should pay its own way, and when you fix it so that it pays its own way I will vote for it. But when you let a letter go from Boston by air mail for 2 cents——

Mr. GALLIVAN. It is to be 24 cents.

Mr. BLANTON. I am talking about what was once proposed by the department.

Mr. SNELL. It is 18 cents now.

Mr. BLANTON. Well, if you fix it so that it pays its own way I will vote for it.

Mr. DALLINGER. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. DALLINGER. The business men of Boston will be willing to pay the whole expense.

Mr. BLANTON. Very well. Put it in the bill that way as an amendment and I will vote for it. But it is not now so written in the bill. [Applause.]

Mr. DALLINGER. Mr. Speaker, I yield three minutes to my colleague from Massachusetts [Mr. CONNERY].

The SPEAKER. The gentleman from Massachusetts is recognized for three minutes.

Mr. CONNERY. Mr. Speaker and gentlemen, I dislike very much to disagree with my amiable friend from Texas [Mr. BLANTON], who says the Speaker does not always display good humor when he, the gentleman from Texas, rises to a point of order, especially on a Massachusetts point of order. I want to say to the gentleman from Texas that he himself has kept me in good humor all during this session. Neither is this bill a question of senatorial aspirations between the gentleman from Massachusetts over here, referring to Mr. DALLINGER, and the gentleman from Massachusetts up there, referring to the Speaker. [Applause.] As a Democrat from Massachusetts, I wish to say that the people of my great State are intensely interested in this matter of the Air Mail Service not only because it will affect Boston but because it affects the whole United States.

I was speaking here on one occasion when the gentleman from Illinois [Mr. MADDEN] interrupted me to raise a point of order to the effect that I was not then speaking on the matter that was pending. I wished at that time to speak upon a proposed air mail service item, and I emphatically favored raising that item from $1,500,000 to $8,000,000. I did not know at that time that Boston was to be included, and I was not so much interested in it as a local affair as in its being a means of national defense. I with others have stood here and

asked Congress to appropriate money for the Air Mail Service. I believe in a great air force for defense in time of war and for commerce in time of peace. Future wars will be in the air. I am in favor of this bill and I want to see it pass not because of any senatorial considerations but because it is for the benefit of the people of Massachusetts, and not only them but the people of the whole country.

Mr. DALLINGER. Mr. Speaker, I yield two minutes to my colleague from Massachusetts [Mr. FROTHINGHAM].

The SPEAKER. The gentleman from Massachusetts is recognized for two minutes.

Mr. FROTHINGHAM. Mr. Speaker, this is a matter of importance not alone to the city of Boston, but even to the Jumbo district of Texas, because it will carry letters from there across this route to Boston and all over the country. Now I have reported a bill from the Committee on Military Affairs, the purpose of which is to provide that helium gas shall be used in rigid airships, and practically all of that helium gas is found now in the State of Texas. It is noninflammable, and that is why it is so useful in airships, and if it had only been used on the *Dixmude*, which blew up, and if it had been used on the *Roma*, instead of hydrogen, those airships would not have been blown up. This is a noninflammable gas, and sooner or later I hope the bill I have referred to will go through. That bill, like this one, will provide for a service which is useful not only in time of peace for commercial purposes, but as a great asset in the way of national defense, whether it is helium gas coming from Texas to be used in the rigid airplane or whether it is these airplanes to carry mail in time of peace. It is a proposition that interests the whole country. I hope the bill will pass. [Applause.]

Mr. CRAMTON. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, to extend the Air Mail Service to Boston is nonsense [applause], nothing more or less. In the first place, air mail service is impracticable on any distance less than 1,000 miles. If you can not run the Air Mail Service for 1,000 miles or more you had better not run it at all, because the trains will get the mail to points covering a distance of 500, 600, or 700 miles quicker than the airplanes will, because the trains run at night while the airplanes run only in the daytime, except on the specified route that is lighted between New York and San Francisco.

The plan has been to run the Air Mail Service between New York and San Francisco simply for experimental purposes, and anything more than that is pork barrel, ought not to be done, and ought not to be tolerated. You can not carry mail at $5.35 a ton-mile as a commercial proposition, and that is what it has been costing. It is true they have reduced the cost to $2.40 a ton-mile, and it may be true that some time in the distant future they will reduce that cost to 60 cents a ton-mile; but to say that we will send mail by air instead of by train over a route where the train can arrive sooner than the airplane can is not only expensive but unwise and nonsense. It ought not to be done, and this bill ought not to pass. [Applause.]

Mr. CRAMTON. Mr. Speaker, how much time did the gentleman yield back?

The SPEAKER pro tempore (Mr. SNYDER). The gentleman from Illinois used three minutes.

Mr. DALLINGER. Mr. Speaker, I yield three minutes to the gentleman from Massachusetts [Mr. GALLIVAN].

Mr. GALLIVAN. Mr. Speaker, despite the lecture delivered by my colleague from Abilene, Tex., I am going to be abrupt; abrupt in speech.

This bill does not call for one cent of appropriation. Far be it from me to cause a rift in any family in Congress, but I was on the subcommittee of the Committee on Appropriations, before which appeared the distinguished son-in-law of the gentleman who has just spoken, Col. Paul Henderson, Second Assistant Postmaster General, and one of the ablest men in the Government service. He is the man whom I now quote, and he said they would reduce the cost to 60 cents, and, therefore, I disagree with the chairman of the Committee on Appropriations when he stands here and tells Congress it would be absurd to carry this Air Mail Service to Boston. Col. Paul Henderson, as I said before, one of the ablest men in the Government service, and son-in-law of MARTIN MADDEN, was an enthusiastic sponsor of this piece of legislation, and he converted me, whole soul and heartedly, for the passage of the bill.

Mr. MADDEN. He may have converted the gentleman to the Air Mail Service, but not to this proposition.

Mr. GALLIVAN. Therefore I appeal to the House to stand for this simple request from Massachusetts, and, my Democratic friends, this is not a contest between the candidate from Cambridge, Mass., for the United States Senate, and the distinguished Speaker of this House.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. GALLIVAN. Yes.

Mr. MACLAFFERTY. Did not the gentleman think, in listening to the distinguished gentleman from Illinois, of the argument made against the steamboat when Fulton first suggested it?

Mr. GALLIVAN. I was rather amazed to hear the speech of my leader, whom I am always proud to follow.

Reference has been made that the reason for this bill is because the gentleman from Cambridge, Mass. [Mr. DALLINGER], the sponsor of the bill, is a candidate for the Senate against the distinguished Speaker, who comes from Springfield, Mass. Such a contest has nothing whatever to do with the present bill. I can assure my Democratic friends that when they get through fighting, we, in Massachusetts, will triumphantly reelect the junior Senator from our State in the person of Hon. DAVID I. WALSH. [Loud applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the amendment of the House of Representatives to the bill (S. 966) for the continuance of construction work of the San Carlos irrigation project in Arizona, and for other purposes.

The message also announced that the President pro tempore had appointed Mr. WADSWORTH and Mr. FLETCHER members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1888, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the War Department.

## SECOND DEFICIENCY APPROPRIATION BILL, 1924

Mr. MADDEN. Mr. Speaker, I present a conference report on H. R. 9559, the second deficiency appropriation bill for 1924.

The SPEAKER. The gentleman from Illinois presents a conference report, which the Clerk will report.

The Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 9559) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 32, 35, and 36.

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: At the end of the matter inserted by said amendment insert the following: "*Provided*, That no part of the sums herein appropriated shall be used for the commencement of construction work on any reclamation project which has not been recommended by the Commissioner of Reclamation and the Secretary of the Interior and approved by the President as to its agricultural and engineering feasibility and the reasonableness of its estimated construction cost"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$375,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$315,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33,

and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert: "$375,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 29, 34, 58, and 59.

F. E. WARREN,
CHARLES CURTIS,
W. L. JONES,
LEE S. OVERMAN,
WM. J. HARRIS,
*Managers on the part of the Senate.*

MARTIN B. MADDEN,
D. R. ANTHONY, Jr.,
*Managers on the part of the House.*

Mr. MADDEN. Mr. Speaker, the conferees, after further meeting, have reached the following agreement: We put in the general clause which is involved in amendment No. 27, with a limitation that no part of the sums appropriated shall be used for the commencement of construction work on any reclamation project which has not been recommended by the Commissioner of Reclamation and the Secretary of the Interior and approved by the President as to its agricultural and engineering feasibility and the reasonableness of its estimated construction cost.

Then the Senate, in amendment No. 28, had $800,000 for the Guernsey Reservoir, to which the House conferees have agreed, and this was estimated by the Budget. On amendment No. 30, Salt Lake Basin, the Senate had an amendment for $1,500,000 and the House conferees reduced that to $375,000. On amendment No. 31, the Owyhee irrigation project, Oregon, the Senate had $1,250,000, and the House conferees reduced that to $315,000. On amendment 32, Warm Springs, Oreg., the Senate had $250,000, and they receded from that. On No. 33, the Kittitas unit of Yakima project, Washington, the Senate had $1,500,000, and they receded down to $375,000. On amendment No. 35, for the development of oil shale, $90,000, the Senate receded. On No. 36, the Yuma and Carlsbad project, $1,047,000, the Senate receded.

So that while the Senate had in all $7,147,088 on reclamation projects appropriations, in this last conference the Senate receded from $1,482,088 and the House conferees agreed to $1,865,000.

There is still in disagreement one item of $800,000, which the House conferees brought back in disagreement. This item of $800,000 is for the Spanish Springs irrigation project, Nevada.

We also brought back the legislation on amendment No. 34, which provides that there shall be a bureau of reclamation within the Department of the Interior, with a bureau chief, at a salary of $10,000 per annum. We brought back that amendment in disagreement.

Amendment No. 58, the reclamation legislation, to which we called attention this afternoon, has been brought back in disagreement.

Mr. LONGWORTH. Will the gentleman yield to me?

Mr. MADDEN. Yes.

Mr. LONGWORTH. On the whole, I gather from what the gentleman has said, that the Senate has made a very substantial recession.

Mr. MADDEN. There have been $4,482,088 reduced from the Senate amendments.

Mr. LONGWORTH. And the vital thing remaining is the law known generally as the reclamation relief law?

Mr. MADDEN. Yes; of course, it may be said, as I stated a moment ago, that what we did appropriate we surrounded with safeguards to prevent the expenditure of the money until the Secretary of the Interior and the Director of the Reclamation Service and the President of the United States certified and approved it.

Mr. LONGWORTH. The gentleman from Illinois will ask the House to agree to the amendments on which he has receded?

Mr. MADDEN. Yes.

Mr. LONGWORTH. And will submit to the House the question of the adoption of the law?

Mr. MADDEN. Yes; for such action as the House may think proper to take. Mr. Speaker, I move the previous question on the conference report.

Mr. SNELL. Will the gentleman yield to me for one question before doing that?

Mr. MADDEN. Yes.

Mr. SNELL. Does not the gentleman think they have receded as far as you could expect them to under the circumstances?

Mr. MADDEN. I would not say as far as we could expect, but as far as we were able to get them.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 29, page 34, after line 4, insert:

"Spanish Springs irrigation project, Nevada: For continued investigations, commencement of construction, and incidental operations, $800,000."

Mr. MADDEN. Mr. Speaker, I move the House further insist on its disagreement to that amendment.

Mr. SMITH. Mr. Speaker, I submit a preferential motion that the House recede and concur in the Senate amendment.

The SPEAKER. The gentleman from Idaho makes the preferential motion that the House recede and concur.

The question was taken, and the motion was rejected.

The SPEAKER. The question now is on the motion of the gentleman from Illinois that the House further insist on its disagreement.

The question was taken, and the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

There is hereby established in the Department of the Interior a bureau of reclamation, and there shall be a director of the said bureau, who shall be thoroughly equipped for the duties of said office by technical education and experience, and who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive a salary of $10,000 per annum, and there shall also be in the said bureau such experts and other employees, to be appointed subject to civil service laws and regulations, as may be required to carry out the purposes of the reclamation act of June 17, 1902 (32 Stat., p. 388), and acts amendatory thereof or supplementary thereto, in accordance with the appropriations made from time to time by Congress for such purposes.

Mr. MADDEN. Mr. Speaker, I move that the House further insist on its disagreement.

The question was taken, and the motion was agreed to.

Mr. MADDEN. The next amendments are Senate amendments 58 and 59. They are long amendments covering several pages. I ask that they be considered together and voted on as one amendment, and without reading.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MADDEN. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendments 58 and 59.

Mr. FRENCH. Mr. Speaker, I offer a preferential motion that the House recede and concur in the Senate amendments 58 and 59.

Mr. MADDEN. I yield five minutes to the gentleman from Idaho [Mr. FRENCH.]

Mr. FRENCH. Mr. Speaker and gentlemen, a minute will clear up this situation. So far as the several items of appropriation for the various projects are concerned that were put on by the Senate and to which the House has just agreed, they have been tied down so carefully by requiring that the projects, before the expenditure of any money, shall be approved by the Secretary of the Interior, the Reclamation Service, and the President of the United States, that greater safeguards have been thrown around them than have attached to any other project that has been authorized by Congress in 20 years.

More than that, if the House shall support my motion to concur in the legislative amendment, there will be provided a more adequate means of determining the value and worthwhile character of any project than has heretofore obtained.

But what is this legislative amendment? In substance, it is the Smith reclamation relief bill that has been reported from the House Committee on Irrigation of Arid Lands and which is now upon the House Calendar.

It provides for a reorganization of the Bureau of Reclamation. It provides for a more adequate manner of ascertaining facts prior to the undertaking of future reclamation work. It provides for relief to the settlers upon the reclamation projects throughout the West. It provides that hereafter all construction charges shall be based upon the productive power of the land. It provides that all delinquent construction and maintenance charges, including interest and penalties, shall be covered into one amount, and that a moratorium or deferment

of payment for three years shall be granted. It provides that penalties for delinquent accounts shall be reduced from 1 per cent per month to one-half of 1 per cent. The amendment carries no appropriation but it carries an authorization for future investigation work that will rest in the hands of future Congresses.

Why should this amendment be approved?

National reclamation was undertaken between 20 and 22 years ago, and since that time more than 2,000,000 acres of land have been reclaimed and homes provided for more than 32,000 settlers. Towns and cities within projects or near them furnish homes for thousands more.

Until last March 31 the Government had expended more than $152,502,000 in reclamation work, and had received in return from settlers nearly $18,000,000—most of the balances falling due in periods ranging up to 20 years.

The settlers are in arrears nearly $6,000,000 at this time, and conditions upon the projects are such that unless relief shall be furnished thousands of settlers will be forced to lose their homes and to lose in addition to the lands themselves investments and accumulations that represent years of struggle and sacrifice.

When the reclamation law was passed 22 years ago it was generally supposed that the cost of reclamation would be approximately $25 to $60 per acre.

With this understanding it was provided that payments for reclamation would be made to the Government by the settlers over a period of 10 years.

On account of unforeseen conditions that entailed additional expenses, and on account of increased prices of materials and more extensive work than was planned in the beginning, the costs of reclamation per acre mounted to such an extent that within 10 years of the time the first law was passed it was found that the costs per acre had mounted to twice the original estimates.

It was apparent that if 10 years was a reasonable time within which the first estimated costs should be repaid, on the basis of the new costs the time of payment should be extended to 20 or 30 years, and in 1914 we extended the time of payment to 20 years.

The World War came on, and one of the immediate results of the World War was to double the prices of building materials, of labor, of agricultural implements, of commodities generally required by the settlers or by the Government in reclamation work. Freight rates were increased 60 to 70 per cent, and they are now between 50 and 60 per cent above what they were before the war.

The cost of construction upon projects has increased still further, until to-day the estimate for reclamation work runs from $60 to $150 per acre.

Prices of farm commodities have increased but slightly beyond what they were 10 years ago.

From the foregoing it must be apparent that if 10 years was a reasonable time within which the first payment should have been made and 20 years was a reasonable time within which, upon the basis of new conditions, payments were required following 1914, present conditions imperatively demand that a moratorium be granted and that the time of payment be spread over a longer period.

If this shall not be done, thousands of settlers will lose their homes; their places will need to be taken by new settlers. In this process the Government will not gain. On the other hand, the Goverument will lose, and why? Reclamation projects will lose, and why?

Both questions can be answered by the simple statement that the present settlers upon the projects better than any new settlers will know the problem with which they are face to face and can come more nearly to making a success of it than can any new settlers who will be placed upon the lands.

The proposition of the pending bill is not only a relief proposition for settlers but it is a business proposition for the Government and for the Reclamation Service.

Mr. SINNOTT. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. SINNOTT. This has been worked out by the House committee and the fact finding committee.

Mr. FRENCH. Yes; it has been reported by the legislative committee and represents the work of the fact finding committee appointed by the Secretary of the Interior. In substance it is backed by the Secretary of the Interior, the Reclamation Service, and the President of the United States. If you want to do the right thing by these settlers, the right thing by the Government, let me beg the Members of the House to agree to the Senate provision amending the bill. [Applause.]

Mr. MADDEN. I yield two minutes to the gentleman from Michigan [Mr. CRAMTON].

Mr. CRAMTON. Mr. Speaker, this bill appropriates outright $100,000 for certain investigations. In addition, it provides that all money for investigations will hereafter come out of the general funds in the Treasury instead of out of the reclamation fund as heretofore, chargeable to each project benefited. That will mean several hundred thousand dollars a year. In addition, they have a provision that will permit them to have the money for 35 to 50 years without interest, instead of 20 years, going much further than the House committee has recommended. We have accepted the Senate provision beginning the projects. We have receded on that, and it ought to be up to the Senate to recede and strike out this matter of legislation that ought never to have been placed in this bill. [Applause.]

Mr. MADDEN. Mr. Speaker, I yield two minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Speaker, I make no pretensions to being an authority on matters of reclamation. I can see the justice of the position taken by the gentleman from Michigan and others that we ought not to act hastily on matters of such moment as these, but it is a very practical condition that confronts us. We must adjourn at 7 o'clock to-night. I am persuaded that if this matter was sent back to conference great delay might occur. The Senate has yielded on most of the propositions they have advanced.

Mr. CRAMTON. Does not the gentleman know that the only yielding is in amount, but they get the beginning of their projects, which means that millions of dollars will be necessary to follow in each case?

Mr. LONGWORTH. Mr. Speaker, as I say, I do not pretend to be an expert, but I submit that the Senate has yielded in a very substantial degree on a preponderating proportion of the matters in disagreement. I think under all of the circumstances that the wise thing for this House to do is to concur in this amendment so that we may adjourn. [Applause.]

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Idaho that the House recede from its disagreement to the Senate amendment and concur in the same.

The question was taken; and on a division (demanded by Mr. FRENCH) there were—ayes 122, noes 65.

So the motion to recede and concur was agreed to.

Mr. MADDEN. That is all, Mr. Speaker.

The SPEAKER. The Chair understands that there are two amendments still in disagreement.

Mr. MADDEN. Yes; Mr. Speaker. We will let the Senate ask for a conference, if they want it.

### COMMITTEE TO NOTIFY THE PRESIDENT

Mr. LONGWORTH. Mr. Speaker, I present the following resolution, which I send to the desk.

The Clerk read as follows:

House Resolution 355

*Resolved*, That a committee of two Members be appointed by the House, to join a similar committee appointed by the Senate, to wait upon the President of the United States to inform him that the two Houses have completed the business of the present session and are ready to adjourn, unless the President has some other communication to make to them.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The Chair appoints the gentleman from Ohio [Mr. LONGWORTH] and the gentleman from Tennessee [Mr. GARRETT].

### EXTENSION OF AIRPLANE MAIL SERVICE TO BOSTON, MASS.

The SPEAKER. When the business of the House was interrupted to take up the conference report, the matter before the House was the motion of the gentleman from Massachusetts [Mr. DALLINGER] to suspend the rules and pass the bill S. 3319, authorizing the extension and operation of the transcontinental airplane mail service to Boston, Mass.

Mr. DALLINGER. Mr. Speaker, I call the attention of the House before we vote on the matter to the fact that I introduced the bill at the suggestion of the Second Assistant Postmaster General, who is anxious to have authority, and I say that the business men of Boston do not expect to have this service unless the charge to them is sufficient to pay the expense. This simply authorizes them to do this. I hope the House will act favorably upon the motion to suspend the rules and pass the bill.

Mr. CRAMTON. Mr. Speaker, I yield three minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Speaker, I am in thorough sympathy with Massachusetts in their program for economy. [Applause and laughter.] This bill does not mean what the two last speakers have said it means with reference to economy. The proviso in the bill reads as follows:

That the appropriations heretofore or hereafter made for the operation and maintenance of the transcontinental airplane mail service shall be sufficient for such purpose.

That means that after we authorize the carrying of the mail off the line down to Boston, it will be an obligation on the part of the American Congress to appropriate for that purpose, and I say to you, Mr. Speaker, being in sympathy with the program for economy, that if Boston is entitled to this, then every other important city off that line is entitled to it, and the description of the gentleman from Illinois that this is a pork barrel, and a pork barrel pure and simple, is accurate to the minutest detail.

Mr. SCHAFER. Mr. Speaker, will the gentleman yield?

Mr. TINCHER. No; I think I can talk as well against this as the gentleman can, and he is surely against this. [Laughter.] I want to say, Mr. Speaker, that I hope that the Sixty-eighth Congress in its first session will not pass a bill of this kind without any proposal for consideration. There is absolute misrepresentation as to the expense on the part of the Government before the House, and I hope that we can rouse up enough votes to defeat this bill.

Mr. DALLINGER. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Speaker and gentlemen of the House, this bill is simply permissive. If the Postmaster General can not furnish the mail service economically, he does not need to do it. The gentleman from Kansas [Mr. TINCHER] says that this measure smacks of the pork barrel. Let me tell him that the shoe is on the other foot. On the Consent Calendar of this House to-day there are two bills under which the post office is to be authorized to make contracts with private parties for the operation of the Air Mail Service. They are H. R. 6942 and H. R. 7064. Gentlemen, the same fight is being made against this new industry as was made by the stage coaches against the railroads when they were in their infancy. There are contractors who are now speculating on the juicy prospects of the air mail business. They are to a great extent the same men, or identified with the men, who have robbed this Government out of millions of dollars with their war-time air experimentation. Beware of cormorants flying low watching for the opportunity to grab this infant industry.

Gentlemen, the Postal Service is administering the Air Mail Service honestly, economically, and satisfactorily. They should be encouraged to enlarge and develop it. As to the statement of the gentleman from Illinois [Mr. MADDEN] that it costs $6 to operate this air mail per mile, I have here the testimony of Colonel Shaughnessy, who admitted, on page 294 of the hearings, that it is only costing the Air Mail Service 75 cents per mile.

What, then, will be the cost of carrying this mail 225 miles from New York to Boston or vice versa? It will cost $168.75 to carry 800 pounds of mail, containing 3,200 letters, which will represent to the Government, at 20 cents a letter, $640. There is a profit to the Government, if you please, of $471.25—sufficient to tempt the avarice of these gentlemanly contractors, the friends of my friend from Kansas [Mr. TINCHER], who are waiting for an opportunity to inaugurate another star-route scandal in the mail service, and reap the profits that ought to go to the Government and people of the United States. [Applause.]

I herewith append to my remarks the report of the Committee on the Post Office and Post Roads on H. R. 7064, and ask my good friends to note that my apprehensions are more than confirmed.

First, it says that "the hearings were attended by representatives and individuals, firms and corporations interested in commercial aviation."

Why did they not invite some one to testify who was disinterested and who had no ax to grind?

Second, look at Postmaster New's letter, quoted in the report, in which he urges that the "contractor carrying mail should be paid a certain proportion of the postage."

Gentlemen, there is no more reason to employ contractors to carry the air mail than there is to give them the contract to run the motor trucks that carry the mail on the surface.

Well, here is the report. Digest it and deliberate on it. The Air Mail Service is a success. It can not be stopped. It is going to develop and grow until it will carry more mail than the railroads.

Perhaps this is one of the reasons why the Government development of the Air Mail Service is opposed. I do not know. Judge for yourselves:

[Sixty-eighth Congress, first session]

(Report No. 730, to accompany H. R. 7064)

The Committee on the Post Office and Post Roads, having had under consideration the bill (H. R. 7064) to encourage commercial aviation and to authorize the Postmaster General to contract for air mail service, reports the same back to the House with the recommendation that the bill do pass.

This bill was referred to a subcommittee for a hearing.

These hearings were attended by representatives and individuals, firms and corporations interested in commercial aviation, all of whom expressed the opinion that the measure is a big step forward tending to the establishment of transportation by air on a sound basis.

The objection to all previous proposals for the establishment of contract air mail service has been the demand for a subsidy in the form of a guaranteed load at a fixed price. The present bill provides for the payment of the contractor upon a basis of four-fifths of the revenue derived from the mail carried by air, which is in no way a charge upon the postal revenues.

The report of the Postmaster General on this bill follows:

OFFICE OF THE POSTMASTER GENERAL,
*Washington, D. C., February 25, 1924.*

Hon. W. W. GRIEST,
*House of Representatives.*

MY DEAR MR. GRIEST: Replying to your letter of February 19, with which you inclosed a copy of a bill (H. R. 7064) to encourage commercial aviation and to authorize the Postmaster General to contract for air mail service, which was referred for my consideration and recommendation.

Your attention is invited to my letter of February 18 replying to your communication of the 14th relative to a similar bill, H. R. 503.

In that letter I stated that in my opinion any bill naming a flat rate per ton-mile, per ship-mile, or per pound-mile will not be a satisfactory way to approach the problem. I believe that the contractor carrying mail should be paid a certain proportion of the postage, and it appears that in H. R. 7064 the objectionable features have been eliminated.

Very truly yours,

HARRY S. NEW, *Postmaster General.*

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, including some suggestions as to this legislation, which I think would be effective now if the House cares to hear them, which I fear it does not.

The SPEAKER. Is there objection?

Mr. HILL of Maryland. Reserving the right to object, are they the gentleman's own remarks?

Mr. CRAMTON. Yes; and I will give them now, if the House desires to hear them.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. CRAMTON. Mr. Speaker, under leave granted me, I simply want to say that this proposal should be defeated as the entering wedge for a pork-barrel aviation mail service.

This year, when the post-office appropriation bill was pending in the House, I made a point of order against the $1,500,000 proposed for the Air Mail Service. I knew a radical increase was proposed in that item, and by the point of order stopped the matter at that time. I said then I was moved by a desire to forestall any pork-barrel increases. The Senate restored and increased the item, and it became law at $2,750,000, a quarter of a million less than was proposed by the advocates in the House. That sum fully provides for complete experimentation on a through route from coast to coast, from New York to San Francisco. It provides for night flying and a 30-hour schedule across our whole country. It provides for increase of the carrying capacity of the planes to a ton instead of 500 pounds, and the department is to charge a special rate for this service instead of the ordinary rates as heretofore.

This route and program give full opportunity for mechanical testing and all aerial and service experimentation.

The cost for carrying mail by train is about 11 cents per ton-mile. They have brought the cost down to $2.00 per ton-mile in the air, taking all matter offered without regard to special rates of postage.

It is claimed if the planes carry the full capacity of 1 ton that will reduce the cost per ton-mile to a little over 60 cents, six times the rail rate. The increased rate for this special service to be put in effect, it is alleged, will make the service self-sustaining, but that will depend upon there being enough of the special-rate mail to fill the planes to capacity.

The proposed New York to San Francisco program gives ample opportunity for this sort of experiment.

Any extensions now to Boston or elsewhere have no importance, except to gratify local pride. That pride runs about as strong in one place as another, and many other Members here are as keen to please as is my very valued colleague from Massachusetts [Mr. DALLINGER].

This extension to Boston I oppose as the entering wedge. If allowed, next will come demand from Detroit, Washington, Philadelphia, New Orleans, Minneapolis, Denver, San Diego, Seattle, and many other cities for such service, and if enough join together, there being strength in union, you have a new and very modern pork barrel on tap.

The Treasury will not afford such sops to local pride while the service is as big a loser financially as at present.

Think of the inconsistency of our passing this bill to-day, the day the most distinguished son of Massachusetts vetoes the postal salary raise bill, correcting so many serious inequalities and inadequacies in pay, vetoed because of a need to avoid extravagance. Think of our passing a bill this same day to extend the air service to the metropolis of the President's home State.

Whatever may be the financial aid to be expected in this service from the people of Boston, there is nothing in the bill to prevent using a portion of that $2,750,000 appropriation. It is extravagance, not great in the beginning, but the forerunner of millions of waste if not stopped. Stop these extensions before they begin.

The SPEAKER. The question is on the motion of the gentleman from Massachusetts to suspend the rules and pass the bill.

The question was taken; and the Speaker announced, in the opinion of the Chair, two-thirds did not vote in the affirmative.

Mr. DALLINGER. Division, Mr. Speaker.

The House divided; and there were—ayes 75, noes 128.

So the motion to suspend the rules was rejected.

PERSONAL PRIVILEGE

Mr. YOUNG. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. YOUNG. I ask permission to address the House for seven minutes.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. YOUNG. Mr. Speaker and colleagues, this is my last day of service in the House of Representatives. I want to say that I am just as fond of the Members of this House and just as reluctant about severing my relations with them as was the gentleman from Illinois [Mr. GRAHAM] who spoke so beautifully this morning. I want to say frankly that I was not a candidate for reelection, and I am leaving this House because I can not afford to serve here longer on the salary paid to a Congressman. [Applause.] Our family is small, and as you all know, we live modestly. Notwithstanding this our expenditures have gone decidedly over my salary. If we had not saved up some money while I was practicing law before coming here I would have quit Congress long ago. That is the experience of many others.

There are some things that people throughout the United States either overlook or are not familiar with in connection with what a Congressman must pay to live and his necessary outlays. In the first place, some of them forget that he must maintain two homes, one in his district and one in the city of Washington. They perhaps do not know that the living costs at the Capital are very much higher than they are in practically all the districts represented in the House. A Congressman must entertain more in Washington than in his home district. This is expected on account of the position he holds and it is really necessary. The daily sessions of the House are much longer than they are generally thought to be, averaging over five hours a day, and the departments of the Government are very much further separated from our offices than is generally thought. The nearest department is over a mile from my office, others are 2 and 3 miles away. Now those two things coupled together make it necessary either for a Congressman to keep an automobile and stand the expense of the upkeep of it or pay a very substantial amount for taxi hire. There are a number of small items I might give you that in themselves do not look large but taken together really run into quite a large amount. I only mention two or three of them. The subscriptions for church and charity and for other things of that kind that a man makes in his home district must be very largely duplicated when he comes to the city of Washington. It is necessary for one to subscribe for a large number of home papers if he wants to keep up with what is going on there and understand the conditions of his district.

He must also pay a very substantial income tax on a salary that is not big enough to pay his expenses here. I might give a number of other illustrations of that kind.

I think it is very proper to put in election costs as a proper part of a Congressman's expenses. If they are not, it means that a poor man can not aspire to serve in this House; only men of means can aspire to serve in this House if you say election expenses are not a proper part of a Congressman's outlay.

Again, a man without money saved up for a rainy day ought to carry a very substantial amount of life insurance. Congressmen who are either only breaking even or going behind are the very ones who ought to carry enough life insurance to protect their families, and that costs considerable money. A former Member from Georgia, William Schley Howard, said that the average Congressman was only three minutes ahead of the sheriff. [Laughter.] I think that is largely true. I venture this assertion, that a Congressman must either run behind or take the hazard of leaving his family penniless at the time of his death and also subject to other hardships not experienced before they came down to Washington.

As a general principle of sound government the salary of a Congressman should be sufficient so that any man of character and ability, without regard to his means, can aspire to become a candidate for Congress or to remain in Congress. Of course, I feel quite sure that you are not likely to vote to raise your own salaries, preferring to submit to hardships. Still, I believe that if you do not do this, you are going to do an injustice to your families and you are going to prevent many men of real worth from coming here who might otherwise aspire to come here for service n this House. [Applause.]

Now, I want to make this suggestion to you: I do not want any of you gentlemen to pay any hotel bills in New York after this. [Laughter and applause.] For that purpose I want you to write down my address, which is "641 Washington Street, New York." [Applause.]

Mr. BARKLEY. What was it? I did not catch it. [Laughter.]

Mr. YOUNG. "641 Washington Street, New York."

Mr. BANKHEAD. Does that apply during the Democratic Convention? [Laughter.]

Mr. YOUNG. It surely does.

After having served in Congress for almost 12 years, I want to say that I have only two ambitions left. First, I want to make a good judge [applause], and second, I want to put all the big hotels in New York out of business. [Laughter and applause.] Gentlemen, I thank you very much for the many courtesies you have extended to me. I shall be your friend for all time. You will always have a warm place in my heart. God bless you all. [Applause, the Members rising.]

Mr. OLDFIELD. Mr. Speaker, I ask unanimous consent to proceed for three minutes.

The SPEAKER. The gentleman from Arkansas asks unanimous consent to proceed for three minutes. Is there objection?

There was no objection.

Mr. OLDFIELD. Mr. Speaker, after several years' service on the Committee on Ways and Means with the distinguished gentleman from North Dakota [Mr. YOUNG], I want to say that I bespeak the feeling of every member of that committee, and especially those on the Democratic side, when I say that we hate very much to lose him from that committee. [Applause.]

Mr. YOUNG was a faithful member, one of the most hard-working men on the committee. He worked in season and out of season for the things he believed in. He was conscientious in that work, and I, for one, want to say that I shall miss him a very great deal indeed. I know that he has the good wishes of every member of the committee, and I feel sure he has the good wishes of every Member of this House. [Applause.] We shall always give him the glad hand when he sees fit to visit the House and to visit us personally. We regret that he is to go. [Applause.]

EXPENSES OF A SELECT COMMITTEE

Mr. MacGREGOR. Mr. Speaker, I present a privileged report from the Committee on Accounts.

The SPEAKER. The gentleman from New York presents a privileged report from the Committee on Accounts, which the Clerk will report.

The Clerk read as follows:

House resolution (H. Res. 336) authorizing the select committee appointed under House Resolution 325 to employ stenographic and other assistance, and for other purposes

*Resolved*, That the Judiciary Committee, authorized under the provisions of H. Res. 325, adopted May 23, 1924, to make inquiry into the official conduct of William E. Baker, United States district judge

for the northern district of West Virginia, is hereby authorized to employ such stenographic, legal, and clerical assistance as it may deem necessary.

*Resolved further*, That all expenses incurred by said committee under the provisions of H. Res. 325, including the expenses of such committee or any subcommittee thereof when sitting outside of the District of Columbia, shall be paid out of the contingent fund of the House of Representatives on vouchers; ordered by said committee, signed by the chairman of said committee, and approved by the Committee on Accounts, evidenced by the signature of the chairman thereof: *Provided, however*, That the total of expenditures authorized by this resolution shall not exceed the sum of $5,000.

With committee amendments as follows:

Amend the title by striking out the words "select committee appointed under H. Res. 325" and insert the words "Judiciary Committee."

Page 1, line 2, strike out the figures "23" and insert the figures "22."

Page 1, line 6, strike out both the commas and the word "legal."

Page 1, line 13, strike out the first comma and the word "ordered" and insert the word "submitted."

Page 2, line 5, strike out the figures "$5,000" and insert "$2,500."

Mr. MACGREGOR. Mr. Speaker, I move the adoption of the committee amendments.

The SPEAKER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The SPEAKER. The question is on agreeing to the resolution as amended.

The resolution as amended was agreed to.

ADDITIONAL CLERK FOR COMMITTEE ON ALCOHOLIC LIQUOR TRAFFIC

Mr. MACGREGOR. Mr. Speaker, I present another privileged resolution from the Committee on Accounts.

The SPEAKER. The gentleman from New York presents a privileged resolution from the Committee on Accounts, which the Clerk will report.

The Clerk read as follows:

House Resolution 345

*Resolved*, That the Committee on Alcoholic Liquor Traffic be authorized to employ a clerk for this session of the Sixty-eighth Congress, appointment to be made by the chairman of the committee. Compensation is to be at the rate of $100 per month from date of employment, and is further authorized to have such printing done as it may require.

*Resolved further*, That the committee or such subcommittees it may designate shall have leave to sit during sessions of the House during the Sixty-eighth Congress and during the recess of that Congress, and may hold its sessions at such places as the committee may determine.

With the following committee amendment:

On page 1, line 1, strike out all of the resolution after the word "*Resolved*" and insert the following:

"That the Committee on Alcoholic Liquor Traffic is hereby authorized to employ clerical assistance at compensation not exceeding $100 per month until January 1, 1925, to be paid out of the contingent fund of the House. Said committee, or any subcommittee thereof, is hereby granted leave to sit during any recess of Congress and to hold its sessions outside of the District of Columbia."

Mr. BLANTON. Will the gentleman yield?

Mr. MACGREGOR. Yes.

Mr. BLANTON. The House is going to adjourn in 45 minutes. This is June 7, 1924, and the Congress will not meet again until December, 1924. This committee during this entire Congress has been without a clerk, it has been without an assistant clerk, and yet now, when we are adjourning and going home, the committee is trying to pass a resolution to grant this committee during the recess both a clerk at $100 and an assistant clerk at $100.

Mr. MACGREGOR. Oh, no; there is no clerk.

Mr. BLANTON. Well, it says "clerical assistance" which means a clerk and an assistant clerk.

Mr. MACGREGOR. No; it does not.

Mr. BLANTON. What does it say?

Mr. MACGREGOR. A temporary clerk.

Mr. BLANTON. What is the difference between a temporary clerk and a clerk? They are going to draw the money. If the gentleman will yield further, I do not see how in the world the gentleman can go to the country on economy when he is going to give two swivel-chair jobs here until the Congress meets again. This temporary clerk and this temporary assistant clerk will have nothing in the world to do, and I dare say there will not be a member of this committee meet here for hearings until December; and there is no use for them to meet.

I want to say this: That the gentleman from Chicago [Mr. RATHBONE], aided by his subcommittee of four members, has held exhaustive hearings on this very subject. They have been meeting for the last six weeks.

Mr. CABLE. Will the gentleman from Texas yield?

Mr. MACGREGOR. I have the floor.

Mr. BLANTON. I am speaking by sufferance, and I am simply trying to take up some of the time of the House, because otherwise it would cost the people of the country some money, as other bills would be passed.

I hope the House will not pass this resolution, and I hope I shall get a chance to meet some Republican spellbinder on the hustings this summer and call attention to a lot of these fool propositions that this House has been voting on here. This is a fool proposition, and I hope it will not pass.

Mr. HILL of Maryland. Will the gentleman from New York yield?

Mr. MACGREGOR. Yes.

Mr. HILL of Maryland. Just how many times has this committee met during this session of Congress?

Mr. MACGREGOR. I have no official information, and I will call on the chairman to answer that.

Mr. CABLE. Will the gentleman yield to me?

Mr. MACGREGOR. I yield five minutes to the gentleman from Ohio. [Cries of "Vote!" "Vote!"]

Mr. CABLE. The Committee on Alcoholic Liquor Traffic has come to life; and I am in favor of the passage of this resolution, and I hope you will put it through.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. CABLE. No; I will not yield.

Mr. HILL of Maryland. How many times has this committee met? It has not met once during the whole session, and it has not met once for five years.

Mr. SHALLENBERGER. I was a member of that committee 24 years ago, and it has not met since.

The SPEAKER. The question is on agreeing to the committee amendment.

The question was taken; and on a division (demanded by Mr. CABLE) there were—ayes 91, noes 96.

So the committee amendment was rejected.

Mr. CRAMTON. Mr. Speaker, I ask for recognition to offer an amendment.

I offer an amendment, Mr. Speaker, to the resolution, on page 1, line 2, strike out all after the word "traffic" and insert the amendment which I send to the desk.

Mr. SABATH. A point of order, Mr. Speaker. The resolution was defeated, was it not.

Mr. CABLE. No; the vote was on the amendment.

The SPEAKER. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Strike out, on page 1, line 2, all after the word "traffic" and insert the following: "Is hereby authorized to employ clerical assistance at compensation not exceeding $100 per month until January 1, 1925, to be paid out of the contingent fund of the House. Said committee or any subcommittee thereof is hereby granted leave to sit during any recess of Congress and to hold its sessions outside of the District of Columbia.

Mr. BLANTON. Mr. Speaker, I make the point of order against the amendment that the amendment is just exactly the language that the House has just voted down. It provides for the same things, and the House has already passed on that by a decisive vote.

Mr. CRAMTON. No; I left out several words that were in the other amendment.

Mr. KVALE. Will the gentleman yield?

Mr. BLANTON. I have not the floor.

The SPEAKER. It seems to the Chair the point of order is well taken.

Mr. LARSEN of Georgia. Mr. Speaker, I move to amend the amendment.

Mr. CRAMTON. Mr. Speaker, I still have the floor. I do not want to take time to argue the point of order. I offer a further amendment which I will not take the time of the House to write out, but I want to provide in this amendment——

Mr. BLANTON. Mr. Speaker, I have a preferential motion.

The SPEAKER. The Chair has recognized the gentleman from Michigan.

Mr. CRAMTON. I have the floor.

Mr. BLANTON. I have a preferential motion.

The SPEAKER. The gentleman from Texas is out of order. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 1, line 1, strike out all the resolution after the word "*Resolved*" and insert the following:

"That the Committee on Alcoholic Liquor Traffic is hereby authorized to employ clerical assistance at compensation not exceeding $110 per month until February 1, 1925, to be paid out of the contingent fund of the House. Said committee or any subcommittee thereof is hereby granted leave to sit during any recess of Congress and to hold its sessions outside of the District of Columbia."

Mr. BLANTON. Mr. Speaker, I make a point of order against the amendment that it in substance provides just exactly what the House has already voted down.

The SPEAKER. The Chair overrules the point of order.

Mr. BLANTON. Mr. Speaker, I offer a substitute.

The SPEAKER. The gentleman said he had a preferential motion.

Mr. BLANTON. Well, I have a preferential motion. Mr. Speaker, I move to strike out the resolving clause of the resolution.

Mr. CRAMTON. Mr. Speaker, I do not yield the floor for that purpose.

Mr. BLANTON. This is a House resolution and has a resolving clause, and I move to strike out the resolving clause.

Mr. CRAMTON. Mr. Speaker, I have not yielded the floor for that purpose.

The SPEAKER. The Chair thinks that is a preferential motion.

Mr. CRAMTON. It would be preferential in consideration, but would not take me off the floor.

The SPEAKER. Does the gentleman from Michigan wish to debate the amendment?

Mr. CRAMTON. Yes, Mr. Speaker.

Mr. Speaker and gentlemen of the House, this is a matter of some serious importance. The Committee on Alcoholic Liquor Traffic, whatever it may or may not have done in the past, has appointed a very capable subcommittee, which proposes between this and the reconvening of Congress to make a very careful survey of the effects of prohibition. The subcommittee has been appointed by the authority of the full committee. It is a capable committee, headed by my colleague from Michigan [Mr. HUDSON], and associated with him are gentlemen of equal standing in the House.

Mr. SNELL. Will the gentleman give us the names of the members of the committee?

Mr. CABLE. Will the gentleman yield?

Mr. CRAMTON. Mr. UPSHAW, Mr. KVALE, Mr. BOX, Mr. ADDISON SMITH, and Mr. HUDSON, five Members.

This committee has authorized a subcommittee, and the subcommittee has not asked a large amount of money. They are asking nothing for traveling expenses, nothing for any other purpose except the hiring of one clerk; and, whatever my word is good for, I am glad to give it to the House that it is the intention that this committee will really work during these six months, and this clerk is all that the resolution asks for.

Mr. BEGG. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BEGG. Is it not a fact that the Senate has a committee which has been investigating this for a month, and if we pass this resolution it will be a duplication of work?

Mr. CRAMTON. Not at all. The committee in the Senate is seeking to investigate the enforcement operations in the Treasury Department—some kind of personnel and efficiency service. This committee proposes to make a real survey of the result of the past four years of national prohibition. It is an important matter, and I hope every friend of prohibition will give his support to this resolution.

Mr. BLANTON. Mr. Speaker, this is nothing in the world but duplication. The Committee on Alcoholic Liquor Traffic until recently has not held a meeting for five years. Just recently when it decided to look into this question, just when adjournment is in front of us, it comes in with a resolution wanting a clerk and an assistant clerk. The gentleman from Illinois [Mr. RATHBONE], aided by the gentleman from Vermont [Mr. GIBSON], and the gentleman from Pennsylvania [Mr. BEERS], and myself, have just held an exhaustive investigation on this subject for the last six weeks. We made recommendations to Congress, and the work of this committee would be nothing but duplication. I understand the same work is being done in the Senate. I do not think you can go to the country with any such proposition as this when the gentleman from Georgia [Mr. UPSHAW] will be in New York attending the convention, when the gentleman from Michigan will be in Michigan on the hustings, and when other members of the committee will be scattered over the United States; you do not want them spending the money of the people on junketing trips with a clerk and an assistant clerk.

Mr. MACGREGOR. Mr. Speaker, I move the previous question on the resolution and all amendments thereto.

Mr. LARSEN of Georgia. Mr. Speaker, I want to offer an amendment.

The SPEAKER. But the gentleman from New York has moved the previous question. The question is on the amendment offered by the gentleman from Michigan.

Mr. BLANTON. Mr. Speaker, I made a motion to strike out the resolving clause.

The SPEAKER. The gentleman from Texas said he was going to make the motion but he did not make it. The Chair refused him recognition.

Mr. BLANTON. The Chair recognized me and I made the motion.

The SPEAKER. The Chair will ascertain the fact from the Reporter's notes.

Mr. BLANTON. I am sure that the Speaker wants to be fair.

The SPEAKER. The Chair just said he would ascertain the fact from the Reporter's notes.

Mr. SNELL. The gentleman from Michigan had the floor and did not yield to the gentleman from Texas.

The SPEAKER. As the Chair remembers it, the gentleman from Texas said he wished to make a preferential motion. He had no right to be recognized at that moment. Later when the gentleman was recognized the Chair does not remember that he made the motion again.

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent to print in the RECORD a letter from the Department of Agriculture.

The SPEAKER. The gentleman from Iowa asks unanimous consent to print in the RECORD a letter from the Department of Agriculture. Is there objection?

Mr. JONES. Reserving the right to object, who is the letter from?

Mr. HAUGEN. Charles J. Brand, who served in the department.

Mr. BANKHEAD. I object.

The SPEAKER. The Chair is informed by the Reporter that the gentleman from Texas did make the motion to strike out the enacting clause. So the question is on the motion of the gentleman from Texas to strike out the resolving clause.

The question was taken; and on a division (demanded by Mr. CRAMTON) there were 153 ayes and 88 noes.

Mr. CRAMTON. I demand the yeas and nays.

The SPEAKER. The gentleman from Michigan demands the yeas and nays. As many as are in favor of taking the question by yeas and nays will rise. [After counting.] Nine Members have arisen, not a sufficient number, and the yeas and nays are refused.

### REPORT OF COMMITTEE TO WAIT UPON THE PRESIDENT

Mr. LONGWORTH. Mr. Speaker, the committee appointed on the part of the House to wait upon the President of the United States and inquire whether he has any further communication to make to Congress, have performed that duty, and have the honor to report that the President has informed us that he has no further communication to make.

### SOLDIERS' BONUS

Mr. CROSSER. Mr. Speaker, I ask unanimous consent to extend my own remarks on the revenue question and adjusted compensation.

The SPEAKER. Is there objection?

There was no objection.

Mr. CROSSER. Mr. Speaker, the nature and source of the opposition to the soldiers' compensation bill, sometimes called the bonus bill, does not surprise me. When the young men of the country were being drafted to be sent across the sea to fight on the fields of France and Flanders there were none who talked so much about the reward these boys should have as the class of men who now oppose giving them a trifling sum as compensation for their loss of wages, for the discomforts they suffered, and for the danger they incurred. I remember well the report of speeches made by the representatives of great commercial and industrial institutions at the departure of the boys from almost every town in the land. I recall, too, that in Congress the Representatives of the great financial centers of the country waxed eloquent in a like manner. All these speeches, after eulogizing the soldiers who were going to fight on foreign fields for America, generally closed by saying, "Go; God bless you; and when you come back you

will receive your reward from a grateful people. The fat of the land will be yours. Your jobs will be waiting for you, aye, better jobs and better pay, for you go to fight for our cause." But now what do we find? These same people are the ones who speak sneeringly of capitalizing patriotism. These men, most of whom never were in any danger themselves, now tell the boys who risked their lives that they must be content with the reward of glory. I am not greatly surprised, for I understand the mind of the patrioteer, who is always willing to talk big when some one else does the fighting.

What, I ask, is unfair in the proposal to pay the boys in part the loss they suffered in wages or their disturbed business career while they risked their lives, their health, and their comfort for the Nation as a whole? We are told that it is "class legislation." "Class legislation," when the Government during the war guaranteed to the wheat producers of America $2.20 a bushel for wheat. Did we hear this same crowd prating about class legislation when the Government poured millions into the coffers of the railroads as an adjustment of their compensation? Did we hear these gentlemen yowl about class legislation when, several years ago, the Government in effect guaranteed the railroads a fixed income on their stocks? No; we heard nothing of "class legislation" in those cases; but when we propose to pay the soldiers just a little toward making up the loss suffered on account of the war, then we hear the wail that it is "class legislation."

Hugh K. Martin, State adjutant of the American Legion of Ohio, stated the case well in the letter commenting on the President's veto when he said:

Because the Government saw fit to draft a minority of the people it thereby created a class which served the whole people, and now because of the service that class, created by the Government itself, is to be penalized because it is not a majority of the whole people.

Mr. Coolidge refers to the proposed bonus as a gratuity. This, of course, means that nothing was done by the ex-service men to merit this little insurance policy. How soon are services forgotten? The service men had nothing to do with fixing their compensation while in the service. But because a man renders a service which is needed in an emergency at a wage far below that of the lowest-paid laborer is no reason for regarding a subsequent partial adjustment as a gratuity or gift which is doled out as charity. If this is a gratuity, then the service of these men was a gratuity exacted by the Government from a class rather than from the whole people.

The time was, in the Middle Ages, when a vassal owed his life to his overlord and was to receive no compensation for it. This was not only an injustice but it created many wars between barons, because fighting material was available and was so cheap.

The President, in his message vetoing the measure, says:

Patriotism which is bought and paid for is not patriotism.

Was that the kind of argument, was that the kind of speech, which was delivered to the young men boarding the trains to leave for France and Flanders? We all know that it was not the kind of talk they heard. Apparently the President himself did not always think so, for on July 3, 1919, he sent a letter to a Mr. Macdonald, apparently believing at the time that he was greatly honoring Mr. Macdonald by giving him as a memento the instrument by which the then Gov. Calvin Coolidge, of Massachusetts, had signed a so-called Massachusetts bonus law. The following is a copy of that letter:

THE COMMONWEALTH OF MASSACHUSETTS,
EXECUTIVE DEPARTMENT, STATEHOUSE,
*Boston, July 3, 1919.*

Mr. KENNETH MACDONALD, Jr.,
*17 Capen Street, Dorchester, Mass.*

DEAR MR. MACDONALD: I take great pleasure in handing you herewith a quill with which I have to-day signed an act "to provide suitable recognition of those residents of Massachusetts who served in the Army and Navy of the United States during the war with Germany."

Very truly yours,

CALVIN COOLIDGE.

Mr. Speaker, it is a real pleasure, a genuine satisfaction to me, to support the bill giving to the young men who served their country something to make up for the loss they suffered during the war, little as it is, compared with their total loss.

## FEDERAL TAX REDUCTION

Mr. COOK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on tax reduction.

The SPEAKER. Is there objection?

There was no objection.

Mr. COOK. Mr. Speaker, I desire to discuss the question of tax reduction. I realize that there has been so much criticism of the efforts of this Congress to enact such legislation and so much prejudice created in the minds of the people against the new law that it will be no easy task to present its merits. However, I have confidence in the sober second thought of the American people and feel comident that when the truth is known they will find that this law will materially lighten the heavy burden of Federal taxation of the greatest number and is otherwise a good law.

It was found before the present Congress assembled that under the operations of the existing revenue laws there would be a surplus in the Treasury amounting to something over $300,000,000 per year for the next four or five years. This made a reduction of Federal taxes necessary, as there should never be collected more money from the people than is necessary to pay the expenses of a government economically administered. Before going to the merits of the new tax law I desire to mention several preliminary matters which will pave the way to a clearer understanding of its provisions.

The money required for this purpose is derived from duties collected at the customhouses on goods brought into this country. The revenue from that source for the fiscal year of 1923 amounted to $562,000,000, in round numbers. The other source is from income and excise taxes. The largest item in this class is the tax collected from incomes. In 1922 the Government received over $2,000,000,000 from incomes and profits, but it fell to $1,691,000,000 for the year 1923. So it will be seen that practically two-thirds of the money required to support the General Government is derived from income and profit taxes.

The income and excise taxes were levied and increased to meet the expenses of the war. Some of them had been reduced in 1921 and 1923. The excise taxes are very simple, but the income tax is more complicated. It covers the incomes of individuals, partnerships, and corporations. I shall refer to some of the provisions as to individuals.

There are two kinds of taxes on the income of the individual combined into one. The one is called a normal tax and the other a surtax. The normal tax is a certain rate levied on all of the income of an individual above his credits or exemption and deductions. The surtax is a tax in addition to the normal tax. In the present new law it does not begin until the income exceeds $10,000 and is graduated up step by step to 40 per cent on incomes in excess of $500,000. It is important to keep the point in mind that there are no surtaxes on any sum under $10,000. It is also important to remember that the returns of 1921 showed there were over 6,000,000 persons with incomes under $10,000 in the United States. In 1922 this number was 3,417,626.

Under the amendment of 1923 the normal tax was 4 per cent on the first $4,000 above the credits and 8 per cent on incomes in excess of that sum. Under the law of 1921 for the years 1922 and thereafter the surtax started with 1 per cent at $6,000 and was graduated up to 50 per cent on incomes in excess of $200,000.

For the purpose of making comparisons I shall take the provisions which relate to the head of a family or a married person living with husband or wife. Of course, there are many other payers. A married person under the new law is allowed an exemption of $2,500, and if the income is less than that no income taxes would have to be paid. In case there are children under 18 years of age there is also allowed an exemption of $400 for each child.

In addition to this an individual is also allowed to deduct from his income expenses in carrying on any trade or business, including salaries and traveling expenses, rents paid, interest paid, ordinary State and local taxes, losses in trade or business not covered by insurance, worthless debts, reasonable allowance for wear and tear of property used in business, gifts for religious, charitable, literary, and educational purposes, and amounts paid to posts of war veterans, lodges, and so forth.

The statement that it would be necessary to reduce Federal taxes to the approximate amount of $300,000,000 naturally excited a great deal of interest among the people who were groaning under the heavy load of local and State taxation. Everybody was in favor of reduction and many overlooked the point of how the reduction should be made. Besides this, many of the large income-tax payers who desired most of the reduction to apply to the higher surtaxes took advantage of this general desire to reduce taxes and started a flood of propaganda in favor of their plan. When the true facts are learned as to the merits of the new law people will see what an attempt was made to mislead them by certain selfish interests of the country.

It will be well for the people to remember what a long fight they had to make in order to bring about an income tax law, so that those having large incomes should pay their just share of the expense of the Government which protects them. The

first law was passed in 1894. It was held void by the Supreme Court of the United States.

The matter was agitated and strongly opposed until 1912, when an amendment was finally proposed to the legislatures of the several States. It was ratified and declared a part of the Constitution in February, 1913. This gave Congress power to levy a tax on incomes. Under the authority of the amendment Congress enacted an income tax law, which went into effect in October, 1913. It has been changed at different times since then. The large financial interests did not like the law and that explains much of their activity in the recent contest. They wanted to reduce their surtaxes 50 per cent and only reduce those having incomes under ten thousand 25 per cent. It is my opinion that it is the ultimate purpose of these interests to finally overthrow the surtax tax and substitute a sales tax in its place. This would shift most of the burden of Federal taxation to the shoulders of the common people. For it would be a tax on what a person uses or consumes instead of on his income.

The Constitution wisely provides that such bills as the one to reduce taxes must originate in the House of Representatives. That seemed to be overlooked in this instance. Our fathers no doubt thought that the Members of the House, being the most numerous body and elected every two years, could be better intrusted with the power of originating laws for reducing their taxes than any other department of the Government. Of course, the President, the Secretary of the Treasury, and every other person in the country has the right to make suggestions to Congress, but in the end its Members must use their own judgment. They are answerable to the people who sent them here, and to no one else, and they can not shift that responsibility to any department of the Government.

I desire to refer to the facts in relation to the new tax law. It is always well for the people to withhold final opinion on any given public question until both sides can be heard and until it can be considered what interest the proponents of any given plan may have in it. Because certain leaders and great newspapers say a thing is so does not make it so if it is wrong. Mr. Lincoln illustrated this point by this homely illustration: He asked, "If you call a sheep's tail a leg, how many legs will it have?" The listener answered, "Five." "No," said he, "it has only four. Calling a sheep's tail a leg does not make it so." The voter must get the facts and follow his own judgment and conscience on public questions. If he has all of the facts he can come to his own conclusion. I am sometimes amused at some public men in giving their conclusions instead of giving the public the facts. The writings of Jefferson and Lincoln demonstrate that they were very careful to give all of the facts before they asked the people to accept their conclusions. They had confidence in the people and believed if they were given the facts they would reach the right conclusion.

Before the Ways and Means Committee of the House had time to prepare a bill for tax reduction the Secretary of the Treasury sent one to it. It embodied what was afterwards known as the "Mellon plan." The committee began to consider this plan, and finally reported a bill to the House containing substantially the same provisions as the "Mellon plan." The propaganda entirely overlooked the unfair provisions of this bill and the interests of the over 6,000,000 taxpayers who paid in 1921 on sums under $10,000. A majority of the Members of the House thought they should at least be allowed to examine the bill before acting on it.

These Members recalled how a previous Congress had repealed the excess-profits tax on corporations; that during the four years of the war these corporations so relieved made over $30,000,000,000 over and above the excess-profits taxes. About $19,000,000,000 of this was made by 1,000 corporations, among the largest being the Steel Trust, Powder Trust, Standard Oil Trust, and Bethlehem Steel Trust. These Members thought it was about time to reduce the taxes on the over 6,000,000 having incomes in 1921 of less than $10,000. This is why they have been criticized so severely. After all of the argument in the House the simple question which remained and which overshadowed all others was whose taxes should be reduced.

It seemed to me that a majority of the House was in favor of reducing taxes to the lowest possible limit consistent with the needs of the Treasury, but the reduction should not be limited to any class, but benefit the greatest number.

The "Mellon plan" as reported to the House contains some very good provisions. The principal objection to it was that it proposed to reduce the surtaxes of the some 172,359 from 50 per cent to 25 per cent, or one-half, while it reduced the normal tax of the class of over 6,000,000 taxpayers in 1921 only 25 per cent, or one-fourth. It proposed to retain many of the nuisance taxes and failed to provide for a reduction on the taxes of 1923, payable in 1924.

The advocates of the "Mellon plan" while contending that it would release capital for investment in industries seemed to overlook the fact that a reduction on the millions having incomes under $10,000 would also release capital for the same purpose and be a direct benefit to a greater number by a general diffusion of the benefits of reduction. The new law should release something like $183,200,000 of normal taxes on the taxpayers with incomes less than ten thousand for the first year. That ought to do some good. No good reason was given why Congress should ignore the large body of taxpayers and make such a discrimination against them in the reduction.

Soon after the Mellon plan was reported to the House the gentleman from Texas [Mr. GARNER] offered what was afterwards termed the "Garner plan." It cut the normal taxes on individuals as follows: Two per cent above the credits on the first $5,000; 4 per cent on the next $3,000; and 6 per cent by which the net income exceeded $8,000. He proposed the surtaxes should be as follows: One per cent from $12,000 to $14,000, and then the rate is graduated up until it reached 44 per cent on net incomes exceeding $92,000. His plan raised the exemption of a single person from $1,000 to $2,000 and a married person or head of a family from $2,500 to $3,000.

The gentleman from Illinois [Mr. MADDEN] offered an amendment which was like the Mellon plan with the exception of 1 per cent difference on incomes exceeding $100,000. This was rejected in the House in the Committee of the Whole by a vote of 152 for and 244 against. This was a test vote on the Mellon plan in the Committee of the Whole, and was rejected by a majority of 92 votes. The gentleman from Wisconsin [Mr. FREAR] offered a substitute for the Garner plan, but it was rejected. It started the surtaxes at 1 per cent at over $6,000 and graduated up to 50 per cent on exceeding $200,000. Finally the Garner plan was substituted for the Mellon rates in the Committee of the Whole by a vote of 221 for and 196 against. When the bill was reported back to the full House the gentleman from Oregon [Mr. HAWLEY] offered the Mellon plan as an amendment to the "Garner plan," and it was rejected by a vote of 153 for to 261 against. This was a yea-and-nay or record vote. On this vote 66 Republicans when their names were called voted against the Mellon rates.

Then the gentleman from Ohio [Mr. LONGWORTH] offered a substitute for the Garner plan. The rates for the normal tax were 2 per cent on the first $4,000, 5 per cent on the next $4,000, and 6 per cent above that. It provided a surtax of three-fourths of the following: Two per cent beginning at $10,000 and graduated up to 37½ per cent on incomes exceeding $200,000. This substitute carried on a record vote with 216 for and 199 against. It will be noted that the highest rate in the "Garner plan" was 44 per cent above $92,000 and the highest rate in the "Longworth plan" was 37½ per cent above $200,000. The Longworth rate at $92,000 was 33 per cent. This shows that the highest Longworth surtax rate was 11 per cent below the Garner rate. The bill with the Longworth amendment finally passed in the House by a record vote of 408 for and only 8 against. The bill was sent to the Senate, and after some changes was finally agreed to in conference, and finally the Senate passed it by a vote of 60 for to 6 against, and it passed in the House by a vote of 376 for to 9 against. The action of the Senate and conferees reduced the normal tax on the second $4,000 1 per cent to the benefit of the great number having incomes under $10,000 and otherwise improved the bill. It then went to the President, who signed it.

What are some of the important provisions of this new law? It fixes the normal tax at 2 per cent on the first $4,000, 4 per cent on the next $4,000, and 6 per cent above that. It fixes the surtaxes as follows: One per cent beginning at $10,000 and graduated up to 40 per cent in excess of $500,000. These rates reduce the surtaxes on every taxpayer up to those having incomes under $65,000 more than the Mellon plan. To illustrate, the surtax under the Mellon rates on incomes of $64,000 is $6,340, and under the new law it will be the same. It is true that as to the some 6,100 persons having incomes above $65,000 per year, they will have to pay more surtaxes under the new law than under the Mellon plan. The scale really turns between incomes of $67,000 and $68,000. However, they will have to pay much less surtax than under the old law. To illustrate: A person having an income of $100,000 paid surtaxes under the old law in the sum of $22,460, but under the new law he will pay $17,020; and under the old law his normal tax was $7,680, and under the new law he will pay $5,597.50. Suppose we combine the normal and surtax under the old law on small incomes

and compare them with the Mellon plan and the new law and see the result to the taxpayer. On an income of $10,000 under the old law he would pay $480, under the Mellon plan $337.50, and under the new law $207.50. On an income of $25,000, under the old law he would pay $2,560, under the Mellon plan $1,877.50, and under the new law $1,607.50. On an income of $50,000, under the old law he would pay $8,640, under the Mellon plan $6,657.50, and under the new law $6,137.50. Let me repeat again that the total taxes on every taxpayer having an income of any sum below $65,000 will be less under the new law than it would have been if the Mellon rates had been adopted. To put it in another form: If the Mellon rates had been adopted every taxpayer in the United States with an income of any sum under $65,000 would have had to pay more taxes than he will under the new law. In the face of that fact there are those who are still denouncing the new tax law and calling the Mellon plan a "scientific plan." The following table gives the normal and surtax under the old law, the "Mellon plan," and under the new law. A number of such tables have been used in the argument of this question and I have not heard anyone dispute any of the figures in it:

*Comparison of the Mellon plan and new law (act of 1924) tax plans with the act of 1921 (married person without dependents), the first $5,000 of all income to be deemed to be earned, balance unearned*

| Number of persons making returns in each class for 1921 | Income | Amount of normal tax under— | | | Amount of surtax under— | | |
|---|---|---|---|---|---|---|---|
| | | Old act of 1921 | Mellon plan | New act of 1924 | Old act of 1921 | Mellon plan | New act of 1924 |
| 401,849 under | $1,000.00 | | | | | | |
| | 2,000.00 | | | | | | |
| | 3,000.00 | $20.00 | $11.25 | $7.50 | | | |
| | 4,000.00 | 60.00 | 33.75 | 22.50 | | | |
| | 5,000.00 | 100.00 | 56.25 | 37.50 | | | |
| 6,087,968 | 6,000.00 | 160.00 | 97.50 | 57.50 | | | |
| | 7,000.00 | 240.00 | 157.50 | 87.50 | $10.00 | | |
| | 8,000.00 | 320.00 | 217.50 | 127.50 | 20.00 | | |
| | 9,000.00 | 400.00 | 277.50 | 167.50 | 30.00 | | |
| | 10,000.00 | 480.00 | 337.50 | 207.50 | 40.00 | | |
| | 11,000.00 | 560.00 | 397.50 | 257.50 | 60.00 | $10.00 | $10.00 |
| | 12,000.00 | 640.00 | 457.50 | 317.50 | 80.00 | 20.00 | 20.00 |
| | 13,000.00 | 720.00 | 517.00 | 377.50 | 110.00 | 40.00 | 30.00 |
| | 14,000.00 | 800.00 | 577.50 | 437.50 | 140.00 | 60.00 | 40.00 |
| 114,244 | 15,000.00 | 880.00 | 637.50 | 497.50 | 180.00 | 90.00 | 60.00 |
| | 16,000.00 | 960.00 | 697.50 | 557.50 | 220.00 | 120.00 | 80.00 |
| | 17,000.00 | 1,040.00 | 757.50 | 617.50 | 270.00 | 160.00 | 110.00 |
| | 18,000.00 | 1,120.00 | 817.50 | 677.50 | 320.00 | 200.00 | 140.00 |
| | 19,000.00 | 1,200.00 | 877.50 | 737.50 | 380.00 | 250.00 | 180.00 |
| | 20,000.00 | 1,280.00 | 937.50 | 797.50 | 440.00 | 300.00 | 220.00 |
| | 21,000.00 | 1,360.00 | 997.56 | 857.50 | 520.00 | 360.00 | 270.00 |
| | 22,000.00 | 1,440.00 | 1,057.50 | 917.50 | 600.00 | 420.00 | 320.00 |
| | 23,000.00 | 1,520.00 | 1,117.50 | 977.50 | 690.00 | 480.00 | 380.00 |
| | 24,000.00 | 1,600.00 | 1,177.50 | 1,037.50 | 780.00 | 560.00 | 440.00 |
| | 25,000.00 | 1,680.00 | 1,237.50 | 1,097.50 | 880.00 | 640.00 | 510.00 |
| 28,948 | 26,000.00 | 1,760.00 | 1,297.50 | 1,157.50 | 980.00 | 720.00 | 580.00 |
| | 27,000.00 | 1,840.00 | 1,357.50 | 1,217.50 | 1,090.00 | 810.00 | 660.00 |
| | 28,000.00 | 1,920.00 | 1,417.55 | 1,277.50 | 1,200.00 | 900.00 | 740.00 |
| | 29,000.00 | 2,000.00 | 1,477.50 | 1,337.50 | 1,320.00 | 1,000.00 | 830.00 |
| | 30,000.00 | 2,080.00 | 1,537.50 | 1,397.50 | 1,440.00 | 1,100.00 | 920.00 |
| | 31,000.00 | 2,160.00 | 1,597.50 | 1,457.50 | 1,570.00 | 1,210.00 | 1,020.00 |
| | 32,000.00 | 2,240.00 | 1,657.50 | 1,517.50 | 1,700.00 | 1,320.00 | 1,120.00 |
| | 33,000.00 | 2,320.00 | 1,717.50 | 1,577.50 | 1,850.00 | 1,440.00 | 1,230.00 |
| | 34,000.00 | 2,400.00 | 1,777.50 | 1,637.50 | 2,000.00 | 1,560.00 | 1,320.00 |
| 12,047 | 35,000.00 | 2,480.00 | 1,837.50 | 1,697.50 | 2,150.00 | 1,680.00 | 1,430.00 |
| | 36,000.00 | 2,560.00 | 1,897.50 | 1,757.50 | 2,300.00 | 1,820.00 | 1,540.00 |
| | 37,000.00 | 2,640.00 | 1,957.50 | 1,817.50 | 2,460.00 | 1,960.00 | 1,660.00 |
| | 38,000.00 | 2,720.00 | 2,017.50 | 1,877.50 | 2,620.00 | 2,100.00 | 1,780.00 |
| | 39,000.00 | 2,800.00 | 2,077.50 | 1,937.50 | 2,790.00 | 2,240.00 | 1,910.00 |
| | 40,000.00 | 2,880.00 | 2,137.50 | 1,997.50 | 2,960.00 | 2,380.00 | 2,040.00 |
| | 41,000.00 | 2,960.00 | 2,197.50 | 2,057.50 | 3,140.00 | 2,530.00 | 2,170.00 |
| | 42,000.00 | 3,040.00 | 2,257.50 | 2,117.50 | 3,320.00 | 2,680.00 | 2,300.00 |
| | 43,000.00 | 3,120.00 | 2,317.50 | 2,177.50 | 3,510.00 | 2,830.00 | 2,440.00 |
| | 44,000.00 | 3,200.00 | 2,377.50 | 2,237.50 | 3,700.00 | 2,980.00 | 2,580.00 |
| 6,051 | 45,000.00 | 3,280.00 | 2,437.50 | 2,297.50 | 3,900.00 | 3,130.00 | 2,730.00 |
| | 46,000.00 | 3,360.00 | 2,497.50 | 2,357.50 | 4,100.00 | 3,280.00 | 2,880.00 |
| | 47,000.00 | 3,440.00 | 2,557.50 | 2,417.50 | 4,310.00 | 3,440.00 | 3,040.00 |
| | 48,000.00 | 3,520.00 | 2,617.50 | 2,477.50 | 4,520.00 | 3,600.00 | 3,200.00 |
| | 49,000.00 | 3,600.00 | 2,677.50 | 2,537.50 | 4,740.00 | 3,760.00 | 3,370.00 |
| | 50,000.00 | 3,680.00 | 2,737.50 | 2,597.50 | 4,960.00 | 3,920.00 | 3,540.00 |
| | 51,000.00 | 3,760.00 | 2,797.50 | 2,657.50 | 5,190.00 | 4,080.00 | 3,720.00 |
| | 52,000.00 | 3,840.00 | 2,857.50 | 2,717.50 | 5,420.00 | 4,240.00 | 3,900.00 |
| | 53,000.00 | 3,920.00 | 2,917.50 | 2,777.50 | 5,660.00 | 4,410.00 | 4,090.00 |
| | 54,000.00 | 4,000.00 | 2,977.50 | 2,837.50 | 5,900.00 | 4,580.00 | 4,280.00 |
| 3,431 | 55,000.00 | 4,080.00 | 3,037.50 | 2,897.50 | 6,150.00 | 4,750.00 | 4,470.00 |
| | 56,000.00 | 4,160.00 | 3,097.50 | 2,957.50 | 6,400.00 | 4,920.00 | 4,660.00 |
| | 57,000.00 | 4,240.00 | 3,157.50 | 3,017.50 | 6,660.00 | 5,090.00 | 4,860.00 |
| | 58,000.00 | 4,320.00 | 3,217.50 | 3,077.50 | 6,920.00 | 5,260.00 | 5,060.00 |
| | 59,000.00 | 4,400.00 | 3,277.50 | 3,137.50 | 7,190.00 | 5,440.00 | 5,270.00 |
| | 60,000.00 | 4,480.00 | 3,337.50 | 3,197.50 | 7,460.00 | 5,620.00 | 5,480.00 |
| | 61,000.00 | 4,560.00 | 3,397.50 | 3,257.50 | 7,740.00 | 5,800.00 | 5,690.00 |
| | 62,000.00 | 4,640.00 | 3,457.50 | 3,317.50 | 8,020.00 | 5,980.00 | 5,900.00 |
| | 63,000.00 | 4,720.00 | 3,517.50 | 3,377.50 | 8,310.00 | 6,160.00 | 6,120.00 |
| | 64,000.00 | 4,800.00 | 3,577.50 | 3,437.50 | 8,600.00 | 6,340.00 | 6,340.00 |
| 2,240 | 65,000.00 | 4,880.00 | 3,637.50 | 3,497.50 | 8,900.00 | 6,530.00 | 6,570.00 |
| | 66,000.00 | 4,960.00 | 3,697.50 | 3,557.50 | 9,200.00 | 6,720.00 | 6,800.00 |
| | 67,000.00 | 5,040.00 | 3,757.50 | 3,617.50 | 9,510.00 | 6,910.00 | 7,040.00 |
| | 68,000.00 | 5,120.00 | 3,817.50 | 3,677.50 | 9,820.00 | 7,100.00 | 7,280.00 |
| | 69,000.00 | 5,200.00 | 3,877.50 | 3,737.50 | 10,140.00 | 7,290.00 | 7,530.00 |
| | 70,000.00 | 5,280.00 | 3,937.50 | 3,797.50 | 10,460.00 | 7,480.00 | 7,780.00 |
| | 71,000.00 | 5,360.00 | 3,997.50 | 3,857.50 | 10,790.00 | 7,680.00 | 8,040.00 |
| | 72,000.00 | 5,440.00 | 4,057.50 | 3,917.50 | 11,120.00 | 7,880.00 | 8,300.00 |
| | 73,000.00 | 5,520.00 | 4,117.50 | 3,977.50 | 11,460.00 | 8,080.00 | 8,560.00 |
| | 74,000.00 | 5,600.00 | 4,177.50 | 4,037.50 | 11,800.00 | 8,280.00 | 8,820.00 |
| 1,423 | 75,000.00 | 5,680.00 | 4,237.50 | 4,097.50 | 12,150.00 | 8,480.00 | 9,090.00 |
| | 76,000.00 | 5,760.00 | 4,297.50 | 4,157.50 | 12,500.00 | 8,680.00 | 9,360.00 |
| | 77,000.00 | 5,840.00 | 4,357.50 | 4,217.50 | 12,860.00 | 8,890.00 | 9,640.00 |
| | 78,000.00 | 5,920.00 | 4,417.50 | 4,277.50 | 13,220.00 | 9,100.00 | 9,920.00 |
| | 79,000.00 | 6,000.00 | 4,477.50 | 4,337.50 | 13,590.00 | 9,310.00 | 10,200.00 |
| | 80,000.00 | 6,080.00 | 4,537.50 | 4,397.50 | 13,960.00 | 9,520.00 | 10,480.00 |
| | 81,000.00 | 6,160.00 | 4,597.50 | 4,457.50 | 14,340.00 | 9,730.00 | 10,770.00 |
| | 82,000.00 | 6,240.00 | 4,657.50 | 4,517.50 | 14,720.00 | 9,940.00 | 11,060.00 |
| | 83,000.00 | 6,320.00 | 4,717.50 | 4,577.50 | 15,110.00 | 10,160.00 | 11,360.00 |
| | 84,000.00 | 6,400.00 | 4,777.50 | 4,637.50 | 15,500.00 | 10,380.00 | 11,660.00 |
| 957 | 85,000.00 | 6,480.00 | 4,837.50 | 4,697.50 | 15,900.00 | 10,600.00 | 11,970.00 |
| | 86,000.00 | 6,560.00 | 4,897.50 | 4,757.50 | 16,300.00 | 10,820.00 | 12,280.00 |
| | 87,000.00 | 6,640.00 | 4,957.50 | 4,817.50 | 16,710.00 | 11,040.00 | 12,590.00 |
| | 88,000.00 | 6,720.00 | 5,017.50 | 4,877.50 | 17,120.00 | 11,260.00 | 12,900.00 |
| | 89,000.00 | 6,800.00 | 5,077.50 | 4,937.50 | 17,540.00 | 11,490.00 | 13,220.00 |
| | 90,000.00 | 6,880.00 | 5,137.50 | 4,997.50 | 17,960.00 | 11,720.00 | 13,540.00 |

*Comparison of the Mellon plan and new law (act of 1924) tax plans with the act of 1921 (married person without dependents), the first $5,000 of all income to be deemed to be earned, balance unearned*—Continued

| Number of persons making returns in each class for 1921 | Income | Amount of normal tax under— | | | Amount of surtax under— | | |
|---|---|---|---|---|---|---|---|
| | | Old act of 1921 | Mellon plan | New act of 1924 | Old act of 1921 | Mellon plan | New act of 1924 |
| 666 | $91,000.00 | $6,980.00 | $5,197.50 | $5,057.66 | $18,390.00 | $11,950.00 | $13,870.00 |
| | 92,000.00 | 7,040.00 | 5,257.50 | 5,117.50 | 18,520.00 | 12,180.00 | 14,200.00 |
| | 93,000.00 | 7,120.00 | 5,317.50 | 5,177.50 | 19,200.00 | 12,410.00 | 14,540.00 |
| | 94,000.00 | 7,200.00 | 5,377.50 | 5,237.50 | 19,700.00 | 12,640.00 | 14,880.00 |
| | 95,000.00 | 7,280.00 | 5,437.50 | 5,297.50 | 20,150.00 | 12,880.00 | 15,230.00 |
| | 96,000.00 | 7,360.00 | 5,497.50 | 5,357.50 | 20,600.00 | 13,120.00 | 15,580.00 |
| | 97,000.00 | 7,440.00 | 5,557.50 | 5,417.50 | 21,060.00 | 13,360.00 | 15,940.00 |
| | 98,000.00 | 7,520.00 | 5,617.50 | 5,477.50 | 21,520.00 | 13,600.00 | 16,300.00 |
| | 99,000.00 | 7,600.00 | 5,677.50 | 5,537.50 | 21,990.00 | 13,840.00 | 16,660.00 |
| | 100,000.00 | 7,680.00 | 5,737.50 | 5,597.50 | 22,460.00 | 14,080.00 | 17,020.00 |
| 1,817 | 150,000.00 | 11,680.00 | 8,737.50 | 8,597.50 | 46,460.00 | 26,080.00 | 35,020.00 |
| | 200,000.00 | 15,680.00 | 11,737.50 | 11,597.50 | 70,960.00 | 39,080.00 | 54,020.00 |
| 451 | 250,000.00 | 19,680.00 | 14,737.50 | 14,597.50 | 95,960.00 | 51,580.00 | 73,020.00 |
| | 300,000.00 | 23,680.00 | 17,737.50 | 17,597.50 | 120,960.00 | 64,080.00 | 92,020.00 |
| 93 | 500,000.00 | 39,680.00 | 29,737.50 | 29,597.50 | 220,960.00 | 114,080.00 | 170,020.00 |
| | 1,000,000.00 | 79,680.00 | 59,737.50 | 59,597.50 | 470,960.00 | 239,080.00 | 370,020.00 |

There is no question but that it will be found that the new law is better than the "Mellon plan." In short, that plan proposed practically a 50 per cent cut for the large taxpayers, on their surtaxes, while the millions having incomes under ten thousand would have been given only 25 per cent reduction on the basis of unearned incomes. The great injustice of the "Mellon plan" can not be rightly understood without considering that in 1921 there were over 6,000,000 having incomes under ten thousand. Inasmuch as the surtaxes begin at over ten thousand, all of those under that would be vitally affected and interested in the normal rates. If the Mellon rates had been adopted, this great class would have only received a 25 per cent reduction on unearned incomes, while under the new law all incomes under the ten thousand are reduced more than one-half as compared with the old rates. This point is made plain by the following comparison:

| Net income | Amount of normal tax under— | |
|---|---|---|
| | Act of 1921 | Act of 1924 |
| $1,000 | | |
| $2,000 | | |
| $3,000 | $20.00 | $7.50 |
| $4,000 | 60.00 | 22.50 |
| $5,000 | 100.00 | 37.50 |
| $6,000 | 160.00 | 57.50 |
| $7,000 | 240.00 | 87.50 |
| $8,000 | 320.00 | 127.50 |
| $9,000 | 400.00 | 167.50 |
| $10,000 | 480.00 | 207.50 |

In Indiana there were 150,300 who made income-tax returns in 1921. All of this number will receive greater reductions under the new law than under the "Mellon plan," except 52 of the largest taxpayers, who would have profited more under the "Mellon plan."

The following table, which is correct, as it is compiled from the official figures of the Treasury Department and contained in statistics of income for the year 1921, shows the total number of persons making income-tax returns in each State and how they are benefited more by the present law than they would have been by the Mellon plan:

| State | Total number making income-tax returns, 1921 | Number benefited more by Mellon plan | Number benefited more by act of 1924 |
|---|---|---|---|
| Alabama | 43,009 | 25 | 42,984 |
| Arizona | 18,477 | 1 | 18,476 |
| Arkansas | 33,830 | 8 | 33,822 |
| California | 386,082 | 237 | 385,845 |
| Colorado | 69,676 | 25 | 69,651 |
| Connecticut | 123,269 | 96 | 123,173 |
| Delaware | 15,889 | 12 | 15,877 |
| District of Columbia | 89,906 | 68 | 89,898 |
| Florida | 42,249 | 14 | 42,235 |
| Georgia | 67,719 | 24 | 67,695 |
| Hawaii | 11,481 | 22 | 11,459 |
| Idaho | 22,976 | 1 | 22,975 |
| Illinois | 611,558 | 537 | 611,021 |
| Indiana | 150,300 | 52 | 150,248 |
| Iowa | 111,483 | 24 | 111,459 |
| Kansas | 88,785 | 9 | 88,776 |
| Kentucky | 69,496 | 25 | 69,471 |
| Louisiana | 67,960 | 34 | 67,926 |
| Maine | 44,397 | 25 | 44,372 |
| Maryland | 112,963 | 109 | 112,854 |
| Massachusetts | 388,442 | 505 | 387,937 |
| Michigan | 250,147 | 174 | 249,973 |
| Minnesota | 124,501 | 81 | 124,420 |
| Mississippi | 25,614 | 5 | 25,609 |
| Missouri | 172,519 | 106 | 172,413 |
| Montana | 36,907 | 4 | 36,903 |
| Nebraska | 71,853 | 14 | 71,839 |
| Nevada | 9,719 | 1 | 9,718 |
| New Hampshire | 32,410 | 17 | 32,393 |
| New Jersey | 269,096 | 274 | 268,822 |
| New Mexico | 11,780 | 1 | 11,779 |
| New York | 1,066,637 | 2,050 | 1,064,587 |
| North Carolina | 44,161 | 38 | 44,123 |
| North Dakota | 18,440 | 1 | 18,439 |
| Ohio | 367,096 | 270 | 366,826 |
| Oklahoma | 69,381 | 15 | 69,366 |
| Oregon | 62,804 | 18 | 62,786 |
| Pennsylvania | 621,103 | 833 | 620,270 |
| Rhode Island | 48,057 | 103 | 47,954 |
| South Carolina | 25,160 | 6 | 25,154 |
| South Dakota | 21,681 | 0 | 21,681 |
| Tennessee | 60,949 | 19 | 60,930 |
| Texas | 200,188 | 66 | 200,122 |
| Utah | 26,128 | 1 | 26,127 |
| Vermont | 17,746 | 8 | 17,738 |
| Virginia | 76,257 | 21 | 76,236 |
| Washington, including Alaska | 115,688 | 21 | 115,667 |
| West Virginia | 75,277 | 38 | 75,239 |
| Wisconsin | 148,457 | 67 | 148,390 |
| Wyoming | 22,413 | 4 | 22,409 |
| Total | 6,662,176 | 6,109 | 6,656,067 |

A glance at this table tells the whole story as to the relative merits of the Mellon plan as compared with the new tax plan.

This is not all. Under the Mellon plan the personal exemption of a married person or head of a family was $2,500 if the income did not exceed $5,000, but if it exceeded the latter the exemption was only $2,000. Under the new law an exemption of $2,500 is given in all cases regardless of the amount of the income. This will be a great benefit to the millions of taxpayers having incomes under $10,000. They constitute the great body of those making returns. Besides this, the original Mellon plan as submitted to the committee did not contain any provision for the relief to taxpayers for the year 1923, payable in 1924. The Ways and Means Committee in the House added such a provision allowing a horizontal reduction of 25 per cent on the returns for 1923 made in 1924. This provision is a part of the new law, and it reaches back and gives the taxpayer a reduction on his income of last year. The taxpayer who has been told that the new law was not a good law will not be much impressed with that statement when he gets this reduction on paying his taxes this year.

Another improvement of the new law is that the first $5,000 of income is considered as "earned income," and the taxpayer is given a 25 per cent reduction of the tax thereon.

The new law is an improvement in making greater reductions in certain excise or nuisance taxes. Here are some of the more important changes: The tax on telephone and telegraph messages is repealed. The admission tax of 10 per cent will now apply only to admissions above 50 cents. On cereal beverages and soft drinks the tax was repealed. The tax on candy, hunting garments, and knives, and on yachts is re-

pealed. Taxes on jewelry under $30 and watches under $60 are removed. Taxes on theaters, circuses, and other public amusements are repealed. The tax on sales of produce is reduced one-half. The stamp tax on drafts, checks payable otherwise than at sight or on demand, and on promissory notes is repealed. The tax on brokers of produce or merchandise is repealed. The tax on automobiles, trucks, and wagons with chassis selling for $1,000 or less or body selling for less than $200 is removed. The 5 per cent tax on automobile tires, inner-tube parts, and accessories is reduced one-half. Mahjong sets are taxed 10 per cent. The tax on bowling alleys, billiard rooms, and paintings is retained. Slot machines are taxed at 5 per cent. The tax on gifts runs from 1 per cent on gifts of the value of $50,000 to 40 per cent on gifts valued at $10,000,000 or more. This is to prevent gifts being made to evade the estate and other taxes. The taxes on estates of decedents run from 1 per cent on estates valued at $50,000 to 40 per cent on those of $10,000,000 or more. The taxes on playing cards are increased from 8 to 10 cents per pack. There are many other features of improvement over the old law, but I will not undertake to discuss them here.

It must not be overlooked that there were Members of the House and Senate who favored the adoption of the Mellon plan, but they were at all times in the minority.

It was inevitable that Congress could not make this great tax reduction without some disappointments and without criticism and efforts being made to influence its action and misrepresent its purposes. A proposition to reduce taxes appeals to everyone. The large income taxpayers were sorely disappointed that they only got a reduction of about 20 per cent instead of 50 per cent. They are a great power in this country, and the people must not overlook how this power can be quickly concentrated and used to control great newspapers and thereby mold public opinion. Mr. Lincoln saw the danger of this power in his day when it was comparatively weak as compared with to-day when he said:

I see in the near future a crisis arising that unnerves me and causes me to tremble for the safety of my country. As a result of the war corporations have been enthroned, an era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until all wealth is aggregated in a few hands and the Republic is destroyed. I feel more anxiety for my country than ever before, even in the midst of the war.

It is no wonder that those who were disappointed will not admit that there is anything good in the new law. It is hard for some people to give up, even when everybody around them knows they are wrong. That is why these selfish interests continue to misrepresent the new law and criticize Congress. The people should not be deceived, these interests will never give up until they can elect a Congress which will enact the kind of an income and sales tax law which at heart they want. This would shift the burden to the shoulders of the producing masses. That is what they mean when they talk about a "scientific law." Beware of such a law. It is a deception.

The argument which they advance that by reducing their taxes the Government will get more taxes from them is inconsistent. It will hardly be believed that they want a law to increase the amount which they will pay to the Government. The other argument that by reducing their taxes others will be benefited is the old argument always advanced by those asking for special favors at the hands of the Government. In this instance the cry was: Reduce the taxes of the few 50 per cent and of the many only 25 per cent. Whatever may be thought of such an argument I am inclined to believe that the average man will conclude that it will do him much more good to actually reduce his taxes rather than leave the burden on him, with the promise that some of the benefits enjoyed by others on account of reduction will in some way trickle down and reach him.

The progressive elements in this Congress have given to the country a law which will reduce taxes on individual and corporation incomes in the sum of $232,000,000, and excise taxes of $56,000,000 this year. The effort to make a political issue against Congress on account of this law is unfair and will react on those who attempt it, because the people will resent such an effort when they learn the truth about its provisions.

### WAR GRAFT PROSECUTIONS

Mr. HOWARD of Nebraska. Mr. Speaker, I take it for granted that every Member of this House wants to make good the pledges of the House. In the RECORD at page 8999 it will be discovered that the House granted special permission for the chairman of the Committee on Appropriations to address the House for five minutes for the purpose of giving to me the name of any one person now in the Federal penitentiary as a result of the $6,000,000 appropriated for the prosecution of war grafters.

Mr. SNELL. Mr. Speaker, I demand the regular order.

Mr. HOWARD of Nebraska. Mr. Speaker, I do not like to be interrupted in that way. [Laughter.]

### WILLIAM S. M'GINNISS

Mr. MACGREGOR. Mr. Speaker, I present the following privileged resolution, which I send to the desk.

The Clerk read as follows:

House Resolution 265

*Resolved*, That the Clerk of the House of Representatives be directed to pay, out of the contingent fund of the House, to the daughter of William S. McGinniss, late bookkeeper of the House of Representatives, a sum equal to six months' salary as bookkeeper, and that the Clerk be further directed to pay out of the contingent fund the expenses of the last illness and funeral of said William S. McGinniss, such expenses not to exceed $250.

Mr. MACGREGOR. Mr. Speaker, I move the adoption of the resolution.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

### SURVEY OF SOLDIERS' HOMES

Mr. JOHNSON of South Dakota. Mr. Speaker, I present a privileged report from the Committee on Rules which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 351

*Resolved*, That the Committee on World War Veterans' Legislation or any subcommittee thereof which its chairman may appoint be, and they are hereby, empowered to make a comprehensive survey and investigation of soldiers' homes, hospitals, and hospital facilities, including any hospital with which the Government has a contract for ex-service men of any war in which the United States was engaged. This shall include the national military homes for disabled volunteer soldiers. The management, administration, personnel of such institutions and treatment of the veterans therein shall be included in such survey and investigation.

Said committee shall make a report of its findings to the House not later than December 31, 1924, accompanied by such recommendations in the form of a bill or otherwise as it may deem necessary.

Said committee or subcommittees are empowered to sit during the sessions of Congress or during the recess between sessions of Congress, and to incur necessary expenses for transportation and subsistence and for clerical and stenographic services, which shall be paid out of the contingent fund of the House upon vouchers signed by the chairman thereof and approved by the Committee on Accounts.

Mr. JOHNSON of South Dakota. Mr. Speaker, the service men of all of the wars are now being placed in different hospitals under different branches of the Government jurisdiction. All that the Veterans' Committee and the Rules Committee desire to do is to make a survey of the hospitals so that we can eventually draft a law and provide for every hospital being conducted under the Veterans' Bureau. This will save money, and it will be of benefit to the men. I wish I had more time to discuss the resolution, but I have not, and to save time I move the previous question.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

### CHARGES AGAINST A UNITED STATES JUDGE

Mr. DYER. Mr. Speaker, a parliamentary inquiry?

The SPEAKER. The gentleman will state it.

Mr. DYER. The Judiciary Committee of the House has been authorized by a resolution of the House to make an investigation of certain charges touching the conduct of a judge of the United States court in West Virginia. I desire to know if the committee needs special authority——

The SPEAKER. That is not a parliamentary inquiry.

### WILLIAM H. OVERHUE

Mr. CHINDBLOM. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. CHINDBLOM. Mr. Speaker and gentlemen of the House, I have asked for this one minute in order to pay a

short tribute to a gentleman who was a servant of this House for many years. He came here in the year 1909 and was introduced to service here by the Hon. Joseph G. Cannon, one of the most distinguished Members who ever served in this House. During the last few years this gentleman was the enrolling clerk of the House. I refer to Mr. William H. Overhue, who passed away on the 11th day of April last during the present session. I ask unanimous consent to extend my remarks in the RECORD briefly by making a few observations upon his life and character.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. CHINDBLOM. Mr. Speaker, I have asked for this moment of the time of the House for the purpose of paying a brief tribute to a faithful servant of the House and a valued personal friend, whose memory, I know, is cherished by many other Members with myself. I refer to our late enrolling clerk, Mr. William H. Overhue, who passed away at the National Capital on April 11 last. He first came here and entered the service of the House 15 years ago through the intervention of one of the most distinguished Members who ever sat in this House, the Hon. Joseph G. Cannon, of Illinois. Mr. Overhue's home was at Sheldon, Ill., but he was also well known in Chicago and many other places in our State. After serving in the House in various capacities from 1909 to 1911, he retired to private business, but with the return of Republican control he was appointed assistant enrolling clerk in 1919, and soon thereafter succeeded to the position of enrolling clerk, which he held at the time of his death.

Mr. Overhue was of an exceptionally genial and kindly nature and was notably high-minded and high-purposed in every contact with his fellow men. In his public service he stood out as efficient and attentive to duty, always ready and anxious not only to perform the things actually required of him, but as well to be accommodating and helpful beyond the letter of his commission. The House, in his death, lost an exemplary employee and his friends a loyal and delightful companion. We grieve at his passing and extend our sympathy to his sorrowing widow and other members of his family.

MUSCLE SHOALS

Mr. ALMON. Mr. Speaker, I ask unanimous consent to proceed for three minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALMON. Mr. Speaker, friends, and colleagues, I have asked for this three minutes' time just before the House adjourns to extend to each and every one of you a most cordial invitation to visit Muscle Shoals during the vacation. [Applause.] Come down and see the biggest dam and the largest munitions and fertilizer plant in the world. Come regardless of how you voted on the Ford offer. All that some of you know about southern hospitality and the beauty and charm of our southern women is what you have heard. Come down and get first-hand information; partake of our hospitality and see our beautiful women. Come and enjoy a real southern barbecue, watermelons, and such good things. [Applause.]

Some of you may be asked when you go back home about the Ford offer. Tell them that all other offers have been rejected. That two reports have been made by the Agricultural Committee of the Senate. One by Senator NORRIS, providing for Government operation of Muscle Shoals, and the other by Senator LADD, favoring the acceptance of the Ford offer. A definite time, namely, December 3, has been set to take up, discuss, and dispose of this question. A clean-cut issue has now been made. That is, whether we shall have Government operation as provided by the Norris amendment, or private operation by the acceptance of the Ford offer as provided in the McKenzie bill which passed the House by an overwhelming majority on the 10th day of March. Get the reports and study them during vacation.

I not only want you to come to Muscle Shoals, but I want you to be a guest in my home when you come. The latchstring of the Almon home hangs on the outside. I want you all to come, but not at the same time. [Applause and laughter.]

Mr. OLIVER of Alabama. Mr. Speaker, I ask permission to address the House for one minute.

The SPEAKER. The gentleman from Alabama asks permission to address the House for one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. OLIVER of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on Muscle Shoals and to insert the minority report of the Senate Agricultural Committee relating thereto.

The SPEAKER. Is there objection. [After a pause.] The Chair hears none.

Mr. OLIVER of Alabama. Mr. Speaker, under permission to extend my remarks on Muscle Shoals, I desire to present some record facts relating to the sale of the Gorgas steam plant which will, I fell certain, refute the vitrolic and unjustified attack made on the President in the majority report of the Senate Committee on Agriculture and Forestry in reporting out H. R. 518, which is now on the calendar of the Senate and to be taken up under unanimous-consent order on December 3, 1924.

I am intimately acquainted with all of the facts relating to the sale of the Gorgas steam plant, and my purpose, Mr. Speaker, in setting forth these facts is not so much to exonerate the President from the attacks made in the majority report of the Senate Agricultural Committee as it is to point out to the Members of the House what sound business common sense and dependable good judgment was exhibited by the chairman of the Committee on Appropriations of the House in proposing a substitute steam plant after the sale of Gorgas to the Alabama Power Co. by the Secretary of War without authorization by Congress.

ATTACK ON PRESIDENT CONDEMNED BY THE PRESS

Touching the aspersions and unfair attack upon the President found in the majority report of the Senate Committee on Agriculture and Forestry I freely concede that the President needs no defense by me. It is true that we find in the newspaper press such statements as the following, quoted from the Boston Morning Globe of June 15:

Then there is Senator NORRIS's report on Muscle Shoals made to the Senate within a few days of adjournment, in which he savagely assails the Ford offer and President Coolidge for advocating it and is warmly commended in LA FOLLETTE'S platform for doing so. Mr. NORRIS thinks it suspicious that so harsh a critic of the administration as Mr. Ford was last fall, especially after the sale of the Gorgas power plant, should change to one of its warmest admirers after it had been intimated that another power plant might be built by the Government and that the administration approved Mr. Ford's offer.

It is also true, Mr. Speaker, that we find that all editorial comments in the daily papers of the country condemn the shockingly unwarranted intimation that either the President suggested the building of the steam plant as a substitute for Gorgas or that Mr. Ford ever requested such a plant to be built. The decision that such a substitute steam plant should be built by the Government did not originate with the President or with Henry Ford, but found its original conception in the mind of the able chairman of the Appropriations Committee of this House, Mr. MADDEN, of Illinois.

FORD'S POSITION ON GORGAS

In order to understand the effect of the sale of Gorgas on the Ford offer we must not forget Mr. Ford's letter to Hon. JULIUS KAHN, chairman of the Committee on Military Affairs of the House, written May 31, 1922, and as Mr. Ford in this letter definitely stated that he could not consent to eliminate the Gorgas steam plant from his offer, because he said "it is necessary to the economical operation of the Muscle Shoals properties," I include the letter in full, as follows:

MAY 31, 1922.

Hon. JULIUS KAHN,

*Chairman Committee on Military Affairs,*

*House of Representatives, Washington, D. C.*

MY DEAR CONGRESSMAN: I have carefully examined the amendments made by your committee to my proposal dated January 25, 1922, for the lease and purchase of the Government's Muscle Shoals properties, and observe with surprise and regret that you have rejected that part of the modified proposal relating to the Government's Gorgas steam plant.

The greater portion of the other changes suggested by your committee have been approved and are incorporated in the accompanying corrected proposal. More than a month ago Mr. Mayo presented to me certain clarifications in the proposal of January 25 to which your committee desired my agreement, which was promptly given. Mr. Mayo explained that while some of your committee were unwilling to accept that part of my offer which included the Government steam power plant at Gorgas, certain other members of the committee had requested him to ascertain if I would agree to accept an assignment and transfer by the United States of everything now owned by the Government at Gorgas under its contract of December 1, 1917, with the Alabama Power Co., to which I assented, and Mr. Mayo was instructed to advise your committee that the offer would be revised

accordingly. I have been informed that this revision was accepted by your committee, but later, upon reconsideration, you decided to eliminate the Gorgas plant.

I can not consent to eliminate the Gorgas plant, because it is necessary to the economical operation of the Muscle Shoals properties. If my revised offer for Gorgas is rejected, then I must understand that the acceptance of my offer for Muscle Shoals "as a whole and not in part" is refused.

I am sending a final proposal containing all the amendments suggested by the committee to which I can consistently agree. In doing so, and in view of the fact that my first proposal was signed July 8, 1921, nearly a year ago, and in order to bring these negotiations to a close, I ask that your committee consider this proposal as final, and that no further changes should be expected. I further request that your committee send this final offer to the House so that its Members may vote for acceptance or rejection. This request is made with the understanding that power to dispose of the plants at Muscle Shoals is vested in the Congress. If the Secretary of War after his negotiations relative to the first offer did not have the power to accept or reject it, you will probably agree that your committee has not the power to accept or reject. Moreover, I do not believe that your committee or any member of it wishes to assume the responsibility of accepting or rejecting this final proposal, involving as it does a matter of such great national importance.

If Congress votes acceptance of my offer, we will get on the job at Muscle Shoals at once; but if Congress rejects it, that will be but the beginning of a more determined effort on my part to save Muscle Shoals for the benefit of the public.

I wish to thank you and each member of the committee for the courtesies shown my representatives during the negotiations of the past three months.

Very truly yours,

HENRY FORD.

Mr. Speaker, no Member of the House who was even superficially informed with reference to the important and extended hearings by the Committee on Military Affairs on the Ford offer felt any further doubt of any sort about Mr. Ford's position touching Gorgas, and no Member of the House with any information upon the subject of the hearings before the Military Committee after reading Mr. Ford's letter believed that if Mr. Ford's offer was to be accepted that Gorgas could be eliminated. Mr. Ford's letter to Chairman KAHN settled that matter.

NEED FOR SUBSTITUTE STEAM PLANT FIRST RECOGNIZED BY MR. MADDEN

Also, Mr. Speaker, no Member of the House recognizing and admiring, as every Member of the House does, the ability, integrity, and devotion of the chairman of the Appropriations Committee in protecting the taxpayers of the country against wasteful expenditures of Treasury funds, felt any surprise whatever that Mr. MADDEN immediately after the sale of the Gorgas plant addressed himself to the question of the substitution of a steam plant to replace the sale of Gorgas to the Alabama Power Co. Mr. MADDEN, always consistent, sound, reasonable, and clear-headed, realized as every other thinking Member of the House did that when Gorgas was sold then Mr. Ford's statement in his letter to Chairman KAHN of May 31, 1922, had to be met.

The absolute need for an auxiliary steam plant such as Gorgas in the operation of the Muscle Shoals plants is well stated in an editorial appearing in the St. Paul News September 13, 1923, as follows:

STILL JUGGLING THE SHOALS

Washington dispatches still agree that Secretary Weeks will probably continue to oppose the Ford offer for Muscle Shoals, even though the latter should eliminate the Gorgas plant from the properties bid for. It is evidently the Secretary's purpose to turn the power development over to the Alabama Power Co., if he can possibly do so, for he is reported as saying that the Government would receive more benefit from the distribution of current through the medium of a transmission company. It all depends on what one regards as a benefit to the Government. There are many equally able thinkers who believe that it would be more to the public advantage to have a nitrate plant in constant readiness to produce explosives when needed than to sacrifice this important feature of the war-time development at Muscle Shoals. Unlike the power company's bid, Ford's plan contemplates the production of fertilizer and the keeping of the plant in condition to turn out explosives on short notice and in quantity. Naturally, if the plant is kept in operation, its formulæ, methods, and equipment will keep pace with the general progress in this line of manufacture. As Secretary of War this factor should appeal to Mr. Weeks. That it does not appear to is no compliment to his sagacity.

The Washington dispatches err in saying that on the completion of the Wilson dam the Gorgas plant would be of no further use to Mr. Ford. On the contrary, the Gorgas plant would be of little use to Mr. Ford until the dam is completed. The Gorgas plant is a small steam plant located near a coal mine 91 miles from the nitrate plant, and was regarded as necessary to supply auxiliary power at Muscle Shoals when the water flow is lower than normal. The Gorgas plant is needed by Mr. Ford for the same reason that the Alabama Power Co. wants it, namely, to take up the slack during periods of diminished flow, for diminished flow means also diminished power development at the hydroelectric stations. The argument that the Government already has a much larger steam plant at Muscle Shoals, which makes the smaller plant unnecessary, is not valid, because it would not pay to operate the large plant to supply just a few thousand horsepower daily. The smaller Gorgas plant, however, would supply this small power efficiently, thence on up to its capacity. Beyond the capacity of the smaller plant the large steam plant would furnish a maximum equivalent of 90,000 horsepower. Let nobody be misled by the statement that the Gorgas plant is merely a subject for academic discussion. The Government itself has removed all argument as to the close association between Gorgas and Muscle Shoals by its earnest efforts during the war to have this plant enlarged and in readiness for service in time of need in conjunction with hydroelectric development in Muscle Shoals.

No one who has ever read the memorable address of Mr. MADDEN to the House on Muscle Shoals February 3, 1923, will be surprised that he was at once moved after the sale of Gorgas to find a remedy for the situation presented to the House and to discover a way that the House could, if it elected to do so, accept the Ford offer, since, in view of Mr. Ford's statement in his letter to Chairman KAHN and Gorgas having been sold, the House could not accept his offer without substituting a steam plant in the place of Gorgas.

SOLUTION OF GORGAS TANGLE A MATTER FOR CONGRESS ALONE

Gorgas having been sold by the Secretary of War and its sale to the Alabama Power Co. approved by the President, the problem and the difficulty brought about by this sale was a difficulty and a problem to be solved by Congress, not by the President, not by the Secretary of War, not by Mr. Ford.

It is understood, and perhaps true, that the President did say that he would be willing to credit Mr. Ford's offer of $5,000,000 for the nitrate plants and Gorgas with the amount the Government was to receive for Gorgas from the Alabama Power Co. That suggestion, however, was no solution of the problem before the House, for Mr. Ford had never intimated that he would accept the amount the Alabama Power Co. was paying for Gorgas as a substitute.

MR. FORD ACCEPTED THE STEAM-PLANT SUBSTITUTE PROPOSED BY MR. MADDEN

The keen business mind of Mr. MADDEN was quick to grasp the situation, and we who know the chairman can readily imagine that he concluded that Mr. Ford could not refuse the proposition that the Government construct a new steam plant of equal capacity as a substitute for Gorgas. Subsequent events disclose how accurate Mr. MADDEN's decision was, because Mr. Ford notified the Committee on Military Affairs on January 18, 1924, during the hearings before that committee, that the substitute steam plant proposed by Mr. MADDEN would be satisfactory to him. It is well to remember in this connection, as shown by the records of the House Committee on Military Affairs, that Henry Ford was not officially consulted with or advised with, nor was any representative of his consulted with or advised with, touching the Madden substitute steam plant until Chairman KAHN, of the House Committee on Military Affairs, telegraphed to Mr. Ford during the hearings by that committee, in answer to which Mr. Ford replied on January 18, 1924, as follows:

Our offer for Muscle Shoals still stands. The McKenzie bill, with the Madden amendment as printed in the Madden bill, is satisfactory with the following suggested amendments of section 19, page 17, beginning at line 5 of the Madden bill: "A suitable site for a steam-power plant, to be located at or near Lock and Dam No. 17, Black Warrior River, Ala., or upon a site to be mutually agreed upon by the Government and Mr. Henry Ford, together with a strip of land 100 feet wide to serve as a right of way for transmission and transportation purposes between Dam No. 17, Black Warrior River, or a site to be agreed upon between the Government and Mr. Henry Ford, and nitrate plant No. 2, Muscle Shoals, Ala., with connection to Waco Quarry, near Russellville, Ala."; remainder of section as appears in bill.

MR. MADDEN VIEWED SITUATION FROM ANGLE OF FUTURE GOVERNMENT APPROPRIATIONS

We can also imagine that the able chairman of the Appropriations Committee of the House did not have so much in mind the $3,472,487.25 which the Government had received for Gorgas as he did the amount of $59,000,000 necessary to be expended at

Muscle Shoals to put the plants into operating condition if operation by the Government should be adopted, as well as the additional amounts to be expended to complete Dam No. 2 and to build Dam No. 3, and so forth; in other words, whether it was going to be necessary, as he had stated in his speech to the House on February 3, 1923, "to sink another $100,000,000 into this Muscle Shoals project."

Let us briefly trace the facts relating to the sale of the Gorgas steam plant:

SALE OF GORGAS WAS UNAUTHORIZED AND UNNECESSARY

The sale of the Gorgas steam plant to the Alabama Power Co. by the Secretary of War was closed on September 24, 1923, for the sum of $3,472,487.25, this sale being without the approval of Congress and not required by the Government's contract with the Alabama Power Co., as is shown by statement attached hereto, marked "Exhibit A," which I prepared and issued on October 8, 1923. I invite special attention to this statement, because in my belief the unauthorized and unnecessary sale of the Gorgas steam plant bears earmarks of having been intended to cripple and perhaps force a withdrawal of the Ford offer in view of Mr. Ford's letter to Chairman KAHN of May 31, 1922, hereinabove quoted. The statement of October 8, 1923, issued by me, also expressly exonerates the President from all knowledge at the time he approved the sale of the fact that the sale was irregular and not required by the Government's contract with the Alabama Power Co.

Those of us who understand and appreciate the orderly and constructive processes of mind usually displayed by Mr. MADDEN were not surprised to find, as published in the Washington Star of November 5, 1923, that he had called on the President and outlined a plan for the Government to build a new steam plant as a substitute for Gorgas, with a new power transmission line from the proposed steam plant on the Warrior River to Muscle Shoals.

THE PRESIDENT INDORSED THE PLAN PROPOSED BY MR. MADDEN

On November 24, 1923, it was published in Washington papers that the President was in accord with the plan of Mr. MADDEN for replacing the Gorgas power unit at Muscle Shoals, and in the Washington Star of November 24 we find the following:

White House officials in presenting this statement of the Chief Executive's view asserted that the President and Representative MADDEN were working in harmony in the matter of this legislation.

Now, bear in mind, Mr. Speaker—and I emphasize this upon the attention of each Member of the House—that Mr. Ford did not have his conference with the President until December 3, and Mr. Ford's announcement in support of President Coolidge did not occur until January 19, 1924, long after these decisions by Chairman MADDEN as to the substitute steam plant. It is also to be noted that the only action taken by the President was in approving the proposal of Mr. MADDEN, as chairman of the Appropriations Committee, for action to be taken by Congress.

THE HOUSE BY SEPARATE VOTE ACCEPTED SUBSTITUTE STEAM-PLANT PROVISION

Nobody acquainted with the constructive legislative methods of Mr. MADDEN will imagine for one moment that he wasted any time in arriving at his conclusions, or that he hesitated in deciding that he would propose to the House that a substitute steam plant for Gorgas be authorized, with the Government's expenditure for same limited to the amount received from the Alabama Power Co. for Gorgas, namely, $3,472,487.25. Mr. MADDEN neither hesitated nor delayed, for on the opening day of Congress, December 5, 1923, he introduced a bill (H. R. 8) authorizing the acceptance of Henry Ford's offer and providing for the authorization of the construction by the Government of the steam plant to replace the sale of the Gorgas steam plant.

As stated above, Chairman MADDEN in his decision to include in his bill for the acceptance of the Ford offer the provision for the substitute steam plant—which bill finally became the McKenzie bill as passed (H. R. 518)—did not consult Mr. Ford nor anybody representing Mr. Ford. He acted on his own judgment, and this House, casting a separate vote on the provision in the McKenzie bill providing for a substitute steam plant, indorsed his action by adopting the provision on March 10, 1924, by a vote of 229 to 138.

THE HOUSE VOTE IGNORED BY MAJORITY REPORT OF SENATE COMMITTEE

Mr. Speaker, it is significant that no reference in the majority report of the Senate Committee on Agriculture and Forestry is made to the important fact that the House of Representatives by a majority vote of 229 to 138 indorsed both the President's and Chairman MADDEN's position with respect to the substitution of a steam plant in the place of Gorgas, and it is not a remote surmise that this omission may have been due to the fact that it was not suitable to the purposes and not helpful to the intentions of the drafter of the majority report. The majority members of the Senate Committee on Agriculture and Forestry in their report possibly overlooked the House vote, so pregnant with meaning, or at least they were strangely silent on the subject, and it possibly escaped the attention of this same majority that the attack in the majority report on the President shot over the President's head and first hit the head of Mr. MADDEN, the chairman of the Appropriations Committee of this House, and the shot then ricocheted and hit the heads of 229 Members of the House who indorsed the substitution of a steam plant for Gorgas, as proposed by Mr. MADDEN and approved by the President.

I know not, Mr. Speaker, what answer others will make to the attack on the President found in the majority report of the Senate Committee on Agriculture and Forestry, but I am willing that the country take the vote of 229 Members of this House as an answer to the majority report of the Senate committee.

MINORITY REPORT BY SENATOR LADD IS CLEAR STATEMENT OF FACTS

The action of the House in accepting the Ford offer, which includes the substitution of a steam plant for Gorgas, is so well stated by Senator LADD, of North Dakota, in his minority report for himself; Senator SMITH, of South Carolina; Senator HARRISON, of Mississippi; Senator HEFLIN, of Alabama; and Senator CARAWAY, of Arkansas, that under leave of the House I set out the minority report from the Senate Committee on Agriculture and Forestry in full as Exhibit B hereto, and I invite its careful reading by every Member of the House.

A careful reading of this minority report will show that to denounce the President of the United States and defame him will not be accepted by the people of the country as either a sound or sane way of dealing with the merits of the Ford offer for Muscle Shoals, and that mere raillery against the Ford offer can not be substituted for reason.

So much erroneous propaganda and so many inaccurate and misleading statements have been circulated through the public press about the Ford offer that it becomes the duty of every Member of the House who voted for the acceptance of the Ford offer to see that the facts so fully and accurately stated in the Ladd report are placed before the public. I have no misgivings whatever as to the verdict of a fair-minded public on the action of the House in accepting the Ford offer if this public will only inform themselves of the facts.

CONCLUSION

In conclusion I challenge anyone to successfully refute from a business standpoint the action of the House in passing the McKenzie bill and its indorsement by the Ladd report (Exhibit B); and I confidently assert that no one will even attempt to deny the correctness of the record facts in my statement issued October 8, 1923, as to the sale of the Gorgas plant (Exhibit A). I therefore urge the fair-minded public to read these two documents.

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EXHIBIT A

THE FACTS AS TO THE SALE OF THE GORGAS STEAM PLANT

[Issued by Hon. WILLIAM B. OLIVER, October 8, 1923]

Hon. WILLIAM B. OLIVER, Representative from Alabama, states the following as to the facts and his findings in reference to the sale to the Alabama Power Co. by Secretary of War Weeks, on September 24, 1923, of the Gorgas auxiliary steam plant on the Warrior River and the transmission line from Gorgas to Muscle Shoals, which constitutes a part of the property included in Mr. Ford's offer for Muscle Shoals dated July 8, 1921.

POWER TO DISPOSE OF THIS PROPERTY WAS VESTED IN CONGRESS

Secretary Weeks in transmitting the Ford offer to Congress on February 1, 1922, said that when a proposal was made which would assure the Government a reasonable return on at least the additional money required to complete the Muscle Shoals project and an effective use of the development for commercial purposes, "I would send it to Congress, as the power to dispose of these plants is vested in that branch of the Government."

From the time the offer was submitted until Congress adjourned in March last no one questioned the correctness of Mr. Weeks's statement that the power to dispose of this property was vested in Congress. Mr. Weeks, the Judge Advocate General of the Army, and Members of Congress seemed to unite in recognizing that Congress alone had the right to dispose of this property. The Attorney General in a written opinion to the Secretary of War held that the contract between the Government and the Alabama Power Co. in reference to the Gorgas plant and transmission line created no valid obligation on the part of the Government to sell this property to the Alabama Power Co.

LAST CONGRESS STRONG FOR FORD OFFER

The supporters of the Ford offer in the last Congress were not confined to any section or to any party, and had Congress been given an opportunity to vote on the offer, I think the offer would have been accepted by a safe majority; in fact, it was this belief that doubtless kept "the few," clothed with too much authority under the rules of the last House, from allowing the offer to be voted on.

Since the adjournment of the last Congress the Ford offer has continued to be a matter of large public interest, and it was generally understood that it would be among the first matters taken up by the next Congress, not in a partisan way but as an outstanding national question commanding strong support from the leaders of both parties.

THE FACTS OF WHICH MR. FORD "DID NOT KNOW"—THE NOTICE SERVED BY THE ALABAMA POWER CO. ON THE GOVERNMENT TO REMOVE GORGAS PROPERTY

Now we find that, almost on the eve of the assembling of the new Congress, the public, Mr. Ford, and Members of Congress have just learned for the first time of certain action taken by the Alabama Power Co. soon after the adjournment of Congress in March last, to wit: That on April 4, 1923, the Alabama Power Co. served a notice on an official of the War Department, demanding that the Government remove the Gorgas plant and transmission line from the land of the power company within six months from that date, unless the Government sold the property to the power company within three months from the said date, the power company claiming that it had the right to give this notice under a provision of the original contract entered into with the Government for the construction of this plant and transmission line, in which contract it was stipulated that this notice could be given if the Government after 24 months failed to take current from the Alabama Power Co. over the Government transmission line connecting the Gorgas plant with the Muscle Shoals properties of the Government. As evidence that this condition had been broken, the power company cited a notice given by the Secretary of War in 1919 discontinuing the taking of current after June 30, 1919, and the power company claimed that this default to take current continued for two years next following June 30, 1919. (In order that the facts hereinafter recited may be understood, it is important to bear in mind that the provision of the contract authorizing the notice to be given by the power company is predicated on the failure of the Government to "take any energy from the Warrior extension," etc.)

The date fixed for the removal of the Government property, if not sold to the power company, as stipulated in the April notice, seems to have been extended to September 24, 1923, on which date the Secretary of War sold the property to the Alabama Power Co., pursuant to an evident previous understanding, since all papers necessary to the transaction had been prepared prior thereto.

The only facts which the Attorney General, Mr. Ford, the public, and the President, it is believed, had knowledge of in reference to this transaction, prior to the sale of the property on September 24, 1923, were those now found to be set out within the four corners of three papers, all bearing date since the adjournment of the last Congress, namely, the notice of the Alabama Power Co. dated April 4, 1923, the letter from Secretary Weeks to the Attorney General dated July 21, 1923, and the opinion of the Attorney General dated August 24, 1923, given in response to Secretary Weeks's letter and predicated alone on the facts set out in the letter.

THE OPINION OF THE ATTORNEY GENERAL REQUESTED BY SECRETARY WEEKS

The power company, in its April notice, bases its right to give such notice on the Government's default to take current and which default it is claimed was complete on July 1, 1921. The letter from Secretary Weeks to the Attorney General, dated July 21, 1923, not only acquiesces in but affirms the existence of the default as set out in the power company's notice, and further assumes that the Secretary of War had authority to sell the Gorgas steam plant and transmission line without further authorization by Congress, and on these assumptions the Secretary of War merely requests of the Attorney General an opinion (quoting the last paragraph of his letter) on the following question:

> "In view of the notice given I request your opinion whether the Government, having no title to the land upon which either the transmission line or the Warrior extension or the Warrior substation is built, and the option provisions of the contract being invalid, as stated in the former opinion, in event the United States should not determine to sell the property to the Alabama Power Co. under the general authority vested in the Secretary of War within the time fixed by the notice as extended, it will be the duty of the United States to comply with the provision of the contract with reference to removal."

The part of the Attorney General's opinion answering the question above quoted from the Secretary of War's letter is in the following terse and significant language, to wit:

> "If, therefore, you look to the contract alone, your question must be answered in the affirmative."

THE SECRETARY OF WAR COULD HAVE CONDEMNED THE LAND

Immediately following the above strikingly succinct and unique reply to the Secretary's question, the Attorney General goes out of his way to add a concluding paragraph to his opinion, in which he states that he deems it proper to say that this contract (referring to the Government's original contract with the Alabama Power Co.) does not control the relations of the United States to the Alabama Power Co. and the properties with which the contract deals, and he then calls Mr. Weeks's attention to the fact that as Secretary of War he is fully authorized by an act of April 18, 1918, amendatory of an earlier act, to condemn the property of the Alabama Power Co. on which are located the Gorgas plant and transmission line, and that nothing in the contract of the Alabama Power Co. with the Government precludes in the slightest the exercise of this right by the Secretary of War.

In this connection it is interesting to recall a heated Senate discussion in January, 1921, between Senator UNDERWOOD and Senator LENROOT, in which, when Senator LENROOT called attention to the fact that the Gorgas plant and transmission line were located on the lands of the Alabama Power Co., Senator UNDERWOOD sharply replied in the following language:

> "I do not know about the title to the land, but the Government can condemn that land in an hour if it wants and operate its plant, which it should do. I do not know whether the Government acquired the title or not. I have always assumed that it did. But if it did not, it can acquire that title by condemnation under existing law, and it ought to do it."

The Attorney General now goes out of his way to suggest to the Secretary of War in his recent written opinion that he has authority to do what Senator UNDERWOOD in January, 1921, said in the Senate should be done.

The president of the Alabama Power Co., a few days after this discussion, sent a wire to Senator UNDERWOOD thanking him for his speech—a speech, mark you, made in defense of Senator LENROOT's attack on the power company, in which Senator LENROOT had charged that the Alabama Power Co. would be the chief beneficiary of any further expenditures by the Government at Muscle Shoals, and to which Senator UNDERWOOD replied by assuring the Senate that the Alabama Power Co. was not and would not be interested in the power developed at Muscle Shoals. The Senate discussion in January, 1921, and the wire of the president of the Alabama Power Co. to Senator UNDERWOOD are very apropos and interesting in the light of subsequent activities of the power company as to the Muscle Shoals properties—the Gorgas steam plant and transmission line.

THE PRESIDENT AND THE ATTORNEY GENERAL WERE NOT GIVEN ALL THE FACTS

Please pardon this digression as to the Senate discussion, if such it be, and now getting back to the Attorney General's answer to Secretary Weeks's question in the letter of July 21, 1923, it will be noted that the only facts made known to the Attorney General and on which my opinion was asked were those set out in the April notice of the Alabama Power Co. and Secretary Weeks's letter of July 21, 1923. Before the sale was consummated on September 24, it is believed that the President had no knowledge of any facts further than such as are set out in the April notice of the power company, in the July 21 letter from the Secretary of War, and in the August opinion of the Attorney General.

Now, since the Secretary of War in his letter of July 21, 1923, clearly indicated that even though he had authority to sell this Government property located on the land of the power company, and in subsequent conversations with Representative OLIVER and others stated that he would not think of exercising the right to sell this property without the approval of Congress except for this notice given by the Alabama Power Co. in April, 1923, it now becomes very important to inquire whether the notice from the Alabama Power Co. and the letter from Secretary Weeks dated July 21, 1923, transmitting this notice to the Attorney General, set forth all material facts that should have been made known to the Attorney General before calling for an answer to the question whether the notice given by the Alabama Power Co. had any legal effect or imposed any obligation on the Government to take action as to property located on the land of the power company.

Unquestionably there were facts on file in the War Department which were well known to the Secretary when he wrote the letter to the Attorney General on July 21, 1923, and later expressly called by Representative OLIVER to the Secretary's attention on September 24, 1923, before the sale of the Gorgas plant and transmission line was finally consummated—this being Mr. OLIVER'S first opportunity of communicating these facts to the Secretary after learning of them on Saturday evening, September 22. The Secretary of War on September 24, before the sale was concluded, was urged to refer these very material facts to the Attorney General, and was told that, if referred, there could be no question but that the Attorney General would hold that the Alabama Power Co. had no legal right to give the April notice and that the notice so given was without any legal effect whatever.

A simple recital of the facts will convince not only any lawyer but any fair business man that there were withheld from the Attorney General vital facts known to the War Department when Secretary Weeks, by letter dated July 21, 1923, called for the opinion on which he now alone predicates and seeks to justify this recent sale to the Alabama Power Co.

GOVERNMENT HAD CONTRACTS FOR POWER TO BE FURNISHED BY ALABAMA POWER CO. WITH THESE FACILITIES

The Alabama Power Co., after the default occurred, as it alleges, in July, 1921, entered into a written contract with the Government, whereby it was obligated to furnish current to the Government at Muscle Shoals, and by the terms of this contract it was stipulated that the power company should use the Government-owned property located on the power company's land for the purpose of carrying out the contract, it being recognized that only by the use of this Government property could the power company supply the current it was obligated to supply at Muscle Shoals. This contract was first made in 1921, was renewed on June 30, 1922, for 12 months, and was again renewed on June 30, 1923, to June 30, 1924, with the stipulation that the Government should have the right of yearly renewals thereafter. These renewals were in the form of new contracts, setting out in extenso all terms and conditions, and made revocable only at the instance of the Government on 30 days' notice. The contract provided that if the power company failed to supply current the Government could utilize such property of the power company as was located on the Government land for that purpose. Under this contract the amount paid to the power company for some months has been considerable, and the Government is required to take a minimum amount of current and pay a certain minimum sum monthly whether any current is used or not.

Here, then, we find on file in the War Department a direct obligation in writing, based on a valuable consideration, whereby the power company is obligated to use this Government-owned property, located on the power company's land, for the purpose of supplying current to the Government up to and including June 30, 1924, this contract being in full force prior to, during, and since April 4, 1923, and the Government has been regularly taking and paying for current under this contract with the power company since the contract was first made.

Now, in reference to the claim of the power company, as set out in the April, 1923, notice that the Government had taken no current from the power company for the two years next following July 1, 1919, the records of the War Department in the Ordnance Office contradict this statement flatly and show that the Government had been regularly taking current from the power company prior to July, 1921, and for the 12 months next preceding July 1, 1921, had paid to the power company the sum of $73,461.72, representing an average monthly payment of more than $6,000.

ALABAMA POWER CO. HAD LEASES ON STEAM PLANTS OF GOVERNMENT, NECESSITATING USE OF GORGAS TRANSMISSION LINE

As bearing on the good faith of the power company in giving the April notice to the Government to remove the Government's property, unless the said property was sold to the power company, it may be interesting to note two leases of Government steam plants made by the power company and which were in force before, on, and since September 24, 1923.

The power company prior to April, 1923, leased from the Government its steam power plant at Muscle Shoals for the purpose of supplying what, on its application for the lease, were stated as urgent emergency needs in Georgia, North Carolina, and South Carolina, and was given full right to use the Gorgas transmission line and other accessories in connection with the power plant at Muscle Shoals to carry out these purposes. The power company agreed to pay the Government $10,000 a month for the use of this property, and this lease does not expire before December, 1923. The Secretary of War recites in the lease that it was for the public good that the lease be executed in order that emergency business demands in the States of Georgia, North Carolina, and South Carolina could be supplied with current.

The power company had prior to September 24, 1923, and still has under lease, the transformer and Waco transmission line of the Government, with the right to use the Gorgas transmission line and accessories thereto in supplying current to its customers. This last lease was recently made the basis of an application for a permit of convenience and necessity before the Alabama Public Service Commission for authority to expend approximately a million dollars by the power company in preparing to supply current to the Sloss Iron & Steel Co. and other patrons in northern Alabama.

The power company, it will thus be seen, had this property of the Government under lease, with full right to use and operate the same, and was under obligation to use and operate the same not only for the purpose of supplying current to the Government but also for the purpose of supplying current to its general customers. If the Government, pursuant to the notice of the power company given in April, had removed the Gorgas plant and transmission line from the land of the power company, the power company thus would have been violating a solemn obligation which it had with its customers to supply current by means of this very property. These two leases are referred to merely for the purpose of showing lack of good faith on the part of the power company in giving the notice in question.

As bearing on the question of this good faith in giving the notice, it would be interesting to ascertain the amount that the power company has paid the Government for the use of the Government property, thus showing the profitable use that the power company has made of same.

GOVERNMENT WAS TAKING AND PAYING FOR POWER

It is inconceivable for a moment that the Attorney General would have answered the Secretary's question in the affirmative had he been informed that the Alabama Power Co. subsequent to the alleged default on the part of the Government to take current after July, 1919, made with the Government a further contract in writing whereby for a valuable consideration the power company agreed to supply current to the Government at Muscle Shoals by means of the use of Government property located on the power company's land, and under such contract was in fact supplying current to the Government by means of this Government property prior to April, in April, and since April, and was and is still under obligation to continue supplying it by this means until June 30, 1924.

It is further inconceivable that the Attorney General would have answered the Secretary's question in the affirmative had he been informed that the Government prior to July, 1921, had been regularly taking and paying for current from the Alabama Power Co. and that for 12 months next preceding July, 1921, the Government had paid the power company on an average of more than $6,000 a month for current transmitted over the Gorgas transmission line.

Neither the Attorney General nor the President were informed of the above material and vital facts before the sale was consummated.

CONCLUDING QUERY

Do not the facts hereinabove recited well illustrate the devious ways and tricks not infrequently employed by selfish interests to defeat a fair consideration of wholesome legislation in the hope that valuable Government property may ultimately be exploited for selfish gain?

EXHIBIT B

[Senate Report 678, part 2, Sixty-Eighth Congress, first session]

MUSCLE SHOALS

Mr. E. F. LADD (for himself and Messrs. E. D. SMITH, PAT HARRISON, J. THOMAS HEFLIN, T. H. CARAWAY), from the Committee on Agriculture and Forestry, submitted the following views to accompany H. R. 518:

The undersigned members of the Committee on Agriculture and Forestry have long been convinced that the public interest will best be served by the acceptance of the offer of Henry Ford for Muscle Shoals. The extended hearings which have been held by our committee on the various offers have merely added strength to our conviction. The summary of his offer is as follows:

SUMMARY OF FORD OFFER

1. He completes Dam No. 2 and builds Dam No. 3 as rapidly as possible at cost and without profit subject to the approval of the Chief of Engineers.

2. He leases both dams and manufactures commercial fertilizers in accordance with the demand, but he must produce annually at least the equivalent of 250,000 tons of Chilean nitrate, either mixed with other fertilizers (phosphoric acid or potash) or unmixed. This is enough for 2,000,000 tons of 2–8–2 fertilizer.

The present demand is for about three and one-half times as much phosphoric acid as nitrogen, and his obligation requires at least 257,000 horsepower continually throughout the year, or its equivalent, although the power dependable throughout the year at both dams is only 240,000 horsepower, including the steam plants. He must improve some of the irregular and unreliable power that is available for only a part of the year in order to carry out his minimum obligations as to fertilizer. There would be only 326,000 dependable all-year horsepower after storage dams in the upper tributaries of the Tennessee River have been built.

Witnesses all agreed that the price of commercial fertilizers to the farmers can be reduced one-half at Muscle Shoals, so Mr. Ford probably could not supply the entire demand, but he would have to do so at Muscle Shoals to the extent of his reasonable ability. Possibly a ton of fertilizer may be produced with less power than is now required. Then Mr. Ford could supply a greater portion of the demand from Muscle Shoals than otherwise.

3. He agrees to a policy of regulation by the consumer through a board of nine voting members, seven from the three leading national farm organizations, nominated by the President by and with the advice and consent of the Senate, who inspect his books, limit his profits to

not more than 8 per cent of the fair actual annual cost of production, and regulate the price and distribution of the fertilizer. Since it is left to these farmers to say what items are "fair" in the fertilizer operations the entire scheme of manufacture is virtually placed in the hands of the consumers.

4. He maintains nitrate plant No. 2 or a better one ready for use by the Government in time of war for manufacture of explosives.

5. He pays 4 per cent on the entire cost of completing Dam No. 2 and on the entire cost of building Dam No. 3, including dams, power houses, equipment, and locks, except that during the preliminary period his payments are $200,000 per year for the first six years at Dam No. 2 and $160,000 per year for the first three years at Dam No. 3.

6. He provides for a sinking fund, which if invested in Federal farm-loan bonds will return the Government more than $100,000,000 at the end of the 100-year lease. The Government in addition to its interest would receive far more than its entire capital investment in the dams, including $17,000,000 of war-time expenditure on Dam No. 2. Thereafter the water power will be free from interest charges and its cost greatly reduced.

7. He pays $55,000 annually for maintenance and operation of the locks and dams which the Chief of Engineers agrees is sufficient for the purpose. The responsibility for the maintenance of the dams is left to the United States, but the Government is not required to rebuild the dams if they should be destroyed. He furnishes free power to operate all locks.

8. He researches improved methods of fertilizer manufacture at his own expense, employing such as are found successful, thus keeping the nitrate plant up to date.

9. As a cash payment in addition to the foregoing considerations he pays $5,000,000 for nitrate plants No. 1 and No. 2 and their accessories. Plant No. 1 is admittedly unsuccessful and would require a prohibitive expenditure to make it operative, and all agree that nitrate plant No. 2 is obsolete and must be completely rebuilt.

10. In lieu of the Government's interest in the Gorgas steam plant (sold to the Alabama Power Co.) only the amount received from that plant shall be used to construct a similar plant so as to retain the status of the Government properties existing when bids were asked.

OPPOSITION EXAGGERATES OBJECTIONS

We do not claim that the Ford proposal is a perfect instrument. We are quite aware that objections to certain of its provisions have been industriously spread throughout the country. But we realize that no proposal made by any human being, however good or great or wise, can satisfy everybody.

The Ford offer has been made the subject of the most savage attacks which we have ever seen in any legislation. These attacks have not been of a character calculated to lead to a calm and logical decision. There have been exaggerated statements as to the amount of power involved, while the power necessary for the manufacture of fertilizer has been grossly underestimated. The value of the property which Mr. Ford would receive, the title under which he would receive it, the significance of the lease period, the effect of the Federal water power act—in all of these particulars statements which grotesquely distort the picture have been made without fear of contradiction because of the technical difficulties involved in stating the real facts. These impassioned exaggerations have tended to lead us away from the actual facts and to appeal to our prejudices rather to suggest constructively as to how the great benefits admittedly possible at Muscle Shoals can be best made available to this Nation.

FERTILIZERS THE PEACE-TIME PURPOSE

When Congress authorized the development of water power and the construction of nitrate plants in 1916 under section 124 of the national defense act, the legislation made it clear that the peace-time purpose of the enterprise was the production of fertilizers. It was due to the farmers that the original legislation was passed. It was a consideration for their interests that caused this enterprise to be established at Muscle Shoals adjacent to a great water power and close to the Tennessee phosphate fields.

The adoption of this legislation by Congress was a pledge to the farmers that Muscle Shoals should be operated primarily for the production of cheaper and better fertilizers.

Have the farmers hoped in vain? The experts before our committee unanimously declare that they have not, for all agree that under a businesslike management, such as may be reasonably expected with competent private operation at Muscle Shoals such as is to be expected under the Ford plan, the cost of fertilizers to the farmers can be reduced one-half.

The feasibility of such a reduction is evident, for all agree that the nitrogen, which is the most expensive part of the fertilizer that the farmer must buy, can be produced at Muscle Shoals in the form of ammonia for 5 cents per pound as against 15 cents per pound for ammonia in the form of Chilean nitrate at our ports and 20 to 25 cents per pound in the form of mixed fertilizer delivered on the farm.

Among those who have made proposals for Muscle Shoals only one bidder from the beginning has undertaken to carry out the purposes of Congress at his own expense. It was his bid which originally redeemed Muscle Shoals from the program of dismantlement and destruction which had already begun when bids were requested by the Government on April 2, 1921. It was his bid which gave the lie to the representations of the group of power companies dominated by Wall Street who, when asked to bid, declared that the project was without merit and should be abandoned by the Government and that the great Wilson Dam should be left unfinished; that neither private nor Government capital should be invested in its completion.

It was his bid which carried consternation to the group of allied fertilizer companies, who, with one accord, declined to make an offer when earnestly besought by the former nitrate director, Dr. A. G. Glasgow, to undertake the operation of the nitrate plants, rent free, until they should earn 9 per cent on whatever investment was necessary for their operation, thereafter dividing additional profits evenly with the Government. These are the interests which, like the power companies, now heartily indorse the chairman's bill. They see real danger in Ford competition, but in the chairman's poverty-stricken Government corporation they see nothing to fear.

NO LIMIT TO FERTILIZER PRODUCTION IN FORD OFFER

The fact is most significant that while none deny that fertilizers can be made and their cost can be reduced one-half at Muscle Shoals, yet only one bidder agreed to produce fertilizers with the full capacity of nitrate plant No. 2 as a minimum, and, unlike all others, one bidder alone placed no maximum on the amount of power to be devoted to fertilizer production. Other bidders copied the provisions of that proposal as nearly as they dared, but they dared not copy the fertilizer provisions of the offer of Henry Ford for Muscle Shoals. So, aided and encouraged by the chairman of our committee, they sought to belittle and discredit the only proposals that offers the farmer the full measure of the benfits possible for him at Muscle Shoals.

Mr. Ford's minimum obligations to produce fertilizer are limited as to the kind to be produced and the maximum amount to be produced only by the demand. His fertilizer obligations will require more power than the entire supply of the dependable power available at Muscle Shoals with both steam power plants in operation, and they will require the improvement of some of the irregular and unreliable power in order to carry them out.

To produce 40,000 tons of fixed nitrogen by the most approved process (Haber-electrolytic), and to furnish with that the phosphoric acid that must be supplied to market these fertilizers according to demand will require the continuous use of 257,000 horsepower or its equivalent, while the entire dependable supply of power available at Muscle Shoals is only 241,300 horsepower, including the steam-power plants. The frequent statements of the newspapers that the useful power at Muscle Shoals is 850,000 or 1,000,000 horsepower are simply idle exaggerations. We brand all such misleading declarations as false, and we base our statement on the testimony of the United States engineers. Instead of representing one-third or one-fourth of the water-power resources of the Southeastern States, Muscle Shoals in reality constitutes only an insignificant part of these resources, and its entire possibilities amount to a very small fraction of the undeveloped water powers of the United States.

EFFECT OF IMPROVED PROCESSES

It is to be expected that as the processes become improved the amount of power necessary for the manufacture of fertilizers will be reduced; i. e., a ton of high-grade fertilizer probably will be made in the future with less power than is now possible. We can not agree, however, that the time ever will come when no power at all will be required to manufacture fertilizers or anything else. A manufacturing operation of any kind, by its very nature, requires the expenditure of energy and always will.

Since it is agreed that at Muscle Shoals, under competent private management, the cost of fertilizers can be reduced one-half, it is not reasonable to expect that Mr. Ford will be able to supply the entire fertilizer demand of the United States, for witnesses agree that as the cost is reduced the demand will be multiplied, but Mr. Ford will be obliged to meet the demand at Muscle Shoals to the extent of his reasonable ability. In fairness to Mr. Ford we must therefore conclude that as the power requirements diminish the tonnage of fertilizer will be increased and the effect of improved processes will be, not to place at Mr. Ford's private disposal a large amount of power for private purposes, as has been represented, but to enable him to supply a greater part of the demand for these improved fertilizers than he could supply otherwise.

Mr. Ford under his offer agrees to research these improved processes and adopt such as are commercially successful. His obligation to do this is not dependent upon whether or not he has been able to amortize his investment in any particular process or plant. Nitrate plant No. 2 must be rebuilt not once but many times over, no matter whether it has been possible to write off the cost of the plant and pay for its

reconstruction out of the earnings or not. To our minds this constitutes as valid an assurance as this Government could obtain from any source, guaranteeing that for 100 years this Nation will keep pace with the nations of the world in its means of obtaining the nitrogen that is indispensable to our national life, whether in war or in peace.

It has been claimed that Mr. Ford desires Muscle Shoals chiefly to produce aluminum, magnesium, and their alloys, and other metals, and it has been brought to the attention of our committee that on the authority of the United States Fixed Nitrogen Research Laboratory processes do exist whereby aluminum can be produced as a by-product of fertilizer.

Since the determination of the fairness of the items which constitute the cost of the fertilizer under the Ford offer is placed in the hands of the consuming public themselves, it may safely be assumed that the more valuable the by-products which can be produced in connection with the fertilizer manufacture the cheaper the fertilizer itself will become, and we believe that the production of useful by-products in this way, as suggested to our committee by Mr. Ford's chief engineer, Mr. W. B. Mayo, should be encouraged.

PUBLIC INTEREST PROTECTED THROUGH REGULATION BY CONSUMER

Under the Ford proposal a new policy in the utilization of a great natural resource would be adopted; a policy of regulation by the consumer in the manufacture and sale of fertilizers. This is a policy which has been proposed only by Mr. Ford. It is a policy which the special interests are fighting with every resource at their command, and it is accomplished in the Ford offer by limiting the profit on fertilizer to a maximum of 8 per cent upon the fair actual annual cost of production, as determined by a board of farmers' representatives who inspect the books and determine the price and distribution of the product. Since it is left to these farmers to say what items are fair in the operations, the entire scheme of manufacture is placed in the hands of the consumers.

The production of fertilizers under the Ford offer is not made conditional upon the ability of Mr. Ford or his company to make a profit of 8 per cent or any other per cent, but his profit, if any, is limited to this amount.

Since this regulation by the consumer applies to the principal operations at Muscle Shoals, namely, the manufacture of fertilizer, contrary to all the misrepresentations that have been broadcasted throughout the country by a willing press, the truth is that under the Ford offer the Muscle Shoals power will be employed primarily in the public interest and primarily under public control.

FAVORING POWER COMPANIES AT FARMERS' EXPENSE

There is another policy, the adoption of which has been urged at Muscle Shoals, namely, that this power should be devoted primarily not to fertilizers but to public utilities and used for operating cotton mills, street cars, small motors, and electric lights. To adopt such a policy and distribute this power instead of utilizing it first of all for the purpose for which the dam was built, namely, for the production of cheaper and better fertilizers, would be to violate our pledge to the farmers of the country and to decline to bring this effective aid to the farmer at the time of his greatest distress.

Public utilities already control 90 per cent of the water powers of the country, yet they have done nothing to help the farmer reduce his expenses by the sound and feasible method of increased production at less cost through the use of cheaper and better fertilizers. Since only 16 per cent of the water powers of the country have yet been developed, and 8,000,000 horsepower are available in the section of the country in which Muscle Shoals is located, we believe that the least we can do for the farmer is to permit this one development to serve agriculture by the acceptance of the Ford offer.

POWER DISTRIBUTION UNDER FORD BID

As for distribution of power under the Ford proposal, we are convinced that since the production of fertilizers is the purpose of the development in peace time it is not a matter of importance whether power is distributed from this plant or not. It will be interconnected with other plants, of course, as a matter of common business sense, whoever operates it. Mr. Ford has promised the public, in a statement published October 11, 1923, that he will build transmission lines 200 miles each way from Muscle Shoals. This is feasible, since undoubtedly there will be a period of years while the new fertilizers are being introduced, during which time there will be power available for distribution. When, later, the demands of fertilizer manufacture require the use of this power it is reasonable to expect that it can be supplied to the consumers from the storage dams to be built in the upper tributaries of the Tennessee River, or from other sources. In any event, when Mr. Ford distributes power to the public his company becomes a public utility and, like any other public utility, including the chairman's Government corporation, his company automatically becomes subject to regulation by the public utility commission of the State in which he does business.

EXAGGERATED VALUE OF PROPERTY

We repudiate the extravagant statements that have been made by the chairman of the committee and others to the effect that the Government is selling $85,000,000 worth of property for $5,000,000. The property has no such value. Half-price fertilizers can not be furnished to the farmer by utilizing either of the present nitrate plants. Either plant would have to be completely rebuilt to accomplish such a purpose.

Nitrate plant No. 1 is a small, unsuccessful experimental plant having a capacity of 30 tons of ammonia per day, and requires a prohibitive expenditure from the standpoint of cheap fertilizer in order to make it operative at all.

Nitrate plant No. 2 was built to use the cyanamid process, which is admittedly obsolete, and the plant must be rebuilt to use another process and must be supplemented by other plants before it can serve agriculture effectively.

The salvage value of these two nitrate plants has been estimated by the Ordnance Department, first, as scrap only, $7,952,000, and second, as an operating concern for those portions which can be commercially operated and the remainder as scrap, $12,597,000. They have no value at all approximating their original costs.

Neither of these unsuccessful and obsolete plants, however, is to be conveyed in fee simple to Mr. Ford. He does not get a clear title to any real estate, improved or unimproved, for the provisions of his offer are written into his deeds and become a cloud on the title for 100 years.

PROVISIONS OF POWER ACT DO NOT APPLY TO FERTILIZER MANUFACTURE

To ask Mr. Ford to come under the Federal water power act would be unfair to him, for this is an entirely different form of enterprise from those which the Federal water power act is intended to cover. It would be equivalent to asking him to invest $50,000,000 or more in an enterprise to be controlled by three political appointees sitting here in Washington. Furthermore, it is a matter of serious doubt, in view of the testimony as to the decisions of the Supreme Court, whether the "50-year" limit and other so-called regulations of the Federal water power act could be enforced against private operators who own their own dams in navigable streams, while there is no question that such provisions could be enforced against Mr. Ford as conditions attaching to a lease of Government property.

As Mr. MCKENZIE has declared in the House, the length of the lease of a water power has no more to do with the rate at which that power is sold than the length of the lease of a railroad has to do with the price of a railroad ticket. We believe it is absolutely immaterial as to whether the lease is for 50 years or for a hundred years if the terms of the lease are in the interest of the public.

GREATER REGULATION IN FORD OFFER THAN IN POWER ACT

We contend that Mr. Ford and his company are regulated in the public interest under the terms of his proposal to a far greater degree than is any licensee under the Federal water power act.

Under the power act a private operator who develops a water power can use that power for whatever purposes he pleases, and he can sell the products made by its use at whatever price the market will bear. No consumer is entitled to inspect his books. He fixes his prices as he pleases and he distributes his product to suit himself.

Under the Ford offer the chief product must be fertilizer, and in its manufacture the profits are limited to 8 per cent of the fair actual annual cost of production. Mr. Ford's books are subject to inspection by a board of consumers, who determine what items in his costs are fair and what his actual cost has been, and who fix the price of the fertilizer and control its distribution. No more complete case of regulation of a great industry by consumers ever was proposed, and nothing in the history of this or any other country for the past hundred years that has come to our notice justifies the belief that by defeating the Ford proposal we will secure something better for the farmers and other consumers.

FALLACY OF 50-YEAR LEASE

A short lease accomplishes but one purpose—it provides an opportunity whereby the Government can step in at the end of the lease period and demand a greater charge. No objection to this charge is made by the power companies who are licensed under the power act, for such a charge becomes at once a fair part of the cost of the power, which is not paid by the power companies but is merely added to the consumer's bill and becomes in effect a tax, not a uniform tax upon the industry as a whole but a special kind of a tax upon the particular class of consumers who happen to be dependent upon this particular power.

We agree with Mr. MCKENZIE that electric power generated from coal is one of the very few commodities that is cheaper to-day than it was 20 years ago, and since it is well known that more than 80 per cent of the energy in our coal is wasted in the best of our steam power plants, there is a vast room for improvement, and improvements, we believe, will continue to be made. As Mr. MCKENZIE states, the new mercury boilers are an excellent example of the progress that may be expected in this direction.

A mere superficial examination of the case will convince anyone that if the Ford offer is rejected the taxpayers will lose far more in 50

years of Government ownership and operation at Muscle Shoals than then can possibly gain by refusing to consent to the 100-year lease period in Henry Ford's offer.

NO REGULATION OF PROFITS OR RATES UNDER POWER ACT

It has been claimed that under the Federal water power act the profits of a licensee would be limited and the public would secure all profits in excess of a fair return on the licensee's actual net investment. This is denied by the official statement of the executive secretary of the Federal Power Commission himself, who admits in his last annual report that he does not expect to expropriate a dollar of excess profits, for this is a function of the States. The State of Alabama can regulate Mr. Ford's profits, but not the Federal Power Commission.

Another State function in which the Federal Power Commission has little or no voice is the regulation of rates. The Federal Power Commission can not intervene except in the unlikely contingency in which two State utility commissions fail to agree on the rates. In all other cases the rates are in the hands of the State public utility commissions themselves, as are also the terms of service and amounts of security issues.

Under section 8 of his bill the chairman attempts to put his Government corporation into the public utility power business on a different basis from any other power company operating in the State of Alabama. He undertakes to give his board of directors the power to make rates. This provision of his bill is illegal, and the Senator's company will soon discover that they have no such power as is here attempted to give them, either as to rates or service, including the construction of transmission lines, for like any other public utility they will be subject to the rulings of the State utility commission.

The constitutionality of the entire Federal water power act, aside from its provisions for the control of navigation, has been called into question by the States of New York and New Jersey, and the attorney general of New York reports that an adjustment has been reached in their case under which the State is to retain its rights and that a settlement of the case is in sight.

In view of the benefits which have been claimed for the Federal water power act by the advocates of the chairman's bill and their loud protests against the Ford offer for not coming under it, it is surprising to see that no effort is made in this bill to extend the benefits of this act to the chairman's corporation at Muscle Shoals.

It, indeed, would be a flimsy pretext for ignoring the welfare of the farmer to deny to him the benefits of the Ford offer because that offer failed to conform to certain arbitrary conditions wholly inapplicable in the Muscle Shoals case, conditions which even the advocates of the power act are unwilling to meet at Muscle Shoals and which conditions in all probability will be found to be illegal and unenforceable.

NO GOVERNMENT INSURANCE OF DAMS

The fund of $55,000 per annum provided in the Ford offer for the maintenance of the dams and locks has been declared sufficient for all ordinary maintenance costs both by the Chief of Engineers, Gen. Lansing H. Beach, and the Assistant Chief of Engineers, Gen. Harry Taylor.

So far as insuring the dams is concerned, while the United States is responsible for their maintenance, there is nothing in the Ford offer which compels the Government to guarantee their stability during the lease period. The Government is no more in the insurance business under the Ford offer than it is under Government operation itself. While Henry Ford does not agree to rebuild the dams in the very remote contingency of their failure, neither is the Government compelled to do so.

THE FERTILIZER MONOPOLY

Since the chairman's report attempts by indirection to make it appear that the Fertilizer Trust is a mere fiction created in the farmers' minds to deceive them, we offer the following editorial from a leading trade journal:

"CHILEAN NITRATE PRODUCERS TIGHTEN GRIP ON MONOPOLY

"News of exceptional interest in the nitrate industry is reported elsewhere in this issue regarding recent action of the Chilean Nitrate Producers' Association. This body, which controls 98 per cent of the production of Chilean nitrate, voted to continue its organization for the next six years, reduced the price of nitrate for the current year, and passed a resolution not to sell nitrate to purchasers who may also buy from nonmembers of the association. About the same time the Chilean Government published a decree permitting the sale of nitrate lands only to members of the association during the life of that body.

* * * * * * *

"This decision to restrict sales of nitrate, if inclusive, means that American producers and dealers are either blacklisted by the organized producers or limited in their activities by the American law which restrains them from entering price-fixing organizations. It is a clear declaration of war against American interests in the nitrate business. The means to meet this hostile act are not obvious nor will the contest be short or easy. The ultimate result, however, is already clear. The United States will take steps to insure at the earliest possible moment full independence in nitrogen supply. It is intolerable that an act of this sort should permanently place a limitation upon the industrial and fertilizer use of nitrates." (Chemical and Metallurgical Engineering, May 19, 1924.)

If anyone doubts the reality or the effectiveness of this monopoly, let him examine this country's nitrate bill, which totaled $62,972,054 for 1923, and since the beginning of importations has reached the staggering total of $1,103,153,964.41, some 60 per cent of which is paid by the farmer.

The statements about the existence of a fertilizer trust are undeniable, and the farmers' interests will not be served by any attempt to ridicule the facts.

Muscle Shoals under efficient private operation as would follow the acceptance of the Ford offer would have a radical effect upon the prices of the Nitrate Trust, for Mr. MADDEN testified before the House Military Affairs Committee:

"I was told by one of the men heavily interested in Chilean nitrates the other day—I was talking to him about this plant and I told him I thought we would be able to produce nitrates and sell to the farmer much more economically than they have ever purchased them before. He said, 'If that shall prove to be the case, we will cut the price of Chilean nitrates in two—in three, if necessary.'" * * *

TWO COURSES OPEN

We agree with the majority of the committee who have finally come to the conclusion that we, like many others, reached two years ago, namely, that there are but two courses open to the Government, and after hearing the additional testimony of the past six weeks we are the more firmly convinced that Acting Chairman MCKENZIE, of the House Committee on Military Affairs, correctly appraised the situation when he stated in his majority report:

"Two courses are open, one Government ownership and operation, which in view of the character of the project would, in the judgment of the majority of the committee, mean not only failure from the standpoint of income but disaster to the hopes of the farmers and other users of commercial fertilizer. To have the Government undertake to engage in the manufacture of fertilizer ingredients, with political superintendents, foremen, and straw bosses is unthinkable, and to undertake such a scheme would be unspeakable folly.

"The alternative course is to sell the tangible property to private individuals or to a corporation on conditions prescribed by Congress, lease the power at a fair rental, and permit individual American initiative and ingenuity to have an opportunity at this place, where the greatest water power in our country can be developed, requiring the preservation of the element of national defense, and at the same time giving an opportunity for relief, if such there can be, to not only the Southland but our entire country in the way of commercial fertilizer at reasonable prices.

"Is this possible? Does the Ford proposal promise such a consummation? We feel that it does * * *."

We heartily concur in these views.

THE FOLLY OF A GOVERNMENT FERTILIZER BUSINESS AT MUSCLE SHOALS

We speak in the interest of those who favor Government operation as a principle when we declare that they do a grave injustice to the cause which they indorse when they urge that this course be followed at Muscle Shoals. If they were proposing that the Government should go into the shoe manufacturing business, for example, even so radical a course would be open to less objection than that which the majority proposed. The shoemaking business is an old established industry. Its operations and methods are well known; they have been standardized for a generation or more.

The electrochemical fertilizer industry, on the other hand, exists in large commercial form only in Germany where, according to the testimony of Doctor Cottrell, it has been operated entirely by private enterprise. In the United States there is no such industry, and there are no precedents to follow. Mr. E. H. Hooker, one of the most competent electrochemical engineers in the United States, well expressed the situation to our committee when he said, "This art is changing so fast that you can hardly follow it."

The majority of the committee would have the Government engage in an undertaking in which any plant, however well designed, admittedly may become obsolete even before its construction is completed. How can any reasonable man insist upon taking the taxpayer's money by the scores of millions of dollars and sinking it in great fertilizer plants under such conditions when, with the Ford offer accepted, private capital agrees to research these improved processes on a commercial scale and to adopt such processes as prove their worth, insuring that the nitrate plant will be kept up to date without one cent of expense to the United States Government?

OUR EXPERIENCE WITH GOVERNMENT OPERATION AT MUSCLE SHOALS

Our own experience in this nitrate business should be a warning to us. Nitrate plant No. 1, utilizing the so-called Haber-Bosch process, was built on the strength of a report which recommended the expenditure of $3,000,000 for this purpose, but actually cost $13,000,000, and then was unsuccessful as a nitrogen plant. The cost of making that plant a success has been estimated at $4,000,000 to $5,000,000, but its capacity is only 30 tons of nitrogen in the form of ammonia per day. Such an investment for so small a production would be prohibitive from the standpoint of cheapening the cost of fertilizer. It was not until the process was perfected by the Atmospheric Nitrogen Corporation (a subsidiary of the Solvay Process Co., and of the General Chemical Co.) under private initiative at Syracuse, N. Y., that it was made physically possible to operate this process successfully.

Whether this Haber-Bosch process is best for fertilizer is a disputed question; the former advocates of the process now recommend the "Haber-electrolytic" process; but no manufacturer in the United States has undertaken to build a large-scale plant to utilize either of these processes for fertilizers or for any other purpose.

Nitrate plant No. 2, utilizing the cyanamid process, was authorized when it became apparent that we had to have a domestic supply of fixed nitrogen for explosives regardless of cost in order to win the war. It was originally contended by the American Cyanamid Co., who built the plant, that the cyanamid process was the only process suitable for the production of nitrogen fertilizers. The war-time estimate for its cost was $30,300,000, but it actually did cost, not including the Gorgas steam plant and transmission line, $67,800,000. Yet all witnesses agree that for fertilizers, the cyanamid process is obsolete, and it has been declared by Maj. J. H. Burns that to change to the Haber-electrolytic process now in favor, would cost not less than $10,000,000.

Government operation in the construction of the nitrate plants has demonstrated: First, that where a process had not been commercially worked out under private initiative it was not solved under Government management; second, that the cost of construction greatly exceeded the war-time estimates; third, that the processes of both nitrate plants became obsolete before the plants were completed.

If we are to undertake public operation of industry in the United States, then let us give it a fair trial. Let us begin with some well-established industry in which the day of radical changes has long gone by. To begin with such an industry as commercial nitrogen fixation, with the chances all against us, with only one thing certain, and that is that the expenditure will be many times the original estimate, is a course which would do a grave injustice to the general policy of Government operation. It could be justified only if we had no satisfactory offer from private sources. With the offer of Henry Ford before us, it is neither justifiable nor excusable.

WHY GOVERNMENT OPERATION FAILS AT MUSCLE SHOALS

At the very outset the success of the Government enterprise is jeopardized by a three-way division of responsibility: The Secretary of War builds the power dams and the upper storage dams; the Government corporation builds an addition to the steam power plant at nitrate plant No. 2 and transmission lines and operates the dams and this steam power plant, selling power to the Secretary of Agriculture and to the public; the Secretary of Agriculture operates either or both of the nitrate plants (although his power supply is limited to barely half enough to operate nitrate plant No. 2 for nitrogen alone, to say nothing of phosphoric acid) and makes fertilizer and sells it at any "reasonable" profit to the trade in general.

The opportunity for advancing a perfect alibi on the part of any or all concerned in case of misfortune is too evident to require comment. No one is responsible for the conduct of the enterprise as a whole, and no one must take the sole and direct responsibility if it fails. The very first axiom of successful industry is inexcusably violated.

The success of a manufacturing enterprise is very largely dependent upon competent, experienced management. Executives capable of successfully operating an enterprise of such a magnitude are not to be had for $7,500 per year and are not likely to be found in a Government bureau. Such men would be hard to find, particularly in an undeveloped industry, for they are already employed at salaries many times this amount.

The influence of politics presents another easy road to failure under Government operation. The chairman has endeavored to prevent political considerations from affecting the success of the enterprise, but so long as human nature remains as it is the element of politics, directly or indirectly, must be reckoned with in any Government undertaking. If Congress wishes to repeat the scandals of the Veterans' Bureau, the Shipping Board, or the oil leases it needs only to turn this great plant over to a Government bureau to be operated as a commercial undertaking.

GOVERNMENT OPERATION MEANS MANY MILLIONS MORE APPROPRIATIONS

The overwhelming objection to the chairman's bill, however, when Congress is endeavoring to reduce taxes, is the large and unwarranted additional expense, which the taxpayers must shoulder under the chairman's bill, with no assurances of any adequate return on the investment or of ever recovering any part of the principal. Chairman MADDEN, of the House Committee on Appropriations, forcibly brought this feature of the situation to the attention of the House on June 30, 1923, and again on March 6, 1924.

Mr. MADDEN took the official estimates of the cost of remodeling the nitrate plants so as to utilize the process which at present is most in favor and the estimated cost of partially stabilizing the flow of the Tennessee River in a way similar to that proposed by the chairman in his bill, and found that if the Government undertook to engage in the fertilizer business there would be required the following additional appropriations:

| | |
|---|---|
| 1. Auxiliary or reserve water supply to stabilize the flow of the Tennessee River that a more uniform amount of power would be available the year round | $20,000,000 |
| 2. For remodeling nitrate plant No. 1 | 4,000,000 |
| 3. For remodeling nitrate plant No. 2 | 10,000,000 |
| 4. For a phosphoric-acid plant to meet the demand for mixed fertilizers | 15,000,000 |
| 5. Operating fund | 10,000,000 |
| Total | 59,000,000 |

Since Mr. MADDEN prepared these figures, however, experts before our committee have indicated that they are too low. For example, the phosphoric-acid plant necessary to enable the Government to produce nitrogen and other commercial fertilizers according to demand has been estimated to cost $20,000,000 instead of $15,000,000. It also appears that the $20,000,000 estimate for the cost of the upper river storage dams may be entirely inadequate, for the surveys of these dams have not yet been completed.

The Secretary of War is directed in the Norris bill to build as many storage dams as he sees fit to regulate the flow of the Tennessee River. Without denying the desirability of regulating the flow of the river, this is an unlimited authorization to take funds from the Public Treasury for the purpose of building dams when private power companies are already competing for the privilege of constructing these very dams at their own expense. The Federal Power Commission already has conflicting applications for permits to build many of these storage dams.

The chairman's bill also provides for adding 50 per cent to the capacity of the steam-power plant at nitrate plant No. 2. This is an authorization to add 40,000 horsepower to the capacity of the plant, which at the reasonable figure of $100 per horsepower would cost $4,000,000.

In section 3 of his bill Senator NORRIS undertakes to compel present and future owners of dams on the Tennessee River which would benefit by these storage dams to pay for a share in the cost of these dams proportionate to their benefits, but this provision, however fair it may be, is clearly unconstitutional, for the Federal Government has no authority over navigable streams by virtue of which it can compel developments on one stream to pay for their share or proposed storage reservoirs while those on other streams do not.

NO CHEAPER FERTILIZER FOR FARMER UNDER NORRIS BILL

The change in the title of the chairman's Government corporation from the Federal chemical corporation to the Federal power corporation is very appropriate. While it might conceivably have been agreed that the principal aim of the chairman's bill of last year was to preserve the purpose of Muscle Shoals as a source of better and cheaper fertilizers for the farmers of the country, it can not be denied that in this bill as now amended the fertilizer becomes a very minor and secondary consideration.

Muscle Shoals under the chairman's bill is a public utility power proposition in which the interests of the farmers have been utterly lost in a giant superpower scheme in which Muscle Shoals would be but an insignificant part. The national value of Muscle Shoals disappears and the great dam that was built to serve the farmer becomes a mere cog in a machine for operating street cars, cotton mills, and electric lights in a limited section of the country. Let no farmer expect cheaper fertilizer under such a plan—his chance is gone.

It needs no argument to show that this is so, for the chairman's bill provides that no more than 25,000 primary horsepower shall be used for the manufacture of fertilizer, together with 75,000 horsepower of the secondary or irregular power which would exist not more than four or five months of the year and perhaps less.

Among the proposals made to the committee were several in which the bidders sought to throw a fertilizer sop to the farmers in order to secure control of the water power, but none of them offered to provide as little as 25,000 primary horsepower for fertilizer purposes. If we would protect the farmer's interests, then any of the bids which were considered by our committee would be far superior to what the

chairman proposes. The fertilizer monopoly and the Alabama Power Co. and their associates could not have drawn a bill that would have more effectually freed them from any real competition at Muscle Shoals than this Government corporation.

WHY NOT AWARD IT TO THE ALABAMA POWER CO.?

The power companies see in this bill a wide-open gateway to the power that they long have coveted and which they could not get directly by offers of their own.

It is a well-known fact that the Alabama Power Co. and its associates have been endeavoring to secure control of the Muscle Shoals power for years, and if under Government operation we are merely to operate the hydroelectric plants for the benefit of the power companies, turning over the power to them to distribute and sell, then, in our judgment, we would deal more honestly with the country if we accepted the offer of the power companies directly. We do not believe that this Government should try to do by indirection what it is unwilling to do frankly and openly.

$130,000,000 MORE APPROPRIATIONS

Since the chairman has proposed to take away this power from the farmers and to distribute it over independent lines to the principal cities within a radius of 400 miles, and since this is the policy to be voted on under this bill we want the Senate to know what that means:

The present estimate of $51,000,000 for the cost of Dam No. 2 complete does not include the cost of the transformers, transmission lines, and other equipment necessary for long-distance transmission.

Considering only five main lines—Cincinnati via Nashville and Louisville; Little Rock, Ark., via Memphis; New Orleans via Meridian; Atlanta via Birmingham; and Knoxville via Chattanooga—the transmission distance would be at least 1,500 miles, and according to General Taylor a single-tower line would cost on an average at least $20,000,000 per mile, not including the right of way. This would cost $30,000,000 for transmission lines alone, and the additional equipment, not including the local distribution in the various towns and cities, would require at least $5,000,000 more.

If we confine our transmission system only to those cities within 200 miles of Muscle Shoals, we would require at least 550 miles of main trunk lines.

The cost would be:

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|---|---|
| 550 miles of high-tension transmission line, at an average cost of $20,000 per mile | $11,000,000 |
| Right of way, transformers, and other equipment (estimated) | 4,000,000 |
| Total | 15,000,000 |

Correcting the estimate of probable appropriations necessary on which no reasonable return can be assured, we must increase Mr. MADDEN'S figures as follows:

| | | |
|---|---|---|
| Estimated additional cost to Government if United States engages in fertilizer business (MADDEN estimate) | | $59,000,000 |
| For additional cost of phosphate plant | $5,000,000 | |
| For transmission system, to near-by cities | 15,000,000 | |
| Addition to steam-power plant | 4,000,000 | |
| | | 24,000,000 |
| Total | | 83,000,000 |

If, however, the power is to be distributed over a 400-mile radius by means of the five transmission lines referred to above, we must add $21,375,000 to this estimate, bringing the total new appropriations to $104,375,000.

To this we must add $25,000,000 for building Dam No. 3, and our immediate future expenditure then becomes $129,375,000.

| | |
|---|---|
| When we have completed Dam No. 2 our expenditures at Muscle Shoals will total (exclusive of Dam No. 3) | $107,400,000 |
| To carry out the chairman's program we would have to invest another | 125,375,000 |
| Bringing our total investment to | 232,775,000 |

without the slightest assurance that any part of this huge sum could ever be returned to the taxpayers.

The capital of the corporation consists of $3,472,487.25 received by the United States from the sale of the Gorgas steam plant to the Alabama Power Co., together with such surplus materials as are available at Muscle Shoals, and the sum of $1,500,000 for the purpose of rebuilding nitrate plants and carrying on a great commercial fertilizer business. In other words, with less than $5,000,000 of actual cash this company is expected to obtain enough appropriations to do at least $119,000,000 worth of construction work and carry on a business which has been estimated by MR. MADDEN to require at least $10,000,000 for operating capital alone. If, however, the expectations are to be carried out as recited in the chairman's report and this power is to be distributed over modern high-tension lines into even a few principal points within the area from Louisiana to the Ohio River, the immediate future appropriations for which this Government corporation would call upon us will total practically $130,000,000.

CHEMISTS AS MANAGERS

Section 14 of the chairman's bill providing for the turning over of nitrate plants Nos. 1 and 2 to the fixed-nitrogen-research laboratory for operation is an amazing proposal. With no reflection upon the character or ability of the high-grade chemists of the nitrogen-research laboratory, the fact remains that they are not operating executives and do not claim to be. The problems of plant operation in the production of the equivalent of 2,000,000 tons of commercial fertilizer per year (the capacity of nitrate plant No. 2) are not problems with which research chemists can be expected to deal successfully. They are problems of money, men, and management. The man who can take a new industry and operate it from the beginning on a large scale and not make any mistakes has never yet been found. Mistakes, costly ones, will be made. Some one must pay the bill. According to the chairman's plan the taxpayers of the United States will pay it, and under his plan the bill will be a large one. Under the Ford offer Henry Ford will pay it, whether it is small or large.

RISK IN MANUFACTURE OF NEW NITROGEN COMPOUNDS

There is another side to the operation of these nitrate plants which to our minds presents an unanswerable argument as to the folly of our attempting to salvage a war-time expenditure and to utilize an obsolete nitrate plant and a few houses and town lots down in Alabama by going into the manufacture of fertilizer as a Government enterprise. We refer to the serious element of physical risk which accompanies the manufacture of new nitrogen compounds.

On February 8, 1923, Senator LADD called attention to the record of disastrous explosions which have occurred at plants using the Haber process of nitrogen fixation. He particularly made reference to the great explosion at Oppau, which destroyed 1,500 lives and more than $50,000,000 worth of property in a few moments. It is now claimed that this was not an explosion due to the process but that it was an explosion of a stored supply of a new fertilizer compound containing ammonium nitrate (the latter being the same material which it has been proposed to produce under Government operation at nitrate plant No. 2) which was responsible for this terrible calamity. Assuming that the nitrogen-fixation process was in no way responsible for the accident, the fact remains that there is a serious element of risk in the preparation and handling of new nitrogen compounds.

Still more recent is the explosion on March 1, 1924, of a batch of ammonium nitrate at the plant of the Columbia Salvage Corporation at Nixon, N. J. Commenting on this explosion editorially, the Oil, Paint & Drug Reporter of March 10, 1924, says:

> "As was the case with respect to the disaster at Oppau a couple of years ago, the recent explosion at Nixon, N. J., which may reasonably be considered to have much in common with the German catastrophe has given rise to a great variety of opinion as to the cause * * *.
>
> "There are so many factors of hazard connected with the handling of such material as ammonium nitrate that it would be extremely difficult to determine whether the fault was a mechanical one or one of contaminated material or lay in human error. Temporarily faulty control of evaporation might result in overheating. Momentary carelessness on the part of a workman might easily lead to disastrous results. It is, at best, doubtful whether the investigations that have been ordered will reach a solution of the mystery; although, for the sake of progress in the production of nitrogen compounds, it is to be hoped that they will uncover evidence that the explosion was not due to an irremediable hazard in such processes, it will be recalled that the owners of the Oppau plant decided after the disaster there to give up the manufacture of ammonium nitrate.
>
> "Whatever the cause, the explosion at Nixon points clearly to the fact that the production and handling of fixation compounds of nitrogen are not the child's play which some comment in Congress and elsewhere on the disposition of the Muscle Shoals plant might be taken to assume. Even though ammonium nitrate be somewhat more hazardous than the other compounds more generally associated with the economic consideration of nitrogen fixation, the importance of efficient chemical control of fixation plants can not be gainsaid. Such establishments are not to be classed with cider mills among the enterprises adaptable to agricultural cooperative movements."

As the Chemical and Metallurgical Engineering Magazine of March 17, 1924, remarks:

> "It is to be hoped that the different investigations now under way may reveal something of the cause of the explosion—information that will help to fill the admitted void that exists in our knowledge of the behavior of ammonium nitrate, particularly under conditions in which it is associated with other materials."

When we realize that right to-day we have accumulated in the process of manufacture at nitrate plant No. 2 some 1,700 tons of ammonium nitrate, a nitrogen compound which in itself is supposed to be harmless, but which has already cost the lives of thousands and untold millions of property damage by its explosion, and when we realize how little is really known of the behavior of this and other nitrogen compounds, we can not avoid the feeling that if we reject the offer of Henry Ford and undertake Government operation we may

awake some morning to find that our supposed economies have vanished in the untold losses of a great calamity.

Since we have before us a responsible offer to develop this industry at private expense, backed with adequate capital, which is able to command the best technical talent that the world affords, and since by accepting this offer we can assure ourselves that the United States will maintain its advanced place among the nations in this most important industry, we believe that we are indeed fortunate to have such an offer available, and in our judgment common prudence and a regard for the public interest demand that we accept it.

COMPARISON OF THE TWO COURSES

The convenient comparisons we have drawn up a brief parallel statement of the respective provisions of the two bills, as follows:

| FORD OFFER | NORRIS BILL |
|---|---|
| 1. Takes the Government out of the fertilizer and power business. | 1. Sets up the Government in the fertilizer and power business. |
| 2. The only additional expenditure is for the construction of Dam No. 3. | 2. The completion of Dam No. 3 is only one of a number of large new expenditures which may total $130,000,000, and which must be met by new appropriations. |
| 3. The company pays 4 per cent interest throughout the lease period on the actual cost of completing Dam No. 2 and constructing Dam No. 3, with their locks and power-house facilities, except that at Dam No. 2 for the first six years the payment is $200,000 per year, and at Dam No. 3 for the first three years the payment is $150,000 annually. | 3. No guaranteed return of any kind on the Government's investment. |
| 4. The Ford plan is guaranteed by a company having a paid-in capital of $10,000,000 under a contract binding jointly and severally on Mr. Ford, his heirs, representatives, and assigns, and his company, its successors and assigns. Mr. Ford's chief engineer has testified that Mr. Ford expects to invest $50,000,000 in improvements at Muscle Shoals, which investment depends upon the water-power lease for its usefulness, and the lease may be canceled for nonfulfillment of contract. | 4. Under the Norris bill an attempt would be made to operate the nitrate plants and distribute power by a corporation having the absurdly inadequate capital of $4,972,487. Whatever capital is provided must be at the expense of the Government Treasury. The corporation is not required to make guaranties of any kind for faithful performance. |
| 5. Insures that the Muscle Shoals project will be operated primarily under public control and primarily in the public interest, with a minimum annual production equivalent to 2,000,000 tons of 2-8-2 commercial fertilizer as the principal product, with no further expense to the Government. | 5. No assurance of any production of fertilizer at all, for the operations would be dependent upon appropriations by Congress, and in all probability Congress would not long consent to the maintenance of an unprofitable enterprise such as may be expected when an undertaking of this character is attempted by the Government. |
| 6. Limits all profit on manufacture and sale of fertilizers to not more than 8 per cent of the fair actual annual cost of production and agrees that a board of farmers appointed by the President and confirmed by the Senate shall examine the books, pass upon what is fair in his cost of items, and fix the price and control the distribution of the fertilizer. Public interest fully protected through regulation of his chief product which requires all his dependable power, viz, fertilizer. | 6. The corporation is authorized to sell fertilizer direct to farmers or farm organizations as well as to dealers, manufacturers, and to the fertilizer trade generally. There is no limit as to the profit which may be charged so long as the fertilizer is sold at a "reasonable profit." A profit in excess of 8 per cent—say, 10 per cent—could not be held unreasonable. |
| 7. The great fertilizer enterprise at Muscle Shoals would be operated by competent, experienced executives under the efficient manufacturing conditions to be had only under private management. Mr. Ford is not prevented from paying the salaries necessary to secure the highest grade of technical and professional men to conduct the enterprise. | 7. Not only is the efficiency of private management lacking, but it is actually proposed to commit this great manufacturing enterprise into the control and management of the chemists of the Government's nitrogen laboratory. The pay of any employee is limited to $7,500 per year. |
| FORD OFFER—continued | NORRIS BILL—continued |
| 8. No maximum limit upon amount of power to be used for fertilizer manufacture. Minimum power requirements by present methods is 257,000 continuous horsepower or its equivalent. | 8. Power for fertilizer definitely limited to 25,000 horsepower of primary or continuous power and 75,000 horsepower of secondary or irregular power available only four or five months each year. |
| 9. Obligation is to produce in accordance with the demand. This applies both to the kind of fertilizer produced and the amount. The less power required per ton of fertilizer through improved processes the more fertilizer must be produced. | 9. No obligation to produce in accordance with the demand. Fertilizer production can be reduced if power requirements are lessened by improved processes. |
| 10. Obligates Mr. Ford to research improved electric furnace methods, industrial chemistry to develop more economical processes, and requires him to reasonably employ such improved processes as are found to be successful. | 10. Provides for experimentation study and research for cheapening the manufacture and sale of fertilizer or other products either through the fixed-nitrogen-research laboratory (which that laboratory is now doing) or any other way deemed advisable by the Secretary of Agriculture. |
| 11. Maintains nitrate plant No. 2 or a better one of equal capacity free of charge for 100 years, ready for immediate use by the Government in the manufacture of explosives. | 11. Maintains nitrate plant No. 2 nominally at the expense of the Government corporation but actually at the expense of the United States. |
| 12. Provides a guaranteed sinking fund sufficient to return the following amounts within the lease period, according to the statement of the Secretary of War. (H. Doc. No. 167, 67th Cong., 2d sess., p. 7.) Invested at— Amount returned, 4 per cent $49,071,935; 4½ per cent 58,570,003; 4¾ per cent 70,100,049; 5 per cent 100,868,642; 6 per cent 213,134,690 | 12. No sinking fund provided for any return of the Government's investment. |
| 13. Provides a fund of $55,000 annually at the expense of the hydroelectric power for maintenance and operation of locks and dams, exclusive of power house and equipment. The Chief of Engineers has testified that this is ample for that purpose. | 13. No provision requiring the power sold to pay cost of maintenance of locks. Locks continue to be maintained by Government appropriation. |
| 14. While nothing in Mr. Ford's offer compels him to distribute power not needed for fertilizer manufacture, he has promised the public in a statement broadcast to the country on October 11, 1923, that he would extend his power lines 200 miles in each direction from Muscle Shoals. This is a promise to the public which he can not violate with impunity, and it gives every reasonable assurance that, so far as is reasonably practicable, the Muscle Shoals power will be distributed. The distribution will be brought about with no expense whatever to the United States and no appropriations from the Federal Treasury. | 14. Under the Norris bill a conservative estimate of the cost of distribution by only five lines, averaging 375 miles in length, would call for an expenditure of more than $36,000,000, with no assurance whatever of a market at a price that would yield an adequate return on the investment. |

FARM RELIEF

Mr. RANKIN. Mr. Speaker, this Congress is about to adjourn; within a few hours this body, together with the one at the other end of the Capitol, will have disbanded and the various Members will have gone to their respective homes.

Three years have passed away since this administration came into power. The agricultural elements of the country have suffered more during that time than they ever had before. They have been crying out to Congress for help. What has this administration done to relieve their condition? Instead of granting a measure of relief it has piled upon the backs of the American farmers an additional burden in the form of the highest protective tariff ever passed in the history of the civilized world. When the farmer asked for bread you gave him a stone, which you tied about his neck in the form of a tariff

for the benefit of his exploiters, and to-day he is paying more for what he buys according to what he gets for the things he sells than he ever has in the history of this Republic. You have done nothing to advance the price of farm products, which have been gradually declining ever since you came into power; but you have levied a tariff on the necessities of life, collecting a toll on everything he buys "from the swaddling cloths of infancy to the lining of the coffin in which old age is laid away." That toll does not go into the Federal Treasury to help reduce the burden of taxation, but it goes into the pockets of the manufacturers to increase their prosperity at the expense of the American people. Four billions of dollars are thus taken from the masses of the American people annually, of which $3,600,000,000 goes into the pockets of the tariff barons, who have been the chief beneficiaries of this administration. [Applause.]

As a result the farmers are going bankrupt, their credit is being cut off, and their homes are being sold under the hammer. Never in the history of this country have the farmers, especially those in the Western States, suffered as they are suffering now, and everyone else whose prosperity depends on the success of agriculture is suffering in the same way. In addition to the great multitude of farmers who have had their homes swept away by this high tide of misgovernment, hundreds of banks have failed, thousands of merchants have been forced to close their doors, professional men have pulled up and moved to the cities, and schools have closed, while faminelike depression has spread over the land.

What are you going to tell these people when you go home? Are you going to admit that this administration has not tried to relieve them, or do you expect to try to deceive them into indorsing this administration and in their despair underwriting their own destruction? Well, you can not fool hungry, homeless, or bankrupt people into believing that they will ultimately grow prosperous as a result of the same influences which wrought their ruin.

You could relieve the American farmers in 10 days if you really wanted to do so. I have introduced a resolution to exempt from import or tariff duties all articles shipped in from foreign countries and exchanged for American farm products. If you will pass that resolution, you will see farm products begin to move as they have not moved since the close of the war. You will see them advance in price to where the farmers can produce them at a profit. You will see trade and industry stimulated throughout the world. There will come to the American farmers, and incidentally to all the people in the agricultural States, the greatest measure of sound prosperity they have ever enjoyed.

Then you would not have to go down into the Treasury to appropriate money to feed the hungry children of Europe. Large enterprises needing foreign goods would purchase the products of the American farms to exchange for them. Not only would our surplus farm products then be moving toward the hungry people of the Old World, but their industries would be stimulated so that they could have employment at which to earn a livelihood.

We do not have to adjourn this Congress. It is much more important that we pass legislation for the relief of the agricultural sections than it is for Members to get away from here in time to attend political conventions. For my part, I opposed the adjournment resolution; I think we ought to stay here until we give the American people some relief from these unbearable conditions.

But the trouble is that while a great many of you gentlemen on the Republican side of the aisle would be glad to support my resolution—you would be glad to help us relieve these hard conditions—the real powers that control this administration are more in sympathy with the tariff magnates and the other interests that are profiting as a result of these conditions than they are with the masses of the American people.

I expect to renew this fight when we come back here in December. Something must be done. Your three cheers for the farmers will not relieve their distressed conditions. [Laughter.]

We are going to carry this fight to the people this year, and if present indications mean anything the voters in the agricultural States are going to elect men to public office this fall who are in favor of saving the agricultural industry from the implacable destruction which would be the inevitable result of the continuation of the present outrageous tariff policy. [Applause.]

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. J. Res. 283. Joint resolution to permit to remain within the United States certain aliens in excess of quotas fixed under authority of the immigration act of May 19, 1921;

H. R. 4088. An act to establish the upper Mississippi River wild life and fish refuge;

H. R. 7079. An act prohibiting the importation of crude opium for the purpose of manufacturing heroin;

H. R. 7731. An act authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation;

H. R. 9434. An act granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River;

H. R. 1414. An act to authorize the payment of certain taxes to Stevens and Ferry Counties, in the State of Washington, and for other purposes;

H. R. 6426. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors;

H. R. 9612. An act granting the consent of Congress to the State of Georgia, through its highway department, to construct a bridge across the Oconee River;

H. R. 9314. An act to amend section 98 of the Judicial Code;

H. R. 9402. An act granting the consent of Congress to the Fullerton & Portsmouth Bridge Co. to construct a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky.;

H. R. 9361. An act granting the consent of Congress to the construction of a bridge across the Rio Grande;

H. R. 9610. An act granting the consent of Congress to the Board of Supervisors of Lowndes County, Miss., to construct a bridge across Tombigbee River;

H. R. 1830. An act for the relief of Charles T. Norman;

H. R. 9515. An act granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the canal near Rehoboth;

H. R. 1306. An act for the relief of Henry McGuire;

H. R. 9111. An act directing the remission of customs duties on certain property of the United States imported by the War Department;

H. R. 6652. An act to authorize the city of Los Angeles, in the State of California, to construct and operate a line of railroad across the Fort MacArthur Military Reservation, in the State of California;

H. R. 6950. An act to authorize the incorporated town of Cordova, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of constructing and equipping a public-school building in said town of Cordova, Alaska;

H. R. 9457. An act granting the consent of Congress to the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River at or near Alaga, Ala., connecting Houston County, Ala., and Early County, Ga.;

H. R. 9517. An act granting the consent of Congress to the North Texas Co., of St. Jo, Tex., a corporation organized under the laws of the State of Texas, to construct a toll bridge across the Red River in the vicinity of Illinois Bend, Tex.;

H. R. 6972. An act for the relief of William H. Nelson;

H. R. 4830. An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor;

H. R. 6255. An act to amend an act entitled "An act to authorize the incorporated town of Ketchikan, Alaska, to issue its bonds in any sum not to exceed $100,000 for the purpose of constructing a schoolhouse in said town and equipping the same," approved February 7, 1920;

H. R. 8578. An act to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto," approved February 17, 1911, as amended;

H. R. 8839. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 9345. An act granting the consent of Congress for the construction of a bridge across the Ohio River between Vanderburgh County, Ind., and Henderson County, Ky.;

H. R. 9177. An act granting the consent of Congress to the counties of Kittitas and Grant, in the State of Washington, to

construct a bridge across the Columbia River at or near Vantage Ferry, Wash.;

H. R. 5318. An act to authorize an exchange of lands with the State of Washington;

H. R. 7998. An act granting public lands to the city of Golden, Colo., to secure a supply of water for municipal and domestic purposes;

H. R. 9429. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 4835. An act to pay tuition of Indian children in public schools;

H. R. 7996. An act to regulate and fix rates of pay for employees and officers of the Government Printing Office;

H. R. 4816. An act authorizing the Secretary of War to permit the city of Vicksburg, Miss., to construct and maintain water mains on and under the National Cemetery Road at Vicksburg, Miss.;

H. R. 6049. An act for the relief of V. E. Schermerhorn, E. C. Caley, G. W. Campbell, and Philip Hudspeth;

H. R. 3477. An act for the relief of James B. Porter;

H. R. 5325. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes;

S. J. Res. 146. Joint resolution to amend section 13 of the act entitled "An act to provide for the classification of civilian positions within the District of Columbia and the field service";

S. J. Res. 43. Joint resolution in relation to a monument to commemorate the services and sacrifices of the women of the United States of America, its insular possessions, and the District of Columbia in the World War;

S. 2694. An act to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes;

S. 2257. An act to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended;

S. 3420. An act granting the consent of Congress to the construction, maintenance, and operation by the Denver & Rio Grande Western Railroad Co., its successors and assigns, of a line of railroad across the southwesterly portion of the Fort Logan Military Reservation in the State of Colorado;

S. 3355. An act granting the consent of Congress to the counties of Marion and Florence, in the State of South Carolina, to construct a bridge across the Peedee River at or near Savage Landing, S. C.;

S. 3263. An act to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Court House, Va.;

S. 3244. An act granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi;

S. 3188. An act for the abandonment of a portion of the present channel of the south branch of the Chicago River;

S. 3116. An act to authorize the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct a bridge across the White River near the city of De Valls Bluff, Ark.;

S. 3111. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes;

S. 3024. An act providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber within the exterior boundaries of any national forest situated within the State of New Mexico;

S. 3023. An act designating the State of New Mexico as a judicial district, fixing the time and place for holding terms of court therein, and for other purposes;

S. 2834. An act relating to the American Academy in Rome;

S. 2761. An act to authorize the withdrawal of lands for the protection of antelope and other game animals and birds;

S. 2699. An act to amend an act creating the Custer State Park game sanctuary in the State of South Dakota;

S. 2236. An act to designate the time and place of holding terms of the United States district court in the first division of the district at Kansas City;

S. 2159. An act authorizing annual appropriations for the maintenance of that portion of Gallup-Durango highway across the Navajo Indian Reservation and providing reimbursement therefor;

S. 1785. An act to amend an act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, and acts amendatory thereof;

S. 1308. An act authorizing an appropriation to enable the Secretary of the Interior to purchase a tract of land, with sufficient water right attached, for the use and occupancy of the Temoak Band of homeless Indians, located at Ruby Valley, Nev.;

S. 1203. An act to amend an act entitled "An act authorizing an appropriation to meet proportionate expenses of providing a drainage system for Piute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service," approved February 14, 1923;

S. 1192. An act to confer jurisdiction upon the United States District Court, Northern District of California, to adjudicate the claims of American citizens;

S. 699. An act authorizing the addition of certain lands to the Medicine Bow National Forest, Wyo., and for other purposes;

S. 697. An act providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes;

S. J. Res. 115. Joint resolution to provide for the free transmission through the mails of certain publications for the blind;

S. J. Res. 114. Joint resolution authorizing an investigation of the proposed Casper-Alcova irrigation project, Natrona County, Wyo.; the Deschutes project, in the State of Oregon; and the Southern Lassen irrigation project, in Lassen County, Calif.;

S. 113. An act changing the name of Keokuk Street, in the county of Washington, D. C., to Military Road.

S. J. Res. 106. Joint resolution authorizing the erection on public grounds in the city of Washington, D. C., of an equestrian statue of General San Martin, which the people of Argentina have presented to the United States;

S. J. Res. 103. Joint resolution authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians of Montana in the Treasury of the United States;

S. J. Res. 90. Joint resolution providing an extension of time for payment by entrymen of lands on the Fort Assiniboine abandoned military reservation in the State of Montana;

S. J. Res. 73. Joint resolution providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States from the District of Columbia who served in the Great War;

S. 3380. An act to grant the consent of Congress to the Cincinnati, New Orleans & Texas Pacific Railway Co. to construct, maintain, and operate a bridge across the Cumberland River, in the county of Pulaski, State of Kentucky, near the town of Burnside;

S. 3093. An act granting certain public lands to the city of Phœnix, Ariz., for municipal, park, and other purposes;

S. 1309. An act for the relief of settlers and town-site occupants of certain lands in the Pyramid Lake Indian Reservation, Nev.;

S. 2573. An act to amend and reenact sections 20, 22, and 50 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes";

S. 2704. An act to amend paragraph (3), section 16, of the interstate commerce act;

S. 2932. An act to quiet the title to lands within the Pueblo Indian land grants, and for other purposes;

S. 2572. An act to purchase grounds, erect, and repair buildings for customhouses, offices, and warehouses in Porto Rico;

S. 588. An act for the relief of Daniel A. Spaight and others;

S. J. Res. 137. Joint resolution in respect of salaries of original appointees to the Board of Tax Appeals;

S. 3434. An act for the protection of the northern Pacific halibut fishery;

S. 1942. An act to protect navigation from obstruction and injury by preventing the discharge of oil into the coastal navigable waters of the United States;

S. 668. An act to establish the Utah National Park in the State of Utah;

S. 1376. An act to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia;

S. 1614. An act to repeal an act authorizing the construction of bridges across the Great Kanawha River;

S. 3324. An act to amend section 5 of the trade-mark act of 1905, as amended, relative to the unauthorized use of portraits;

S. 3220. An act authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln, Prince Georges County, Md.;

S. 2799. An act to provide for quarters, fuel, and light for employees of the Indian Field Service;

S. 3269. An act to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910;

S. 790. An act for the establishment of a Federal industrial institution for women, and for other purposes;

S. 1987. An act accepting certain tracts of land in the city of Medford, Jackson County, Oreg.; and

S. 2887. An act authorizing transfer of certain abandoned or unused lighthouse reservation lands by the United States to the State of New York for park purposes.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that the President had approved and signed bills of the following titles:

On June 6:

H. R. 2607. An act for the relief of Jesse L. Meeks;

H. R. 7122. An act for the relief of the Eagle Pass Lumber Co., of Eagle Pass, Tex.;

H. R. 8961. An act for the relief of Frank Stinchcomb; and

H. R. 905. An act for the relief of Gerard E. Bess.

On June 7:

H. R. 7877. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 8233. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 3104. An act granting 160 acres of land to the Western State College of Colorado, at Gunnison, Colo., for the use of the Rocky Mountain biological station of said college;

H. R. 2126. An act for the relief of C. C. Carson;

H. R. 9429. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 8839. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 7998. An act granting public lands to the city of Golden, Colo., to secure a supply of water for municipal and domestic purposes;

H. R. 5318. An act to authorize an exchange of lands with the State of Washington;

H. R. 4816. An act authorizing the Secretary of War to permit the city of Vicksburg, Miss., to construct and maintain water mains on and under the National Cemetery Road at Vicksburg, Miss.;

H. R. 526. An act authorizing the Secretary of War to enter into an arrangement on behalf of the United States with the Alexandria Light & Power Co. whereby civilians may obtain electric current from a Government-owned transmission line extending from Alexandria to Fort Humphreys, Va.;

H. R. 4526. An act to incorporate the United States Blind Veterans of the World War;

H. R. 4835. An act to pay tuition of Indian children in public schools;

H. R. 192. An act to provide for a girls' dormitory at the Fort Lapwai Sanatorium, Lapwai, Idaho;

H. R. 5325. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes;

H. R. 2821. An act authorizing the erection of a sanitary, fireproof hospital at the National Home for Disabled Volunteer Soldiers at Santa Monica, Calif.;

H. R. 2123. An act for the relief of the Thompson-Vache Boat Co., of Bonnots Mill, Mo.;

H. R. 2647. An act for the relief of Lena Garagnon Owens;

H. R. 6049. An act for the relief of V. E. Schermerhorn, E. C. Caley, G. W. Campbell, and Philip Hudspeth;

H.R. 8237. An act for the relief of Bruusgaard Kiosteruds Dampskibs Aktieselskab, a Norwegian corporation of Drammen, Norway;

H. R. 1438. An act for the relief of D. H. MacAdam;

H. R. 3477. An act for the relief of James B. Porter;

H. R. 4012. An act to reimburse William H. Flagg and others for property destroyed by mail airplane No. 73, operated by the Post Office Department;

H. R. 4442. An act to extend the insurance and collect-on-delivery service to third-class mail, and for other purposes;

H. R. 5541. An act for the relief of Hubert Reynolds;

H. R. 9177. An act granting the consent of Congress to the counties of Kittitas and Grant, in the State of Washington, to construct a bridge across the Columbia River at or near Vantage Ferry, Wash.;

H. R. 9345. An act granting the consent of Congress for the construction of a bridge across the Ohio River between Vanderburgh County, Ind., and Henderson County, Ky.;

H. R. 6652. An act to authorize the city of Los Angeles, in the State of California, to construct and operate a line of railroad across the Fort MacArthur Military Reservation, in the State of California;

H. R. 9111. An act directing the remission of customs duties on certain property of the United States imported by the War Department;

H. J. Res. 283. Joint resolution to permit to remain within the United States certain aliens in excess of quotas fixed under authority of the immigration act of May 19, 1921;

H. R. 1414. An act to authorize the payment of certain taxes to Stevens and Ferry Counties, in the State of Washington, and for other purposes;

H. R. 1830. An act for the relief of Charles T. Norman;

H. R. 4088. An act to establish the upper Mississippi River wild life and fish refuge;

H. R. 4830. An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor;

H. R. 6255. An act to amend an act entitled "An act to authorize the incorporated town of Ketchikan, Alaska, to issue its bonds in any sum not to exceed $100,000 for the purpose of constructing a schoolhouse in said town and equipping the same," approved February 7, 1920;

H. R. 6950. An act to authorize the incorporated town of Cordova, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of constructing and equipping a public-school building in said town of Cordova, Alaska;

H. R. 6972. An act for the relief of William H. Nelson;

H. R. 7079. An act prohibiting the importation of crude opium for the purpose of manufacturing heroin;

H. R. 7731. An act authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation;

H. R. 7996. An act to regulate and fix rates of pay for employees and officers of the Government Printing Office;

H. R. 8578. An act to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto," approved February 17, 1911, as amended;

H. R. 8588. An act authorizing the Secretary of the Treasury to sell the United States Marine hospital reservation and improvements thereon at Detroit, Mich., and to acquire a suitable site in the same locality and to erect thereon a modern hospital for the treatment of the beneficiaries of the United States Public Health Service, and for other purposes;

H. R. 9314. An act to amend section 98 of the Judicial Code;

H. R. 9361. An act granting the consent of Congress to the construction of a bridge across the Rio Grande;

H. R. 9402. An act granting the consent of Congress to the Fullerton & Portsmouth Bridge Co. to construct a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky.;

H. R. 9434. An act granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River;

H. R. 9457. An act granting the consent of Congress to the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bride across the Chattahootche River, at or near Alaga, Ala., connecting Houston County, Ala., and Early County, Ga.;

H. R. 9515. An act granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the canal near Rehoboth, Del.;

H. R. 9517. An act granting the consent of Congress to the North Texas Co., of St. Jo, Tex., a corporation organized under

the laws of the State of Texas, to construct a toll bridge across the Red River in the vicinity of Illinois Bend, Tex.;

H. R. 9610. An act granting the consent of Congress to the Board of Supervisors of Lowndes County, Miss., to construct a bridge across Tombigbee River;

H. R. 9612. An act granting the consent of Congress to the State of Georgia, through its highway department, to construct a bridge across the Oconee River; and

H. R. 1306. An act for the relief of Henry McGuire.

LEAVE TO PRINT

Mr. SNELL. Mr. Speaker, as I understand the situation, each gentleman has the privilege of extending his own remarks for a period of 10 days.

The SPEAKER. Certainly.

Mr. LARSEN of Georgia. A parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LARSEN of Georgia. In the event unanimous consent is given, as has been done in several instances individually, does that extend beyond the 10-day period?

Mr. JOHNSON of Washington. I think so.

The SPEAKER. It will depend on when the last issue of the RECORD is printed.

Mr. LARSEN of Georgia. It will be the 24th of June, as I understand it. In that event, Mr. Speaker, I ask unanimous consent to extend my remarks.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his own remarks in the RECORD. Is there objection?

There was no objection.

ADJUSTED COMPENSATION

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the McGinnis resolution.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. THOMPSON. Mr. Speaker, the best commentary on the adjusted compensation measure, the storm center, or one of the storm centers, of Congress for the last five years, is that this measure is now a law. I sincerely believe that, freed of the distractions of the bitter fight waged when the matter was in controversy, the rank and file of the people of the country will decide that the right action was taken. When it is seen that this great country can justly recognize its veterans and at the same time do justice to its taxpayers by reducing taxes, a large measure of the carefully built resentment against adjusted compensation will melt away.

It has been said that the theory of patriotism interferes with the practice of giving adjusted compensation. This was one of the principal arguments against the measure. It has also been said that the country could not afford it, could not pass such a measure and reduce taxes, and that therefore it was not fair to the large unorganized body of taxpayers.

In answer to the first objection, let me say the giving of adjusted compensation has not been entertained in a spirit of reward for patriotic service, but as a simple matter of economic justice. This Government needed capital, labor, and soldiers to win the war. Capital was used and reaped enormous profits; the wages of labor doubled and trebled—it was necessary, and could ask without refusal; the soldiers, however, were drafted at $1.25 a day, part of which was taken back for Liberty bonds, insurance, and allotments to dependents. To adjust this economic condition, which was manifestly unfair to the soldier, is the purpose of this bill. We have all heard of the growing opinion of the country as a whole, that in the next war labor, capital, and men for military service should all be drafted. This is but an admission of the justice of the adjusted compensation law. The fact that the soldier also performed a patriotic service should not be allowed to confuse the issue, that of economic justice. To say that we are paying the soldier for patriotism is to say, in effect, that capital and labor were not patriotic. If it is admitted, as it must be, that capital and labor were patriotic, then we can not use the argument of "paying for patriotism" against the other class of men who helped win the war—the soldiers. The theory of a class of people fighting at great personal sacrifice to preserve the rights and fortunes of an upper class without recognition should have expired with the middle ages.

With reference to the objection that taxes can not be reduced if adjusted compensation is a law, I refer to the new revenue law just enacted and approved, which reduces taxes for the fiscal year ending June 30, 1925, by $361,000,000, and for the fiscal year ending June 30, 1926, by $400,000,000. It is admitted now that this reduction can be placed in effect and still leave a substantial surplus in the Treasury after paying the current expenses of the bonus or adjusted compensation.

The Republican platform contains a plank favoring adjusted compensation. Many of the States have already taken similar action, including Ohio, and I believe the people of the United States will also approve this action when all the facts are appreciated and when the operation of the law shows that none of the evils so violently predicted as a result of it will come to pass.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 4526. An act to incorporate the United States Blind Veterans of the World War;

H. R. 2126. An act for the relief of C. C. Carson;

H. R. 5541. An act for the relief of Hubert Reynolds;

H. R. 192. An act to provide for a girls' dormitory at the Fort Lapwai Sanatorium, Lapwai, Idaho;

H. R. 1438. An act for the relief of D. H. MacAdam;

H. R. 2123. An act for the relief of the Thompson-Vache Boat Co., of Bonnots Mill, Mo.;

H. R. 2647. An act for the relief of Lena Garagnon Owens;

H. R. 4442. An act to extend the insurance and collect-on-delivery service to third-class mail, and for other purposes;

H. R. 8237. An act for the relief of Bruusgaard Kiosteruds Dampskibs Aktieselskab, a Norwegian corporation, of Drammen, Norway;

H. R. 2821. An act authorizing the erection of a sanitary, fireproof hospital at the National Home for Disabled Volunteer Soldiers at Santa Monica, Calif.;

H. R. 4012. An act to reimburse William H. Flagg and others for property destroyed by mail airplane *No. 73*, operated by the Post Office Department;

H. R. 3104. An act granting 160 acres of land to the Western State College of Colorado, at Gunnison, Colo., for the use of the Rocky Mountain biological station of said college; and

H. R. 8233. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes.

H. R. 7731. An act authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation;

H. R. 7079. An act prohibiting the importation of crude opium for the purpose of manufacturing heroin;

H. R. 5318. An act to authorize an exchange of lands with the State of Washington;

H. R. 9177. An act granting the consent of Congress to the counties of Kittitas and Grant, in the State of Washington, to construct a bridge across the Columbia River at or near Vantage Ferry, Wash.;

H. R. 7998. An act granting public lands to the city of Golden, Colo., to secure a supply of water for municipal and domestic purposes;

H. R. 9345. An act granting the consent of Congress for the construction of a bridge across the Ohio River between Vanderburgh County, Ind., and Henderson County, Ky.;

H. R. 9429. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 8839. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 4835. An act to pay tuition of Indian children in public schools;

H. R. 6049. An act for the relief of V. E. Schemerhorn, E. C. Caley, G. W. Campbell, and Philip Hudspeth;

H. R. 3477. An act for the relief of James B. Porter;

H. R. 4816. An act authorizing the Secretary of War to permit the city of Vicksburg, Miss., to construct and maintain water mains on and under the National Cemetery Road at Vicksburg, Miss.;

H. R. 5325. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes;

H. R. 7996. An act to regulate and fix rates of pay for employees and officers of the Government Printing Office;

H. R. 4830. An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote

the continuous production of timber on lands chiefly suitable therefor;

H. R. 6950. An act to authorize the incorporated town of Cordova, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of constructing and equipping a public-school building in said town of Cordova, Alaska;

H. R. 9314. An act to amend section 98 of the Judicial Code;

H. R. 6255. An act to amend an act entitled "An act to authorize the incorporated town of Ketchikan, Alaska, to issue its bonds in any sum not to exceed $100,000 for the purpose of constructing a schoolhouse in said town and equipping the same," approved February 7, 1920;

H. R. 6972. An act for the relief of William H. Nelson;

H. R. 9517. An act granting the consent of Congress to the North Texas Co., of St. Jo, Tex., a corporation organized under the laws of the State of Texas, to construct a toll bridge across the Red River in the vicinity of Illinois Bend, Tex.;

H. R. 9457. An act granting the consent of Congress to the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River, at or near Alaga, Ala., connecting Houston County, Ala., and Early County, Ga.;

H. R. 6652. An act to authorize the city of Los Angeles, in the State of California, to construct and operate a line of railroad across the Fort MacArthur Military Reservation, in the State of California;

H. R. 9111. An act directing the remission of customs duties on certain property of the United States imported by the War Department;

H. R. 9612. An act granting the consent of Congress to the State of Georgia, through its highway department, to construct a bridge across the Oconee River;

H. R. 9402. An act granting the consent of Congress to the Fullerton & Portsmouth Bridge Co. to construct a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky.;

H. R. 9361. An act granting the consent of Congress to the construction of a bridge across the Rio Grande;

H. R. 1306. An act for the relief of Henry McGuire;

H. R. 1830. An act for the relief of Charles T. Norman;

H. R. 9610. An act granting the consent of Congress to the Board of Supervisors of Lowndes County, Miss., to construct a bridge across Tombigbee River;

H. R. 9515. An act granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the canal near Rehoboth, Del.;

H. R. 8578. An act to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto," approved February 17, 1911, as amended;

H. R. 1414. An act to authorize the payment of certain taxes to Stevens and Ferry Counties, in the State of Washington, and for other purposes;

H. R. 4088. To establish the upper Mississippi River wild-life and fish refuge; and

H. R. 9434. Granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the Saint Marys River.

EMERGENCY DEFICIENCY

Mr. MADDEN. Mr. Speaker, I move to suspend the rules and pass the following House joint resolution.

The SPEAKER. The gentleman from Illinois moves to suspend the rules and pass the following joint resolution, which the Clerk will report.

The Clerk read as follows:

*Resolved, etc.*, That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the following sums, for the service of the fiscal year ending June 30, 1925, namely:

GENERAL ACCOUNTING OFFICE

For personal services in the District of Columbia in accordance with the classification act of 1923, fiscal year 1925, $75,240.

UNITED STATES VETERANS' BUREAU

Administrative expenses, World War adjusted compensation act: For administrative expenses in carrying out the provisions of the World War adjusted compensation act of May 19, 1924, including salaries of personnel in the District of Columbia and elsewhere in accordance wtih the classification act of 1923; purchase, hire, exchange, and repair of typewriters, adding machines, and other mechanical devices, furniture, office equipment, printing and binding, telegrams, telephones, stationery, traveling expenses and per diem in lieu of subsistence at not exceeding $4 for officers, agents, and other employees, and for other necessary contingent and miscellaneous expenses to enable the Director of the United States Veterans' Bureau to perform such duties as are required by said act, $1,188,500, to remain available until June 30, 1925: *Provided*, That the Secretary of the Treasury is authorized to issue to the Director of the United States Veterans' Bureau, without charge, for temporary use, such surplus office supplies and equipment as may be under the control of the General Supply Committee.

Adjusted service and dependent pay: For payment of adjusted service credits of not more than $50 each, as provided in sections 401 and 601 of the "World War adjusted compensation act" of May 19, 1924, and for payment to dependents of deceased veterans the quarterly installments due on adjusted service credits in excess of $50 each, as provided in sections 601 and 603 of said act, $26,629,398, to remain available until expended.

Adjusted service certificate fund: For the amount authorized in section 505 of the World War adjusted compensation act of May 19, 1924, to provide for the payment of the face value of each adjusted service certificate in 20 years from its date or on the prior death of the veteran, $100,000,000, to remain available until expended.

NAVY DEPARTMENT

Administrative expenses, World War adjusted compensation act: For temporary personal services in the District of Columbia in accordance with the classification act of 1923, purchase, hire, exchange, and repair of typewriters, adding machines, and other mechanical devices, printing and binding, stationery, office supplies and equipment, transportation of things, and for other necessary contingent and miscellaneous expenses, to enable the Secretary of the Navy to perform such duties as are required by the World War adjusted compensation act of May 19, 1924, $450,000, to remain available until June 30, 1925: *Provided*, That the Secretary of the Treasury is authorized to issue to the Secretary of the Navy, without charge, for temporary use, such surplus office supplies and equipment as may be under the control of the General Supply Committee.

WAR DEPARTMENT

Administrative expenses, World War adjusted compensation act: For temporary personal services in the District of Columbia in accordance with the classication act of 1923, purchase, hire, exchange, and repair of typewriters, adding machines, and other mechanical devices, printing and binding, stationery, office supplies and equipment, telegrams, telephones, maintenance and operation of motor trucks, transportation of things, other necessary contingent and miscellaneous expenses, and rent of buildings and parts of buildings in the District of Columbia, if space is not provided by the Public Buildings Commission in Government-owned buildings, to enable the Secretary of War to perform such duties as are required of him by the World War adjusted compensation act of May 19, 1924, $3,600,000, to remain available until June 30, 1925: *Provided*, That the Secretary of the Treasury is authorized to issue to the Secretary of War, without charge, for temporary use, such surplus office supplies and equipment as may be under the control of the General Supply Committee.

Mr. MADDEN. Mr. Speaker, there is likelihood of the deficiency bill failing, in which event it would prevent the payment of the bonus voted by the Congress as adjusted compensation to the men who served in the World War. The resolution which has just been read, introduced by me, is to provide for the payment of adjusted compensation to the World War veterans regardless of what may happen in the Senate with regard to the deficiency bill.

The SPEAKER. The question is on the motion of the gentleman from Illinois to suspend the rules and pass the resolution.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the resolution was passed.

THE FISCAL RECORD OF THE REPUBLICAN PARTY

Mr. MADDEN. It will be my aim in this statement to present briefly and clearly not only a résumé of the appropriations made during the session of Congress which has just closed, but also to recount in an historical manner the record of the Republican Party in connection with the finances of the Nation commencing with the convening of the Republican Congress in the spring of 1919.

The Republican Party came into power in the Congress on March 4, 1919, as a result of the elections of the fall of 1918. The new Congress was summoned into extra session by President Wilson on May 19, 1919. President Harding took office on March 4, 1921, as a result of the elections of the fall of 1920. The financial record made by the Republican Congress during the two years from 1919 to 1921, while the administration was Democratic, and by the Republican administration in

full control of the executive and legislative branches of the Government since 1921 is not surpassed in any period of the history of the country.

Upon assembling in extra session in 1919, the Republican Congress was confronted with innumerable and difficult fiscal problems. The country had just emerged from a devastating war, Government expenditures were on a scale which no nation could long endure, administrative officials were striving to hold at swollen strength many of the enlarged activities of the Government, the number of Federal employees was not diminishing with the rapidity that cessation of war activities would permit, the public debt and the annual interest charge were a burden upon the resumption of normal financing, taxation was crushing the individual and stifling business, and the American people were demanding a speedy resumption of normal conditions in the finances of the Government as a much-needed relief to them individually and as an example and healthy impetus to industry. The new Congress dedicated itself to the task of initiating the reforms which would accomplish the relief the public was demanding.

The reduction of taxes, the curtailment of the public debt, the elimination of surplus employees, and the shrinkage of Federal activities could not be accomplished without a drastic reduction of expenditures, and that could only be had by a decrease in appropriations.

Upon assembling in extra session in May, 1919, the new Republican Congress was confronted with the duty of passing, before the commencement of the fiscal year on July 1, 1919, eight of the largest of the supply bills which the Democratic Congress had failed to enact into law before it went out of power. Those bills at the time of their failure were all pending in the Senate. The amounts carried in them at the time of their failure aggregated $3,768,000,000. The total of the same eight bills after their repassage was $2,828,000,000. The first legislative action of the new Congress resulted in the passage of these bills before the fiscal year began and in the decrease of the appropriations proposed by the Democratic Congress for the fiscal year 1920 by $940,000,000. The estimates for the fiscal years ending June 30, 1921 and 1922, respectively, and deficiency estimates for prior years, were prepared by the Wilson administration and submitted to the Republican Congress. The reductions made by the Congress in these estimates aggregate slightly more than $2,950,000,000. The total reductions which the Republican Congress effected in the amounts proposed to it by the Democratic administration for the fiscal years 1920, 1921, and 1922, reach $3,890,000,000, a sum which is greater than the appropriations for the next fiscal year even if we include in them the figures on account of the World War adjusted compensation act.

In addition to the reduction effected in the estimates of the Democratic administration and the bills of the Democratic Congress, the new Congress, in connection with the preparation of the appropriation bills for the three fiscal years to which I have just alluded also brought about the repeal of war-time appropriations, which were on the books and subject to expenditure, totaling $1,140,000,000.

The new Congress at once realized that the conduct of the finances of the Government according to safe principles could not be accomplished without the inauguration of a systematic procedure. It accordingly prepared and presented to President Wilson the Budget bill. His veto of that legislation postponed until the advent of the present administration the enactment of that important measure. The new law was signed by President Harding on June 10, 1921. Its operation has covered the period of three full fiscal years of expenditure and the preparation of the Budget for the next fiscal year.

The accomplishments under the new system have exceeded the expectations of those who championed its installation. The outstanding principles are, namely: (1) The placing upon the President of the responsibility for the submission of coordinated expenditure and revenue proposals to Congress; (2) the business control required to be exercised by him over expenditures after the appropriations have been made; (3) the centralization over the making of appropriations in a single committee in each the Senate and House of Representatives; and (4) the creation of a centralized and independent audit of accounts.

To the late President Harding and his first Director of the Budget, General Dawes, are due great credit for the successful inauguration of the executive phase of the system. To President Coolidge and the present director, General Lord, who have followed earnestly and courageously the standards set by their predecessors, merited praise should be accorded. The success of the Budget is in direct proportion to the interest taken by the President of the United States in shaping its proposals and the Republican incumbents have begun and carried on a procedure that has not only placed the finances of the country on a sound basis but has given to the Nation a permanent system that will inure to its benefit in the future.

The change in the procedure in the Senate and House to accord with the changed methods in the executive branch has worked equally well. The wide margin between Executive estimates and congressional appropriations has narrowed. The past year and the year just closed find the appropriations made by Congress not more than $10,000,000, less than the proposals submitted by the President. The cooperation of the executive branch of the Government with the legislative branch under the Budget system has been the chief factor in the success in keeping down the appropriations and expenditures of the Government and making possible the natural sequences of such efforts, namely, tax reduction and diminution of the public debt.

The total amount appropriated at this session of Congress for the fiscal year 1925 and for the discharge of obligations on account of the fiscal year 1924 and prior years in all acts and under the permanent and indefinite appropriations is $3,784,123,324.35. This sum is incomplete, due to the failure of the second deficiency appropriation bill carrying $186,833,288.49 and the bill to provide additional appropriations to enable the heads of departments to place employees in certain of the field services on a comparable basis with employees in the District of Columbia carrying $26,357,767.84. Including the amounts in these two bills the total for the session should be stated at $3,997,314,380.68. The corresponding amount appropriated during the last session of the Sixty-seventh Congress for the fiscal year 1924 and for the discharge of obligations on account of the fiscal year 1923 and prior years in all acts and under the permanent and indefinite appropriations is $4,097,499,197.04. The total for the present session is therefore $100,184,816.36 less than the amount similarly appropriated at the last session of Congress. There is included in the second deficiency bill, which failed, the sum of approximately $132,000,000 on account of the first year's expenses under the World War adjusted compensation act. The total reduction in the appropriations at this session under the appropriations of the previous session, if it had not been for the enactment of the adjusted compensation act, would be in excess of $232,000,000.

The total of the Budget estimates submitted at this session for the fiscal year 1925 and for prior years, excluding the estimates transmitted in connection with the two bills which failed of enactment, aggregate $3,793,131,961.43. This sum, contrasted with the total of appropriations made during the session, $3,784,123,324.35, shows a net reduction in all of the Budget estimates, regular annual and deficiency, of $9,008,637.08. This is the narrowest margin between appropriations and estimates since the establishment of the Budget system and is gratifying evidence of the accord between the Executive and the Congress on the sums of money which are necessary for an economical and efficient functioning of the Government. There have been no substantial increases made by Congress in the Budget estimates nor have there been any marked decreases in such estimates. The difference is so small in percentage of the total that it amounts in practical effect to ratification of the Budget as submitted.

The total of $3,784,123,324.35 is classified according to fiscal years as follows:

| | |
|---|---|
| For the fiscal year 1925 | $3,622,125,959.19 |
| For the fiscal year 1924 | 149,464,629.69 |
| For the fiscal year 1923 and prior years | 12,532,735.47 |

The total for the fiscal year 1925 is incomplete without the inclusion of the amounts for that fiscal year carried in the two bills which failed. The amount in the second deficiency bill for the fiscal year 1925 is approximately $175,000,000, and the amount in the field service classification bill of $26,357,767.84, make a total for 1925 in the two failed bills of $201,357,767.84. This sum added to the $3,622,125,959.19 above gives a grand total for the fiscal year 1925 of $3,823,483,727.03.

The total of appropriations for the fiscal year 1924, including appropriations for that fiscal year carried in the regular annual bills and under permanent and indefinite appropriations and also including appropriations for that fiscal year carried in deficiency appropriation acts at this session, is $4,013,109,837.81. This sum, compared with the total for the fiscal year 1925, just stated, shows a decrease in favor of the fiscal year 1925 of $189,626,110.78.

The reductions which contribute largely to this difference between the two years are composed of the following amounts: The appropriations for the Shipping Board are decreased from $50,411,500 to $30,344,000, or by $20,067,500; the funds for support of the Veterans' Bureau, exclusive of the soldiers' bonus,

have declined from $138,161,390.16 to $349,065,000, a reduction of $84,096,390.16; the appropriation for the payment of contract obligations with the States for cooperative road construction are $13,300,000 less than for 1924; the appropriations for payment of pensions are reduced from $254,774,660 to $224,616,000, or a decrease of $30,158,660; the appropriations for the Navy are $19,913,223 less than for the current year; the appropriations for the Treasury Department proper are approximately $95,000,000 less than for 1924, in which year is included $105,000,000 for refunding taxes erroneously collected in previous years; the interest on the public debt is reduced from $940,000,000 to $890,000,000; public-debt retirement funds show a decrease of $29,690,150; and the civil activities of the War Department are less by $13,627,561 than appropriations for 1924.

The increases in the fiscal year 1925, in addition to the $132,000,000 for the bonus, over the fiscal year 1924, including follows: The Postal Service is increased from $597,000,879.56 in the former year the amounts in the bills which failed, are as to $613,645,195.25, an increase of $16,644,315.69, due to the natural growth of the service; the Department of Commerce is increased in the sum of $4,398,283.66, of which $3,500,000 is for the expense of taking the quinquennial census of agriculture; the classification of employees in the District of Columbia represents an increase of approximately $3,200,000 over the amounts for the current year, and the funds in the bill for field employees, which failed, represent an increase of approximately $6,000,000 over the totals for the same purpose for 1924.

The largest single item in the deficiency bill which failed is the aggregate of the amounts for the administration and payment of expenses in connection with the World War adjusted compensation act. These sums total nearly $132,000,000 and are an entirely new item of appropriation. The failure of the bill which carried this money will not materially delay the administration of the new law. Payments under the act and certificates of insurance to be issued in accordance with its provisions can not be accomplished under the law prior to January 1 next, before which time Congress will have assembled and completed the enactment of the appropriation bill.

Another large item in the same bill is the sum of $16,140,000 for the refund of internal-revenue taxes under the provisions of the new revenue act granting a 25 per cent reduction in taxes for the calendar year 1923. These refunds will be made from the amounts already appropriated for tax refunds, and no delay to the taxpayer should occur because of the failure of this bill.

The failure of the bill providing appropriations to place the employees in certain of the field services on the same basis as employees in the District of Columbia under the classification act, while providing a hardship in a minority of cases, will not preclude the payment of salaries during the next fiscal year at the rates contemplated in the bill which failed. The appropriations regularly made for the services which participate in the provisions of that bill will be used temporarily and later supplemented by the amounts in the bill when it is finally enacted in December. The bill has passed all stages of legislative completion with the exception of the signatures of the Speaker and the President of the Senate.

The appropriations made during the session just closed, aside from the adjusted compensation act, do not provide for any unusual new activities of Government. The sums granted have been confined almost wholly to existing activities and within limits of amounts which do not permit any marked expansion, with the exception of the provision for a large number of additional vessels and the necessary personnel in the Coast Guard to enable that service to cope with the "rum-running" fleets operating in violation of the prohibition laws. The record of the session follows that of the preceding sessions under the control of the Republican Party and shows, as have several of the previous sessions, a marked decline in the appropriations.

The record of the Republican Party in reducing appropriations commenced with the reductions made in the spring of 1919 by the Republican House in the estimates and appropriations of the Democratic administration. The following table shows the appropriations for each fiscal year commencing with the fiscal year 1920 and ending with the fiscal year 1925. In these amounts the appropriations are segregated by fiscal years irrespective of the session of Congress in which they may have occurred, and are exclusive of audited claims and judgments:

| | |
|---|---|
| Appropriations, fiscal year 1920 | $7,046,000,000 |
| Appropriations, fiscal year 1921 | 4,049,000,000 |
| Appropriations, fiscal year 1922 | 4,165,000,000 |
| Appropriations, fiscal year 1923 | 3,945,000,000 |
| Appropriations, fiscal year 1924 | 4,013,000,000 |
| Appropriations, fiscal year 1925 (this sum includes amounts for 1925 in the two bills which failed) | 3,823,000,000 |

The foregoing tabulation shows a gratifying reduction in annual appropriations for support of the Government since the Republican Party began its program of retrenchment and financial reform. The reduction in the annual appropriations, from $7,046,000,000 to $3,823,000,000, is $3,223,000,000. This has been accomplished notwithstanding the increase of approximately $132,000,000 for the next fiscal year on account of the soldiers' bonus.

Reductions in public expenditures are directly dependent upon reductions in appropriations. The former can not be accomplished without the latter. The decrease in appropriations has made possible gratifying reductions in the annual expenditures of the Government. The expenditures for the fiscal years 1920 to 1925, inclusive, excluding the postal expenditures payable from the postal revenues and including the postal deficit payable from the Treasury, and including also public debt retirements paid from ordinary receipts are as follows:

| | |
|---|---|
| Expenditures, fiscal year 1920 | $6,141,000,000 |
| Expenditures, fiscal year 1921 | 5,538,000,000 |
| Expenditures, fiscal year 1922 | 3,795,000,000 |
| Expenditures, fiscal year 1923 | 3,697,000,000 |
| Expenditures, fiscal year 1924 | [1] 3,497,000,000 |
| Expenditures, fiscal year 1925 | [1] 3,554,000,000 |

The reductions in annual expenditures from the fiscal year 1920—$6,141,000,000—to the estimated amount of $3,554,000,000 for the fiscal year 1925 is $2,587,000,000. This is an achievement worthy of the hearty commendation of every citizen. Coming during a period when States and municipalities have been increasing their expenditures, the decrease made by the Federal Government has been a distinct relief.

The reduction in expenditures above outlined has been accompanied by a very favorable condition of the Treasury. Commencing with the fiscal year 1921 and including the estimated condition for the current fiscal year and the fiscal year 1925, the excess of ordinary receipts over ordinary expenditures is as follows:

| | |
|---|---|
| Fiscal year 1921 | $86,892,000 |
| Fiscal year 1922 | 813,801,000 |
| Fiscal year 1923 | 309,657,000 |
| Fiscal year 1924 | [2] 498,000,000 |
| Fiscal year 1925 | [2] 60,000,000 |

These surpluses occur notwithstanding two reductions in taxation. They have made possible an unusual reduction in the public debt in addition to the retirements made from the funds especially set apart for that purpose.

The aim of the Republican Party from its partial assumption of control of the Government in 1919 and throughout its full control has been to grant relief from taxation. As expenditures have been reduced the public has been given the direct benefit. The first tax reduction was made in the revenue act of 1921, which reduced the tax levy by approximately $800,000,000 a year. The second reduction was made in the revenue act of 1924. The annual decrease effected by that act is in excess of $450,000,000. The total reduction effected by these two revenue measures is in excess of $1,250,000,000. The rates established by the new revenue law are the lowest they have been since 1917. While the reductions effected in the latter law will not be reflected until the payment of taxes for the calendar year 1924, the act contains a provision for a 25 per cent reduction in many taxes for the calendar year 1923 and under which the taxpayers will receive direct and immediate benefit. The total at approximately $230,000,000.

The excess of receipts over expenditures has contributed to a very substantial decrease in the principal of the public debt. The gross public debt at its peak in August, 1919, amounted to $26,596,000,000. The amounts of the outstanding gross debt on June 30 of each year since 1919 are as follows:

| | |
|---|---|
| June 30, 1920 | $24,297,000,000 |
| June 30, 1921 | 23,976,000,000 |
| June 30, 1922 | 22,964,000,000 |
| June 30, 1923 | 22,349,000,000 |
| May 31, 1924 | 21,544,000,000 |

The total gross debt on May 31 last was $5,052,000,000 less than the total of the debt at its peak. It is also $2,753,000,000 less than the total of the debt on June 30, 1920. The annual interest charge on the public debt reached its high point in the fiscal year 1920 when there was paid out $1,024,000,000. The estimated interest charge for the next fiscal year is $890,000,000. This shows a reduction in the annual fixed charge for interest from the fiscal year 1920 to the fiscal year 1925 of $134,000,000.

The total number of Government employees in the classified civil service, both in and outside of the District of Columbia, aggregated 601,000 on July 31, 1920, the beginning of the first fiscal year for which the Republican Congress made the appro-

[1] Estimated. The amount for 1925 includes the first year's expenditures for the soldiers' bonus.
[2] Estimated.

priations. That number was reduced to 597,000 on July 31, 1921, to 568,000 on December 31, 1921, and to 544,000 on December 31 last. The total reduction in the number from July 31, 1920, to December 31, 1923, is 147,000. This is the net reduction and has taken place notwithstanding the large number which it has been necessary to add to the rolls on account of the normal growth of the Postal Service, the administration of the United States Veterans' Bureau, and the enforcement of the national prohibition act.

The financial outlook for the fiscal years 1924 and 1925, which close on June 30 next and on June 30, 1925, respectively, is very hopeful. At the time of the assembling of Congress in December last it was estimated that receipts for the fiscal year 1924 would exceed expenditures by $329,639,000, and that the receipts for the fiscal year 1925 would exceed the expenditures for that fiscal year by $395,681,000. Since these estimates were prepared the Congress has passed the tax reduction bill, and has also enacted the soldiers' bonus bill. In the face of the shrinkage in revenue and the added expenditures for next year it appears that 1925 will close with a surplus. The best obtainable figures at the present time, based on somewhat incomplete calculations as to the effect of the tax reduction bill on prospective tax income during this and the ensuing fiscal year show the following relationship between receipts and expenditures, excluding postal revenues and postal expenditures payable from postal revenues.

| | |
|---|---|
| Fiscal year 1924: | |
| Estimated receipts | $3,995,000,000 |
| Estimated expenditures | 3,497,000,000 |
| Excess of receipts | 498,000,000 |
| Fiscal year 1925: | |
| Estimated receipts | 3,614,000,000 |
| Estimated expenditures | 3,554,000,000 |
| Excess of receipts | 60,000,000 |

These figures are very naturally estimates and are subject to change from day to day as better data become available. It is safe, however, to predict that if each of these years is concluded without any unusual and unforeseen circumstances intervening, the condition of the Treasury will not be very remote from the estimates herein presented.

An unusually historic and notable achievement of the administration of President Harding was the Conference on the Limitation of Naval Armament. The results of this conference have had a far-reaching effect in the effort to keep down public expenditures. The agreements reached in that conference resulted in the scrapping by the United States of 11 capital ships, the total cost of construction of which was estimated at $436,800,000. There had been expended on the construction of those vessels before the conclusions of the conference became effective the sum of $ 53,800,000, to which should be added the expenses of scrapping so far made and estimated to be made aggregating $28,450,000, a total of $182,250,000. This sum deducted from the estimated amount required to complete the vessels if their construction had been proceeded with leaves a difference of $254,550,000. This latter sum, except for the intervention of the arms conference, would have been appropriated and expended on the construction of these ships. If these vessels had been completed and placed in commission, their maintenance and operation and that of the auxiliaries necessary to make them effective units of the Navy would have added an annual charge to the Navy of approximately $200,000,000. Aside from its financial benefits, the conference was epochal in that it brought together the naval powers of the world in an effort to relieve their people from the most oppressive of all expenditures—those of armament and preparation for war.

The Republican Party has kept faith in its promises for retrenchment in Government expenditures and financial reform. Its record is complete and unanswerable. From the assembly of the Congress in May, 1919, to the present date, every effort has been made to manage the affairs of the Nation according to efficient, economical, and sound business principles. The results speak for themselves. Appropriations have been reduced, expenditures have correspondingly decreased, taxes have been reduced, the public debt and the interest charge have been lowered, the Budget has been balanced each year and has shown a comfortable margin on the surplus side, the number of employees has been cut, and the country has been given a Budget system. There is ample cause for approval of these accomplishments. The past few years have been critical in the affairs of the nations of the world. The present favorable situation of the United States is due in no small measure to the sound financial policy which has governed the management of its affairs. While other nations are struggling with overwhelming public debts that in some cases are as great or greater than their national wealth and are crying for relief from the taxes caused by deficits in their budgets, the people of the United States are enjoying the economic benefits which arise from sound financing on the part of the Federal Government.

For the information of those who desire to visualize, by large groups, the principal objects of appropriation for the fiscal year 1925, including for that year the amounts in the bills which failed, I shall insert the following tabulation:

GENERAL CLASSIFICATION OF APPROPRIATIONS FOR THE FISCAL YEAR 1925, ARRANGED TO SHOW THE PRINCIPAL OBJECTS OF APPROPRIATION

| | |
|---|---|
| Interest on the public debt | $890,000,000.00 |
| Sinking fund and other public debt retirement funds | 482,277,975.00 |
| Veterans' Bureau, including compensation, insurance, hospitalization, and vocational training | 352,915,000.00 |
| World War adjusted compensation act (soldiers' bonus) | 131,943,138.00 |
| Pensions, all wars prior to the World War | 222,500,000.00 |
| Post Office Department, payable from the postal revenues | 613,645,195.25 |
| Navy | 279,773,327.00 |
| Military activities of the War Department (Army) | 256,515,279.13 |
| Rivers and harbors, maintenance and improvement, flood-control work on the Mississippi and Sacramento Rivers, and work on the dam at Muscle Shoals, Ala | 45,100,000.00 |
| Shipping Board | 30,344,000.00 |
| Classification of employees in certain of the field services | 26,302,767.84 |
| Cooperative construction of roads and for roads in national forests | 19,000,000.00 |
| Refund of taxes under the 25 per cent provision of the revenue act of 1924 | 16,140,000.00 |
| All other activities, including the Executive office, the Congress, the judiciary, the executive departments, and independent establishments | 457,027,044.81 |
| Grand total for 1925 | 3,823,483,727.03 |

I shall also append as a part of my remarks three tabular statements. In each of these the appropriations and estimates are given without the figures for the second deficiency bill and the Field Service classification bill which failed of enactment. The amounts to be added to the grand totals in each of these tabulations on account of the failed bills are shown in footnotes, and taken together with the grand totals as shown in the tables will produce the figures which I have heretofore used in the text of my remarks.

*Recapitulation of appropriations by acts and irrespective of fiscal years, Sixty-eighth Congress, first session (Dec. 3, 1923, to June 7, 1924)*

| Title of act | | Amount |
|---|---|---|
| REGULAR ANNUAL ACTS, FISCAL YEAR 1925 | | |
| Agriculture | | $58,575,274.00 |
| District of Columbia | | 26,455,105.00 |
| Executive office and independent offices | | 398,776,740.16 |
| Interior | | 263,250,455.00 |
| Legislative establishment | | 14,229,016.00 |
| Navy | | 275,105,067.00 |
| State, Justice, Commerce, and Labor: | | |
| Commerce | $23,939,905.00 | |
| Justice | 21,371,430.00 | |
| Labor | 7,956,516.51 | |
| State | 15,001,646.29 | |
| | | 68,269,497.80 |

*Recapitulation of Appropriations by Acts and Irrespective of Fiscal Years, Sixty-eighth Congress, First Session (Dec. 3, 1923, to June 7, 1924)*—Continued

| Title of act | | Amount |
|---|---|---|
| Treasury and Post Office: | | |
| Post Office | $613, 645, 195. 25 | |
| Treasury | 120, 768, 405. 00 | |
| | | $734, 413, 600. 25 |
| War: | | |
| Military activities | 255, 615, 279. 13 | |
| Nonmilitary activities | 72, 355, 186. 00 | |
| | | 327, 970, 465. 13 |
| Total, regular annual acts | | 2, 167, 045, 220. 34 |
| DEFICIENCY APPROPRIATION ACTS, FISCAL YEAR 1924 AND PRIOR YEARS | | |
| First deficiency act, fiscal year 1924 | | 156, 671, 655. 28 |
| Urgent deficiency act, fiscal year 1924 | | 2, 333, 000. 00 |
| Total, deficiency acts | | 159, 004, 655. 28 |
| MISCELLANEOUS ACTS CARRYING APPROPRIATIONS | | |
| Contingent expenses, United States Senate, fiscal year 1924 | | 125, 000. 00 |
| Prosecution of suits to cancel oil leases, fiscal years 1924 and 1925 | | 100, 000. 00 |
| Relief of drought-stricken farm areas of New Mexico, fiscal years 1924 and 1925 | | 1, 000, 000. 00 |
| Eradication of foot-and-mouth disease, fiscal year 1924 | | 1, 500, 000. 00 |
| Miscellaneous relief and other acts | | 267, 709. 88 |
| Total, miscellaneous acts | | 2, 992, 709. 88 |
| Total, regular, deficiency, and miscellaneous acts | | 2, 329, 042, 585. 50 |
| PERMANENTS AND INDEFINITES, FISCAL YEAR 1925 | | |
| Agriculture | | 12, 360, 750. 00 |
| Commerce | | 3, 000. 00 |
| Independent offices | | 6, 457, 301. 79 |
| Interior | | 27, 243, 269. 06 |
| Labor | | 25, 000. 00 |
| Legislative | | 800. 00 |
| Navy | | 2, 103, 260. 00 |
| State | | 26, 000. 00 |
| Treasury: | | |
| Interest on public debt | $890, 000, 000 | |
| Sinking fund and other public debt retirement funds | 482, 277, 975 | |
| Ordinary permanents and indefinites | 26, 773, 100 | |
| | | 1, 399, 051, 075. 00 |
| War: | | |
| Military activities | 900, 000 | |
| Nonmilitary activities | 5, 683, 321 | |
| | | 6, 583, 321. 00 |
| District of Columbia | | 1, 226, 962. 00 |
| Total, permanents and indefinites | | 1, 455, 080, 738. 85 |
| Grand total | | 3, 784, 123, 324. 35 |

*Classification of foregoing appropriations by fiscal years*

| | |
|---|---|
| 1925 | $3, 622, 125, 959. 19 |
| 1924 | 149, 464, 629. 69 |
| 1923 and prior fiscal years | 12, 532, 735. 47 |
| Total | 3, 784, 123, 324. 35 |

NOTE.—In addition to the foregoing sum the following bills failed of passage: Second deficiency, $186,833,288.49; Field Service classification $26,357,767.84. These sums added to the foregoing amount would make the total $3,997,314,380.68

*Comparison of Appropriations by Departments and Establishments, Fiscal Years 1924 and 1925*

[Amounts carried for each of these years in regular annual appropriation acts, deficiency appropriation acts, special acts, and amounts estimated under permanent and indefinite appropriations]

| | Appropriations, fiscal year 1924 | Appropriations, fiscal year 1925 | Decrease (−) or increase (+), 1925 compared with 1924 |
|---|---|---|---|
| Legislative branch: | | | |
| Regular annual | $13, 110, 081. 60 | $14, 229, 016. 00 | +$1, 118, 934. 40 |
| Increased compensation | 1, 705, 140. 00 | | −1, 705, 140. 00 |
| Permanent and indefinite | 800. 00 | 800. 00 | |
| Total | 14, 816, 021. 60 | 14, 229, 816. 00 | −586, 205. 60 |
| Executive Office and independent offices: | | | |
| Regular annual— | | | |
| Shipping Board | 50, 411, 500. 00 | 30, 344, 000. 00 | −20, 067, 500. 00 |
| Veterans' Bureau | 433, 161, 399. 16 | 349, 065, 000. 00 | −84, 096, 399. 16 |
| Executive and other independent offices | 18, 446, 279. 92 | 19, 367, 740. 16 | +921, 460. 24 |
| Increased compensation | 4, 916, 192. 00 | | −4, 916, 192. 00 |
| Total | 506, 935, 371. 08 | 398, 776, 740. 16 | −108, 158, 630. 92 |
| Permanent and indefinite | 6, 508, 926. 74 | 6, 457, 301. 79 | −51, 624. 95 |
| Total | 513, 444, 297. 82 | 405, 234, 041. 95 | −108, 210, 255. 87 |
| Agricultural Department: | | | |
| Regular annual— | | | |
| Department proper | 40, 925, 603. 00 | 39, 575, 274. 00 | −1, 350, 329. 00 |
| Increased compensation | 3, 304, 800. 00 | | −3, 304, 800. 00 |
| Roads, construction of | 32, 300, 000. 00 | 19, 000, 000. 00 | −13, 300, 000. 00 |
| Permanent and indefinite | 12, 220, 000. 00 | 12, 360, 750. 00 | +140, 750. 00 |
| Total | 88, 750, 403. 00 | 70, 936, 024. 00 | −17, 814, 379. 00 |
| Commerce, Department of: | | | |
| Regular annual | 19, 541, 621. 34 | 23, 939, 905. 00 | +4, 398, 283. 66 |
| Increased compensation | 1, 958, 956. 00 | | −1, 958, 956. 00 |
| Permanent and indefinite | 3, 000. 00 | 3, 000. 00 | |
| Total | 21, 503, 577. 34 | 23, 942, 905. 00 | +2, 439, 327. 66 |
| Interior, Department of: | | | |
| Regular annual— | | | |
| Pensions | 254, 774, 660. 00 | 224, 616, 000. 00 | −30, 158, 660. 00 |
| Interior Department proper | 41, 624, 402. 37 | 38, 634, 455. 00 | −2, 989, 947. 37 |
| Increased compensation | 2, 845, 309. 00 | | −2, 845, 309. 00 |
| Permanent and indefinite | 28, 352, 069. 00 | 27, 243, 269. 06 | −1, 108, 799. 94 |
| Total | 327, 596, 440. 37 | 290, 493, 724. 06 | −37, 102, 716. 31 |
| Justice, Department of, and judiciary: | | | |
| Regular annual | 21, 122, 556. 00 | 21, 371, 430. 00 | +248, 874. 00 |
| Increased compensation | 875, 000. 00 | | −875, 000. 00 |
| Total | 21, 997, 556. 00 | 21, 371, 430. 00 | −626, 126. 00 |
| Labor, Department: | | | |
| Regular annual | 7, 246, 411. 00 | 7, 956, 516. 51 | +710, 105. 51 |
| Increased compensation | 566, 640. 00 | | −566, 640. 00 |
| Permanent and indefinite | 25, 000. 00 | 25, 000. 00 | |
| Total | 7, 838, 051. 00 | 7, 981, 516. 51 | +143, 465. 51 |
| Navy, Department of: | | | |
| Regular annual | 294, 480, 828. 00 | 275, 105, 067. 00 | −19, 375, 761. 00 |
| Increased compensation | 510, 672. 00 | | −510, 672. 00 |
| Permanent and indefinite | 2, 130, 050. 00 | 2, 103, 260. 00 | −26, 790. 00 |
| Total | 297, 121, 550. 00 | 277, 208, 327. 00 | −19, 913, 223. 00 |
| Post Office Department: | | | |
| Payable from the postal revenues— | | | |
| Regular annual | 596, 652, 111. 56 | 613, 645, 195. 25 | +16, 993, 083. 69 |
| Increased compensation | 337, 248. 00 | | −337, 248. 00 |
| Payable from other Federal revenues— | | | |
| Increased compensation | 11, 520. 00 | | −11, 520. 00 |
| Total | 597, 000, 879. 56 | 613, 645, 195. 25 | +16, 644, 315. 69 |

*Comparison of Appropriations by Departments and Establishments, Fiscal Years 1924 and 1925*—Continued

| | Appropriations, fiscal year 1924 | Appropriations, fiscal year 1925 | Decrease (−) or increase (+), 1925 compared with 1924 |
|---|---|---|---|
| State Department: | | | |
| Regular annual | $15, 262, 975. 79 | $15, 001, 646. 29 | −$261, 329. 50 |
| Increased compensation | 134, 000. 00 | | −134, 000. 00 |
| Permanent and indefinite | 106, 000. 00 | 26, 000. 00 | −80, 000. 00 |
| Total | 15, 502, 975. 79 | 15, 027, 646. 29 | −475, 329. 50 |
| Treasury Department: | | | |
| Regular annual | [1] 236, 934, 694. 04 | 120, 768, 405. 00 | −116, 166, 289. 04 |
| Increased compensation | 10, 749, 292. 00 | | −10, 749, 292. 00 |
| Permanent and indefinite— | | | |
| Interest on public debt | 940, 000, 000. 00 | 890, 000, 000. 00 | −50, 000, 000. 00 |
| Public debt redemption funds | 511, 968, 125. 00 | 482, 277, 975. 00 | −29, 690, 150. 00 |
| All other | 31, 055, 093. 41 | 26, 773, 100. 00 | −4, 281, 993. 41 |
| Total | 1, 730, 707, 204. 45 | 1, 519, 819, 480. 00 | −210, 887, 724. 45 |
| War Department: | | | |
| Military— | | | |
| Regular annual | 251, 544, 581. 00 | 255, 615, 279. 13 | +4, 070, 698. 13 |
| Permanent and indefinite | 900, 000. 00 | 900, 000. 00 | |
| Total, military | 252, 444, 581. 00 | 256, 515, 279. 13 | +4, 070, 698. 13 |
| Nonmilitary— | | | |
| Regular annual | 85, 822, 747. 00 | 72, 355, 186. 00 | −13, 467, 561. 00 |
| Permanent and indefinite | 5, 843, 321. 00 | 5, 683, 321. 00 | −160, 000. 00 |
| Total nonmilitary | 91, 666, 068. 00 | 78, 038, 507. 00 | −13, 627, 561. 00 |
| Total, War Department— | | | |
| Regular annual | 337, 367, 328. 00 | 327, 970, 465. 13 | −9, 396, 862. 87 |
| Increased compensation | 6, 102, 057. 00 | | −6, 102, 057. 00 |
| Permanent and indefinite | 6, 743, 321. 00 | 6, 583, 321. 00 | −160, 000. 00 |
| Total | 350, 212, 706. 00 | 334, 553, 786. 13 | −15, 658, 919. 87 |
| District of Columbia: | | | |
| Regular annual | 23, 047, 555. 00 | 26, 455, 105. 00 | +3, 407, 550. 00 |
| Increased compensation | 1, 795, 067. 00 | | −1, 795, 067. 00 |
| Permanent and indefinite | 1, 512, 843. 00 | 1, 226, 962. 00 | −285, 881. 00 |
| Total | 26, 355, 465. 00 | 27, 682, 067. 00 | +1, 326, 602. 00 |
| Grand total— | | | |
| Regular annual | 2, 436, 410, 006. 78 | 2, 167, 045, 220. 34 | −269, 364, 786. 44 |
| Increased compensation | 35, 811, 893. 00 | | −35, 811, 893. 00 |
| Private relief acts unclassified | 262, 709. 88 | | −262, 709. 88 |
| Permanent and indefinite | 1, 540, 625, 228. 15 | 1, 455, 080, 738. 85 | −85, 544, 489. 30 |
| Grand total | 4, 013, 109, 837. 81 | 3, 622, 125, 959. 19 | −390, 983, 878. 62 |
| Less sum payable from postal revenues | 596, 989, 359. 56 | 613, 645, 195. 25 | +16, 655, 835. 69 |
| Total, exclusive of sum payable from postal revenues | 3, 416, 120, 478. 25 | 3, 008, 480, 763. 94 | −407, 639, 714. 31 |

[1] This sum includes $105,467,000 for refunding internal revenue taxes erroneously collected.

NOTE.—Appropriations herein stated do not include the amounts pertaining to the second deficiency bill and the field service classification bill, both of which failed of enactment. The amount for the fiscal year 1925 in the latter bill was $26,357,767.84 and the amount for the same year in the former bill is approximately $175,000,000. Including these amounts in the 1925 totals, the aggregate for 1925 becomes $3,823,483,727.03 and the reduction of 1925 under 1924 would decline from $390,983,878.62 to $189,626,110.78.

*Comparison of Budget Estimates and Appropriations, Fiscal Year 1925*

[The appropriations for 1925 include amounts carried for fiscal year 1925 in regular annual appropriations acts, and amounts estimated under permanent and indefinite appropriations]

| Department or establishment | Budget estimates submitted Dec. 3, 1923 | Supplemental Budget estimates submitted Dec. 3, 1923, to June 7, 1924 | Total Budget estimates fiscal year 1925 | Appropriations, 1925, regular annual and permanent and indefinite | Increase (+) or decrease (−) appropriations compared with estimates |
|---|---|---|---|---|---|
| Legislative branch: | | | | | |
| Regular annual | $13,783,036.25 | $988,625.40 | $14,771,661.65 | $14,229,016.00 | −$542,645.65 |
| Permanent and indefinite | 800.00 | | 800.00 | 800.00 | |
| Total | 13,783,836.25 | 988,625.40 | 14,772,461.65 | 14,229,816.00 | −542,645.65 |
| Executive office and independent offices: | | | | | |
| Regular annual— | | | | | |
| Shipping Board | 30,344,000.00 | | 30,344,000.00 | 30,344,000.00 | |
| Veterans' Bureau | 349,065,000.00 | | 349,065,000.00 | 349,065,000.00 | |
| Executive and other independent offices | 19,315,131.16 | 14,500.00 | 19,329,631.16 | 19,367,740.16 | +38,109.00 |
| Total | 398,724,131.16 | 14,500.00 | 398,738,631.16 | 398,776,740.16 | +38,109.00 |
| Permanent and indefinite | 6,457,301.79 | | 6,457,301.79 | 6,457,301.79 | |
| Total | 405,181,432.95 | 14,500.00 | 405,195,932.95 | 405,234,041.95 | +38,109.00 |
| Agricultural Department: | | | | | |
| Regular annual— | | | | | |
| Department proper | 38,729,825.00 | | 38,729,825.00 | 39,575,274.00 | +845,449.00 |
| Roads, construction of | 18,500,000.00 | | 18,500,000.00 | 19,000,000.00 | +500,000.00 |
| Permanent and indefinite | 12,360,750.00 | | 12,360,750.00 | 12,360,750.00 | |
| Total | 69,590,575.00 | | 69,590,575.00 | 70,936,024.00 | +1,345,449.00 |
| Commerce, Department of: | | | | | |
| Regular annual | 24,045,025.00 | | 24,045,025.00 | 23,939,905.00 | −105,120.00 |
| Permanent and indefinite | 3,000.00 | | 3,000.00 | 3,000.00 | |
| Total | 24,048,025.00 | | 24,048,025.00 | 23,942,905.00 | −105,120.00 |
| Interior, Department of: | | | | | |
| Regular annual— | | | | | |
| Pensions | 232,120,680.00 | | 232,120,680.00 | 224,616,000.00 | −7,504,680.00 |
| Interior Department proper | 39,948,651.00 | | 39,948,651.00 | 38,634,455.00 | −1,314,196.00 |
| Permanent and indefinite | 27,243,269.06 | | 27,243,269.06 | 27,243,269.06 | |
| Total | 299,312,600.06 | | 299,312,600.06 | 290,493,724.06 | −8,818,876.00 |
| Justice, Department of, and judiciary: | | | | | |
| Regular annual | 21,378,456.00 | | 21,378,456.00 | 21,371,430.00 | −7,026.00 |
| Labor, Department of: | | | | | |
| Regular annual | 6,677,576.51 | | 6,677,576.51 | 7,956,516.51 | +1,278,940.00 |
| Permanent and indefinite | 25,000.00 | | 25,000.00 | 25,000.00 | |
| Total | 6,702,576.51 | | 6,702,576.51 | 7,981,516.51 | +1,278,940.00 |
| Navy, Department of: | | | | | |
| Regular annual | 276,395,794.00 | | 276,395,794.00 | 275,105,067.00 | −1,290,727.00 |
| Permanent and indefinite | 2,103,260.00 | | 2,103,260.00 | 2,103,260.00 | |
| Total | 278,499,054.00 | | 278,499,054.00 | 277,208,327.00 | −1,290,727.00 |
| Post Office Department: | | | | | |
| Payable from postal revenues— | | | | | |
| Regular annual | 613,093,183.50 | | 613,093,183.50 | 613,645,195.25 | +552,011.75 |
| State Department: | | | | | |
| Regular annual | 14,962,446.29 | | 14,962,446.29 | 15,001,646.29 | +39,200.00 |
| Permanent and indefinite | 26,000.00 | | 26,000.00 | 26,000.00 | |
| Total | 14,988,446.29 | | 14,988,446.29 | 15,027,646.29 | +39,200.00 |

*Comparison of Budget Estimates and Appropriations, Fiscal Year 1925*—Continued

| Department or establishment | Budget estimates submitted Dec. 3, 1923 | Supplemental Budget estimates submitted Dec. 3, 1923, to June 7, 1924 | Total Budget estimates fiscal year 1925 | Appropriations, 1925, regular annual and permanent and indefinite | Increase (+) or decrease (−) appropriations compared with estimates |
|---|---|---|---|---|---|
| Treasury Department: | | | | | |
| Regular annual | $122,212,965.00 | | $122,212,965.00 | $120,768,405.00 | −$1,444,560.00 |
| Permanent and indefinite— | | | | | |
| Interest on public debt | 890,000,000.00 | | 890,000,000.00 | 890,000,000.00 | |
| Public debt redemption funds | 482,277,975.00 | | 482,277,975.00 | 482,277,975.00 | |
| All other | 26,773,100.00 | | 26,773,100.00 | 26,773,100.00 | |
| Total | 1,521,264,040.00 | | 1,521,264,040.00 | 1,519,819,480.00 | −1,444,560.00 |
| War Department: | | | | | |
| Military— | | | | | |
| Regular annual | 258,124,006.00 | | 258,124,006.00 | 255,615,279.13 | −2,508,726.87 |
| Permanent and indefinite | 900,000.00 | | 900,000.00 | 900,000.00 | |
| Total, military | 259,024,006.00 | | 259,024,006.00 | 256,515,279.13 | −2,508,726.87 |
| Nonmilitary— | | | | | |
| Regular annual | 71,733,765.00 | | 71,733,765.00 | 72,355,186.00 | +621,421.00 |
| Permanent and indefinite | 5,683,321.00 | | 5,683,321.00 | 5,683,321.00 | |
| Total, nonmilitary | 77,417,086.00 | | 77,417,086.00 | 78,038,507.00 | +621,421.00 |
| Total, War Department— | | | | | |
| Regular annual | 329,857,771.00 | | 329,857,771.00 | 327,970,465.13 | −1,887,305.87 |
| Permanent and indefinite | 6,583,321.00 | | 6,583,321.00 | 6,583,321.00 | |
| Total | 336,441,092.00 | | 336,441,092.00 | 334,553,786.13 | −1,887,305.87 |
| District of Columbia: | | | | | |
| Regular annual | 25,652,850.00 | $6,800.00 | 25,659,650.00 | 26,455,105.00 | +795,455.00 |
| Permanent and indefinite | 1,226,962.00 | | 1,226,962.00 | 1,226,962.00 | |
| Total | 26,879,812.00 | 6,800.00 | 26,886,612.00 | 27,682,067.00 | +795,455.00 |
| Grand total: | | | | | |
| Regular annual | 2,176,082,390.71 | 1,009,925.40 | 2,177,092,316.11 | 2,167,045,220.34 | −10,047,095.77 |
| Permanent and indefinite | 1,455,080,738.85 | | 1,455,080,738.85 | 1,455,080,738.85 | |
| Grand total | 3,631,163,129.56 | 1,009,925.40 | 3,632,173,054.96 | 3,622,125,959.19 | −10,047,095.77 |
| Less Post Office (payable from postal revenues) | 613,093,183.50 | | 613,093,183.50 | 613,645,195.25 | +552,011.75 |
| Total, exclusive of Post Office | 3,018,069,946.06 | 1,009,925.40 | 3,019,079,871.46 | 3,008,480,763.94 | −10,599,107.52 |

NOTE.—The estimates and appropriations herein stated do not include the amounts pertaining to the Second Deficiency Bill and the Field Service Classification Bill, both of which failed of enactment. The amount for the fiscal year 1925 in the latter bill is $26,357,767.84 and the amount for the fiscal year 1925 in the former bill is approximately $175,000,000. The Budget estimates for the fiscal near 1924 and prior years were exceeded in the appropriations by $1,038,458.69. This sum deducted from the decrease shown in this table leaves a total net decrease in all estimates of $9,008,637.08.

APPROPRIATIONS AND EXPENDITURES FISCAL YEAR 1925 AND PRIOR YEARS

Mr. BYRNS of Tennessee. Mr. Speaker, under our form of government party control necessarily carries with it party responsibility. The Republican Party has had control of Congress since March 4, 1919, and of the executive branch since March 4, 1921. Congress alone has the power to levy taxes and appropriate money to be expended by the executive departments. The Republican Party must be held responsible for the reckless use of public money and the utter disregard of the taxpayers' interest during this period.

A considerable increase in Government expenditures was to be expected. Greater attention to education, good roads, and other activities which make for the enlightenment and progress of a people have necessarily increased our national expenditures. The war also increased these expenditures. But taking these desirable activities and necessary expenditures into consideration, the present expenditures of the National Government, with the added expenditures made necessary by the action of Congress at its first session, which closed on June 7, shows a reckless extravagance which no Republican platform pronouncements or administration propaganda of alleged economics can possibly explain or overcome.

| | |
|---|---|
| At the beginning of the session the estimated expenditures for the fiscal year 1925, seven years after the close of the war, were | $3,298,080,444.00 |
| This does not include estimated expenditures of $613,093,183.50 for the Postal Service, which is payable out of postal revenue. The regular annual appropriation for all purposes, exclusive of Postal Service, for 1916, the last full fiscal year before the war, under a Democratic administration was | 801,126,037.09 |
| Since the estimates for expenditure for 1925 were submitted Congress has passed laws increasing the expenditures for 1925 by over | 200,000,000.00 |
| It has increased the obligations of the Government covering a period of years at least | 3,500,000,000.00 |

| | |
|---|---|
| In addition to this there are bills on the calendars of either the Senate or the House which have been recommended by the proper committee and are awaiting consideration which, if enacted into law, will further increase the obligations of the Government in an amount exceeding | $500,000,000.00 |

The amount of new obligations created by this Congress at its first session almost equals the entire amount that has been paid on the public debt since the war. During these fiscal years—1920 to 1924, inclusive—more than $23,933,000,000 has been paid into the Treasury by the people in direct, indirect, and miscellaneous taxes. Notwithstanding this huge sum the present total obligations of the Government are only about one-half of a billion dollars less than they were when the first payments on the public debt were made.

A Republican Member recently declared to his Republican majority colleagues that "extravagance runs wild." The platform recently adopted by the Republican National Convention declared that during the past session "Congress has, in the main, confined its work to tax reduction." But these figures indicate that Congress and some of its committees have devoted the major portion of their time to authorizing the appropriation of public money and creating heavier obligations for the taxpayer. The entire public debt, Federal, State, and municipal, at the beginning of the session amounted to more than $32,000,000,000, and with the added expenditures and rapidly increasing obligations it is apparent that unless there is a check upon increasing public expenditures, taxation will soon become confiscatory.

ANALYSIS OF APPROPRIATIONS

An analysis of the figures will show whether or not the Republican administration and Congress are justified in their claims of economy.

| | | |
|---|---|---|
| The appropriations carried in the regular annual appropriation bills for 1925 amount to | | $2,167,045,220.34 |
| But to this sum must be added the sum of | | 172,289,092.96 |
| Carried in the second deficiency bill for 1925, which was passed by both Houses but failed of immediate enactment on account of a filibuster in the Senate during the last hour of the session, but which will be passed and approved by the President in December in order to meet the requirements of laws recently passed by Congress, there must also be added the sum of | | 26,302,767.84 |
| Carried in a special appropriation which passed but was enrolled too late to be signed at this session. This provides for the increased compensation for field employees under an act recently passed by Congress. Thus the regular annual appropriations for 1925 will be | | 2,365,637,081.14 |
| Similar appropriations for 1924 were | | 2,323,019,979.97 |
| This shows an increase for 1925 over 1924 of | | 42,617,101.17 |
| To these sums must be added the permanent and indefinite appropriation for interest on the public debt, public-debt retirements, and other items. For 1925 these sums amount to | | 1,455,080,738.85 |
| For 1924 these sums amounted to | | 1,540,625,228.15 |
| This makes the total appropriations for 1925 | | 3,820,717,819.99 |
| And for 1924 | | 3,863,645,208.12 |
| It will be noted that this decrease in total appropriations for 1925 may be entirely accounted for by the reduction in interest on the public debt, which in itself amounts to | 50,000,000.00 | |
| This is not due to a reduction of expenses of the business operations of the Government, which have actually been increased, as is shown above. | | |
| The reduction in public debt retirements, according to estimates, is | 29,690,150.00 | |
| The reduction in the appropriations for executive and independent offices for the Veterans' Bureau is | 79,095,773.00 | |
| This was made possible by the fact that vocational rehabilitation is being concluded; that compensation will grow less as the disabled ex-service men become physically rehabilitated; and that hospitalization will inevitably become less the farther we get from the war. The reduction in the same appropriation bill for the Shipping Board is | 20,067,500.00 | |
| This is due to the fact that certain claims for which appropriations were made during the current year have been settled. Civil War pensions have been reduced in the appropriation for the Department of the Interior to the amount of | 30,500,000.00 | |
| This results from the fact that the pension roll is being steadily reduced by death. There is a reduction in the appropriation for the War Department for rivers and harbors of | 19,446,760.00 | |
| This appropriation is really based upon the needs of the service for the first nine months of the fiscal year. The next annual appropriation bill will take care of any additional amounts needed after Mar. 4, 1925, the beginning of the next Congress. The same explanation may be made of the reduction in the appropriations for the Department of Agriculture for special road items amounting to | 14,600,000.00 | |
| These sums total | | 243,400,183.00 |

It is evident that the administration can claim no credit for these reductions as economies effected. The appropriations for 1925 would have been less than the appropriations for 1924 by at least this amount if appropriations for other objects had not been increased.

The following table shows the increase of 1925 appropriations over those of 1916, excluding from 1925 the appropriations growing out of the war and which, therefore, should not be taken into consideration in making the comparison:

| | | |
|---|---|---|
| Total appropriations for 1925 | | $3,820,717,819.99 |
| Total appropriations for 1916 | | 1,114,490,704.09 |
| Increase of 1925 over 1916 | | 2,706,227,115.90 |
| Deduct war expenses, which were: | | |
| Interest on public debt | $890,000,000 | |
| Public-debt retirements, including sinking fund | 482,277,975 | |
| Veterans' Bureau | 349,065,000 | |
| Shipping Board | 30,344,000 | |
| | | 1,751,686,975.00 |
| Grand total increase of 1925 over 1916 | | 954,540,140.90 |

The following table shows appropriations for 1924 and 1925:

| | 1924 | 1925 |
|---|---|---|
| ANNUAL APPROPRIATIONS | | |
| Department of State | $15,200,665.50 | $15,001,646.29 |
| Department of Justice | 19,253,506.00 | 21,371,430.00 |
| Department of Commerce | 21,142,957.00 | 23,939,905.00 |
| Department of Labor | 7,451,896.00 | 7,956,516.51 |
| Treasury Department | 126,159,802.37 | 120,768,405.00 |
| Post Office Department | 585,221,759.50 | 613,645,195.00 |
| Department of Agriculture | 72,841,453.00 | 58,575,274.00 |
| Department of the Interior | 297,520,009.00 | 263,250,455.00 |
| Navy Department | 294,967,200.00 | 275,105,067.00 |
| War Department | 342,449,261.00 | 327,970,465.13 |
| Executive and independent offices | 501,821,377.00 | 398,776,740.16 |
| Legislative | 14,416,111.60 | 14,229,016.00 |
| District of Columbia | 24,573,982.00 | 26,455,105.00 |
| Increased compensation, field employees | | 26,302,767.84 |
| Second deficiency | | 172,289,092.96 |
| Total annual appropriations | 2,323,019,979.97 | 2,365,637,081.14 |
| PERMANENT AND INDEFINITE APPROPRIATIONS | | |
| Interest on public debt | 940,000,000.00 | 890,000,000.00 |
| Public-debt retirements | 511,968,125.00 | 482,277,975.00 |
| Other | 88,657,103.15 | 82,802,763.85 |
| Total permanent and indefinite appropriations | 1,540,625,228.15 | 1,455,080,738.85 |
| Total of annual appropriation acts, including permanent and indefinite appropriations | 3,863,645,208.12 | 3,820,717,819.99 |

Deficiencies for 1924 are not included in the above table. These will be balanced off by the deficiencies which will undoubtedly occur in 1925.

COOPERATIVE ROAD CONSTRUCTION

In connection with the above statement, it might be well to call attention to the appropriations for cooperative road construction. Good roads are one of the greatest of assets to the agricultural interests of the country, yet for the fiscal year 1925, $75,000,000 was authorized to be appropriated, and the Republican Congress appropriated but $13,000,000, leaving $62,000,000 to be obligated by the Secretary of Agriculture in approved road-building projects. If the entire authorization had been appropriated, the total of all the moneys appropriated for the year 1925 would be $62,000,000 in excess of the total given in the statement above, or $3,882,717,819.99.

A similar practice of appropriating but a portion of the authorization, having the remainder made available as a contractual obligation on the part of the Government, has prevailed for the two preceding years, so that, although a Republican Congress passed an act authorizing appropriations of $190,000,000 for the cooperative construction of roads, there has actually been appropriated during the last three fiscal years but $67,300,000. Unexpended balances of appropriations, the greater portion of which were made by a Democratic Congress, have enabled the Bureau of Public Roads to continue the road-building program without curtailment, but before the end of the fiscal year 1925 these balances and the meager appropriations provided by the Republican Congress will have been exhausted, and unless deficiency appropriations are made the work on road construction will be greatly delayed if not altogether suspended in some States.

Attention should also be called at this point to the law passed at this session of Congress liberalizing the benefits extended to World War veterans by the United States Veterans' Bureau. The added cost on account of this legislation is approximately $35,000,000 annually, and an additional amount

will have to be appropriated next session. That sum should be added to the total herein stated for 1925.

Most recent estimates of receipts for 1925 under the new revenue law are as follows:

*Receipts and expenditures for 1925 (estimated)*

| | | |
|---|---|---|
| Customs | | $500,000,000 |
| Internal-revenue taxes: | | |
| Individual and corporation income tax | $1,650,000,000 | |
| Miscellaneous taxes | 814,000,000 | |
| | | 2,464,000,000 |
| Miscellaneous receipts | | 473,000,000 |
| Total ordinary receipts | | 3,437,000,000 |
| At the beginning of the session in December, 1923, Treasury estimates of expenditures for the fiscal year 1925 were | | 3,298,080,444 |
| Since that estimate was submitted Congress has appropriated for 1925 to meet requirements of authorizations not then anticipated as follows: | | |
| Second deficiency | $172,289,092 | |
| Added compensation | 26,302,767 | |
| | | 198,591,859 |
| Total | | 3,496,672,303 |

It will be necessary to provide additional sums at the December session to meet other authorizations.

The estimation of receipts and expenditures a year in advance of the close of the fiscal year is necessarily an uncertain task. It is apparent from the present situation with respect to expenditures that unless the receipts exceed considerably those now in sight that there will be a deficit for the fiscal year 1925. Should a favorable increase in receipts occur it would not in any event produce more than a small surplus.

RECEIPTS FROM BACK TAXES AND SURPLUS WAR STORES

The Republican Party since it came into power on March 4, 1921, has been favored with receipts a large part of which accrue from war years and the demobilization period. The Treasury has been exceedingly slow in the audit of taxes for the war period and the years immediately following. As the result of the audit of these war and postwar tax returns, the Republican administration, since March, 1921, has had the benefit of approximately $1,070,000,000 net of payments from back taxes, after deducting the amounts which it has had to refund for overpayments arising from such audits. It has during this period also had the advantage of large receipts from sales of stores, supplies, and plants acquired during the war in an amount approximating $270,000,000. These two sums make unusual revenues of $1,340,000,000, and this sum accounts for the aggregate of excess of receipts over expenditures from March, 1921, to the present date and has left a margin of receipts which has added quite a comfortable sum to the ordinary running expenses of the Government.

NEW COMMITMENTS

| | |
|---|---|
| Congress passed during the first session laws increasing the obligation of the Government and the burden of the taxpayers, and which will ultimately require appropriations, according to the lowest estimate submitted to the extent of at least | $3,423,128,388.82 |
| In most instances these estimates will doubtless prove to be too low. There are now on the calendars, passed by one or the other of the two Houses and awaiting consideration and enactment by the other House, bills making authorizations for different projects which will ultimately require appropriations in the sum of at least | 371,688,500.00 |
| There are now on the calendars of either the Senate or the House bills favorably reported by Republican committees and which are awaiting consideration at the next session carrying authorizations which will require appropriations of at least | 533,027,052.66 |

INCREASE OF SALARIES

Congress has passed laws increasing annual salaries of Government employees, in addition to the bonus which has been paid for several years and which amounted to $35,893,110 annually, beginning July 1, 1924, as follows:

| | |
|---|---|
| District and field employees, exclusive of Postal Service | $9,271,000.00 |
| Consular officials | 495,000.00 |
| Employees of Government Printing Office | 500,000.00 |
| Senate and House employees | 362,789.20 |
| Teachers, firemen, and police of District of Columbia | 2,500,000.00 |
| The pay of officers and enlisted men in the Army and Navy has been increased in the last two years, approximately, each year | 55,000,000.00 |

Many new positions have been created with salaries ranging as high as $10,000 and $12,000 per year.

Congress passed a bill increasing the annual pay of postal employees, estimated by the department to cost $80,000,000. This bill was vetoed by the President on the last day of the session, too late to be acted upon, and will be taken up in December.

Congress passed the Bursum bill increasing the pensions of soldiers of the Civil and other wars, estimated to cost annually $58,000,000. It was vetoed by the President.

PUBLIC DEBT RETIREMENTS

The following table shows retirements on the public debt by fiscal years:

| | Total gross debt | Reduction |
|---|---|---|
| June 30, 1919 | $25,484,506,160 | |
| June 30, 1920 | 24,299,321,467 | $1,185,184,693 |
| June 30, 1921 | 23,977,450,552 | 321,870,915 |
| June 30, 1922 | 22,963,381,708 | 1,014,068,844 |
| June 30, 1923 | 22,349,707,365 | 613,674,343 |
| May 31, 1924 (11 months) | 21,544,803,326 | 804,903,909 |

It will be noted that the year of greatest retirement was in 1920, under a Democratic administration.

Reduction in taxes has been too long delayed. With an excess of receipts over expenditures each year, the Republican administration up to June 30, 1923, had used of this surplus $697,000,000 for retirement of the public debt in addition to the retirements made from the regularly constituted funds for that purpose. These surpluses, instead of being applied to debt retirement, should have been used to make a decrease in taxes which the American people have been demanding. Relief could have been granted several years ago had it not been for the desire of the administration to make a spectacular decrease in the principal of the debt.

GOVERNMENT EMPLOYEES

The following table, according to the report of the Civil Service Commission, shows the number of employees on the rolls:

| | |
|---|---|
| July 1, 1916 | 438,057 |
| Nov. 11, 1918 | 917,760 |
| July 1, 1920 | 891,116 |
| July 1, 1921 | 597,482 |
| July 1, 1922 | 560,863 |
| July 1, 1923 | 548,331 |
| Jan. 1, 1924 | 544,671 |

Thus it appears that on the first of the year the number of employees on the Government rolls was nearly 24½ per cent greater than in 1916. The peak was reached at the close of the war. During the following two and a half years, under a Democratic administration, the number was reduced by 320,278. During the two and one-half years of the Republican administration the number was reduced by 52,811.

ARMY AND NAVY

The following sums were appropriated for the Army and Navy for the fiscal years 1925 and 1916:

| | Army and Navy | 1925 | 1916 |
|---|---|---|---|
| For the Army: | | | |
| Direct appropriations, strictly military activities, War Department | $254,224,865.13 | | |
| Permanent appropriations | 900,000.00 | | |
| Reappropriations | 93,753.81 | | |
| | | $255,218,618.94 | $109,089,226.14 |
| For the Navy: | | | |
| Direct appropriations | 275,105,067.00 | | |
| Indirect appropriations | 22,500,000.00 | | |
| | | 297,605,067.00 | 149,661,864.88 |
| Total | | 552,823,685.94 | 259,751,091.02 |

THE DISARMAMENT CONFERENCE

The disarmament conference, which was concluded February 26, 1922, was heralded as a great accomplishment toward stopping competition among nations in the building of navies and, as an incident thereto, the reduction of expenses. It was an egregious failure. It is significant that the result was the scrapping of the type of ship the United States was then constructing and leaving wide open the door to competition in other types of warships. The failure of that conference is attested by the fact that ever since its adjournment there has been a demand that a new conference be called to do what the former conference failed to do. The naval bill just passed requests the President to call such a conference, but as yet he has taken no steps to do so.

As a result of the conference it became necessary for the United States to scrap seven large battleships and four battle cruisers under construction, and which, if completed, would

have given the United States the most powerful Navy in the world.

| | |
|---|---|
| There has been appropriated up to this time for the scrapping of these ships | $28,450,000 |
| There had already been expended on the construction of these vessels | 153,814,000 |
| Total cost of scrapping up to date | 182,264,000 |
| Congress is now asked to authorize a new shipbuilding program of lighter cruisers and gunboats to make the Navy of the United States the equal of that of Great Britain, as authorized by the treaty. To this end the House has passed a bill authorizing the construction of eight scout cruisers and six gunboats which will ultimately cost | 150,000,000 |
| The naval appropriation bill also carries for construction | 30,000,000 |

Unless another conference is called and is attended with greater success the construction of airplane carriers and other ships costing many millions of dollars must follow if the United States is to maintain its ratio with the Navy of Great Britain.

Republican control has signally failed to meet the hopes and expectations of the people for retrenchment of public expenditures. It has failed to give relief to the farmers, hundreds of thousands of whom have become bankrupt in the last few years because of Republican policies, foreign and domestic. Compelled to sell their products at less than cost, because of the unstable condition of the world's market, they are forced by the high protective tariff, which was levied for the benefit of a few, to pay exorbitant prices for everything which it is necessary for them to buy. Under its control fraud and corruption have found their way into the high places of government, vast public resources have been exploited for private gain, and those who are guilty have not been brought to account for the betrayal of their public trust.

Fortunately the people will have an opportunity to pass upon this record at the election which will be held in November.

RECORD OF REPUBLICAN ACCOMPLISHMENT

Mr. SANDERS of Indiana. Mr. Speaker, under the policies of the Republican Party for a half century we have builded a mighty Nation, whose magnificent history for those years is a record of Republican accomplishment.

The Republican administration took over the affairs of the Government three years ago. During that time we have a record of undertaking huge tasks, of facing great difficulties, of forging straight ahead to bring order out of chaos, a record of progress made and of gratifying results achieved in keeping with the traditions and history of the party.

When Warren Harding was sworn in as Chief Executive we were at low ebb in the aftermath of the greatest war the world has ever known. After the armistice, when everyone knew our happiness and prosperity demanded the prompt negotiation of terms of peace, countless months were wasted weaving a League of Nations covenant into the treaty of peace, and a still greater time was spent in trying to foist such an un-American war pact upon the country. During the last two years of the Democratic régime the Republican Congress undertook to prepare for peace, but were blocked at every move by an unfriendly Executive. The Republican Congress passed a joint resolution to end the war. The Democratic President vetoed it. The Republican Congress passed a comprehensive Budget law as a foundation for economic reduction of Government expenses. The Democratic President vetoed it. The Republican Congress passed an emergency tariff bill to prevent disaster to the American farmer and to protect American workmen and American industries. The Democratic Chief Executive vetoed it. The Republican Senate agreed upon reservations to the peace treaty which would prevent the surrender of our sovereignty and the sending of our soldiers to fight in European broils. The Democratic President used the mighty influence of his office to defeat the treaty with such reservations.

In short, when the Republican administration took over the reins of government we found the country as unprepared for peace as we had been unprepared for war.

What a task we faced! A world torn asunder with the financial and economic structure of Europe collapsed, with our war debt $25,000,000,000—$250 for every man, woman, and child in America—with a billion dollar yearly interest charge, with wounded and disabled soldiers in such numbers as to require the expenditure of a half billion more yearly for their care. With an overhang charge from the Railroad Administration and Shipping Board, losses inherited from the Democratic administration running into hundreds of millions, with a country still in a state of war, with our industries suffering the inevitable collapse when the war orders ended, unemployment stalking abroad. Liberty bonds down $15 on the hundred, and our scale of public expenditures tuned up to war days.

No administration at any time since the Civil War faced such a mass of confusion. And no administration since the framing of the Constitution has worked more steadily in judiciously clearing away the débris and reconstructing a working, peace-time Government.

We had promised the people we would bring about peace. We passed a resolution declaring a state of peace, which was duly signed by President Harding. Our Democratic friends said Germany would never agree to it, and if she did we would lose valuable rights which we might have had under the Versailles treaty. But Secretary Hughes negotiated a treaty with Germany which expressly ratified the peace resolution and which in terms gave to America every right granted by the old treaty and released us from the covenant of the League of Nations.

We repassed the Budget law which the Democratic President had vetoed and, after it was signed by the President, General Dawes, a business man of wide experience, was made director general, and under the leadership of a Republican President and under the direction of General Dawes, and later General Lord, the present Director of the Budget, the business affairs of the Government were so administered as to save literally hundreds of millions of dollars.

Let me explain the nature of that law and just how it effects economies. Prior to the adoption of the Budget law each of the 11 departments made its itemized estimate of needed expenditures to the Secretary of the Treasury. The Secretary had no authority to change these estimates, but merely transmitted them to Congress in a book of estimates.

The Budget law provides for a director general, who has general charge of estimates and who makes a comprehensive study of proposed expenditures. Each department submits the estimates to the Budget Bureau and the director general has authority to cut down estimates. So that for the first time in the country's history the responsibility for expenditures is located in one man. The head of each department and bureau has a more or less exaggerated idea of the needs of the department and wants to expand bureaus out of proportion to their governmental value and out of keeping with Uncle Sam's pocketbook. But now one disinterested head of the Budget Bureau, whose very function is to economize, pares the estimates down according to his complete knowledge of the Government needs.

The Budget system established a principle of exchange of equipment which has meant a saving of immense sums of money. The Lighthouse Service of the Department of Commerce was in need of certain boats, which it was planned to build at a cost of some $1,500,000.

The War Department had on hand boats which it did not need and which could have brought only a small amount if sold. These were ordered transferred to the Lighthouse Service. This was the result of the Budget system.

I could continue with many instances of saving. The Congress received the estimates from the new Budget Bureau, and in making appropriations entered into the full spirit of economy, even cutting below the amount recommended by the Budget Bureau.

By dint of economizing here and lopping off there, cutting the Army to 125,000, cutting the naval appropriations in keeping with the agreement at the arms conference, dropping employees from the pay roll wherever possible by cutting to the bone on every appropriation, we reduced the expenditures during 1922 below 1921 in the amount of over $1,700,000,000. And during 1923, a still greater amount.

After the inauguration of economies we were prepared to reduce the taxes, and the passage of the revenue act of 1921 reduced the taxes for that year in the amount of $80,000,000, and $800,000,000 in 1922.

This was accomplished by a reduction (by means of increased exemption) on every income of heads of families under $5,000 a year. The change affected 2,500,000 heads of families in the United States and reduced their Federal taxes $70,000,000. We repealed many taxes on the necessaries of life, relieving the taxpayer of the payment of almost $900,000,000.

We passed legislation providing for a Debt Funding Commission to deal with the collection of debts owed us by foreign nations. This amount reached the sum of over $11,000,000,000. No criticism is attached to the Democratic Party for most of these loans, although loans were advanced to Russia after she was of no help in carrying on the war, and all the loans were made in the most haphazard way, without requiring such bonds and other evidences of indebtedness as would make all terms definite. But it is easier to loan than to collect money. The Democrats loaned it out bountifully and our less pleasant task is to collect what we can.

Although the armistice was signed in 1918, and the Democratic President served until March, 1921, yet not one single step had been taken by him toward negotiating the payment. We provided in the funding law that the debt should not be canceled. The commission is now functioning.

We have settled with Great Britain. During 62 years, by regular increase, partial payments are to be made, the first payment being fixed at $23,000,000 in 1923, and at $175,000,000 in the last year that the loan has to run, which would be 1984. Interest is to be paid.

We have settled with Finland, and settlement has been made with Cuba and Nicaragua. Negotiations are under way with other countries.

We passed the emergency tariff law, the law authorizing cooperative marketing, the law extending the War Finance Corporation and authorizing the financing of exports of farm products—all for the benefit of the farmer. We are now trying to work out a comprehensive plan for agricultural relief.

We passed the immigration restriction act. Under its provisions the number of aliens who could enter this country at any one time was restricted to 3 per cent of the number of such nationals here as shown by the census reports. We did not want to shut the gates of America from those in foreign lands who want to enter America and build their homes and tune their hearts to the hearts of America, but we realized that restriction in numbers was needed. This was the first law ever enacted limiting the number that could come into the country. We had had various laws prescribing physical and other like tests, but no law restricting the number. Under this law in one year, it is estimated by the chairman of the House Committee on Immigration, we saved the United States from an influx of 1,500,000 aliens which we could not have properly assimilated and Americanized. It was fortunate in this time of stress and disturbed conditions that the country was spared from the ordeal of dealing with that great number of new aliens. This law we further amended, further limiting and restricting immigration.

We passed the Sweet reorganization bill creating the Veterans' Bureau, placing the responsibility upon the director, and creating district offices and suboffices so as to get nearer to the soldier. The effectiveness of administration has been improved remarkably, although there are, of course, some isolated cases which are deserving and have not yet gotten relief. In the overwhelming majority of cases adjudication is made with promptness and expedition. The Republican Congress passed the Reed-Johnson bill liberalizing and extending the provisions of the Veterans' Bureau law.

There was such unity of action during the war while the Democratic administration was in power and such a feeling of gratitude toward the American soldier that I had hoped no partisan would undertake to make political capital out of his attempt to serve the soldier, but some Democratic utterances on soldier-relief legislation leads me to state precisely what the record shows.

As soon as the Republican Congress was called in session—which was two years before the end of the Democratic President's term—we began to investigate the amounts of compensation provided by the Democratic laws for the wounded and disabled soldier. We found the amounts shockingly inadequate and immediately passed the Sweet law to increase the amounts to be paid these wounded heroes.

Under the Democratic law the highest amount paid the disabled soldier without wife or child living was $30. The Republican law provided $80.

With wife living, the Democratic law provided $45; the Republican law $90.

With wife and one child living, the Democratic law provided $55; the Republican law $95.

With wife and two children living, the Democratic law provided $65; the Republican law $100; and for double total disability $200.

The Republican measure also provided for medical and surgical treatment and appliances and greatly liberalized the insurance provisions, giving ample chance to reinstate lapsed policies.

We take no political credit for this; it was only what was justly due the soldier; but the record of the two administrations undoubtedly demonstrates our conscientious devotion to the cause of the American soldiers and that we regard providing for their care as our sacred privilege.

We passed the Fordney Protective Tariff Act. When this act was passed the Democratic fight was waged against it chiefly on two grounds: First, that we were building up a wall which would keep out all imports; second, that since we would import nothing, the nations of the world could not trade with us. But their dire prophecy has proven false. In 1922, nine months of which were under the Underwood Tariff Act, the exports sent out of this country were $3,832,000,000. In 1923, all of which was under the Fordney Act, the exports were $4,168,000,000; we thus sent out $336,000,000 more in value under a protective tariff.

Now let us look at the imports. In 1922 our imports were $3,113,000,000; in 1923 our imports were $3,792,000,000. Thus we brought in $679,000,000 more imports under a protective tariff act.

This has been the uniform history of periods under a protective policy. We encourage our own industry and give such stimulus to trade that the total exports and imports increase.

President Harding won the admiration of the world in his grasp and disposition of world problems. His appointment of Justice Hughes as Secretary of State met with universal approval. Under the President's direction Secretary Hughes has adjusted every dispute of serious import which threatened to disturb our peace relations with any foreign government. Doubts and disputes arose with reference to our status with Mexico and Russia. The terms upon which we would enter upon diplomatic relations with Mexico were stated so clearly and the justice of our position was made so plain that Mexico took definite steps to place her Government in position to be recognized, and recognition has now been granted. The Government's reason for not recognizing the Soviet Government of Russia was so candidly given that everyone believing in the rights of liberty of person and property must be in accord.

The call for the Arms Conference met with prompt and favorable response from all civilized nations. In stating our readiness to limit armament, President Harding and Secretary Hughes struck out boldly on an unbeaten path of open diplomacy, which for an instant startled the civilized world; but the world's reaction was so generous and universally favorable that for once diplomacy was ruled by the sentiment and judgment of the masses of people. The Hughes proposal for scrapping battleships and reduction of fighting machinery was agreed to substantially as proposed. The terms finally agreed upon have been a great factor in removing causes for war. As a measure of economy it is the greatest single stroke in the world's history.

We are now able to determine with reasonable certainty the amount saved to the taxpayers by reason of the Conference on Limitation of Armament. Congressman FRENCH, of Idaho, presented the Navy appropriation bill this year, and his report shows that there has been a direct saving of over $200,000,000, because the treaties put a stop to new structural work under way which would have necessitated an expenditure of that amount. In addition we will save $200,000,000 each year on cost of maintenance and upkeep of the Navy. This does not include the saving effected by not being required to fortify Guam, which would have cost $85,000,000 to fortify and still more to maintain, nor additional Philippine fortifications which would have cost equally as much. The arms conference has wrought a hundredfold more benefit to mankind in effecting economies and bringing about friendly relations than has the League of Nations.

There sits in the White House to-day a calm, hard-thinking, few-worded statesman, who has the confidence of America. Reared amid rural hardships, trained close to nature in early life, schooled in affairs of government by his service as mayor, as State senator, as president of the senate, as lieutenant governor, as governor, and as Vice President, he was eminently equipped for the high office to which Divine Providence called him.

His program for Budget economy, for tax reduction, for restricted immigration, for welfare legislation, for maintenance of protection to American labor and industry, his stalwart devotion to the great fundamentals of government, have placed high in the esteem of the people of the country that matchless outstanding American, Calvin Coolidge.

Our wise economies have brought about a condition permitting further tax reduction. We passed a bill as nearly approaching the Republican plan as was possible with our slim Republican majority. The essential feature of the Republican plan is to reduce taxation on all incomes, including surtax on large incomes, while the essential feature of the Democratic plan was to make the smallest possible reduction in surtaxes. The law as finally passed included the reduction of taxes for the present year 25 per cent.

The first Republican tax reduction law cut the maximum surtax from 65 to 50 per cent. This high surtax during the war, before opportunity was presented to change investment, brought in fairly heavy returns; but those with large investments soon

found that they could change their investments to tax-free Government bonds and municipal securities and get a much larger net yield, and they did so. This is conclusively demonstrated by the records of tax returns. In 1918 the number of incomes over one million was 67; in 1919 it was 65; in 1920 it was 33; in 1921 it was 21. If the surtax were reduced to a maximum of 25 per cent after the first year, it would mean an actual increase in revenue, because the large fortunes would be reinvested in industrial enterprises and a great stimulus for business would be furnished. This heavy surtax is the greatest factor in the high cost of living, because the ultimate consumer finally pays the bill in increased cost of the articles produced. We will work for further economies and additional tax reform.

The primary function of Congress is to legislate. In recent months it might be thought that its chief function is inquisition. The investigation of the Veterans' Bureau inaugurated and carried out by that fine Republican soldier, Senator REED of Pennsylvania, which resulted in the prosecution growing out of the Veterans' Bureau fraud brought good results.

I do not decry the investigation of the Teapot Dome transaction. That was a fortunate investigation, for there was uncovered evidence of corruption which furnished a basis for legislation and court proceedings. No legislative body, however, is warranted in neglecting its legislative duties and running rampant into the field of investigation. There have been some things in connection with the Senate investigations that have been unfortunate. The simple, everyday rules of evidence so absolutely necessary to separate the true from the false have been grossly violated. Attempts have been made to besmirch the character of men living and dead, by hearsay evidence and by expressions of vague opinions unsupported by facts. It seems passing strange that a committee will go through the mockery of swearing a witness so as to have his statement supported by the sanctity of a solemn oath and then permit the witness to spend a whole morning testifying to what somebody else said who was certainly not under oath. This in effect permits statements not only not under oath, but repeated second-handed at that. No blackmailer or lying bandit or self-confessed train robber ought to be permitted to exercise his unbridled imagination in order to gain partisan advantage for any party.

Our Democratic friends have not risen above narrow partisanship but have frequently permitted themselves to pursue a course with a view of partisan advancement. With a blare of trumpets they hailed the oil scandal with delight, but they were doomed to despair. They found Democratic ex-Cabinet members and Democratic campaign contributors the counselors of and close associates with the very men charged with corruption. A Republican Senate, a Republican House, and a Republican President acted promptly to authorize civil suits and start criminal investigations. Far from leaving the matter in partisan hands, they employed as one of the two counsel former Senator Pomerene, of Ohio, prominent Democrat, who has been frequently mentioned for the Presidency. The rights of the Government are being aggressively protected by Calvin Coolidge.

Facing a national campaign against the Republican Party which has a fine record of accomplishment in governmental affairs almost without parallel, our opponents are still seeking to divert attention from the great economic issues and great governmental principles to a side issue. A dishonest public official can not become a national issue. Crime is unconnected with party, and corruption is nonpartisan. The people of the country will not be fooled by this false cry into voting into power a party whose governmental policies are unsound and always spell disaster, and into voting out of power a party whose policies are sound and have brought prosperity and happiness to America.

The Democratic administration left us at war. The Republican administration brought about peace.

They left us endangered by the League of Nations and the loss of our sovereignty. We disentangled the Republic from foreign broils and regained our independence.

They left unemployment on every hand. We provided jobs for everyone.

They left us with an accumulating debt. We have reduced it $2,500,000,000.

They left a Government running with a saturnalia of extravagance and waste. We wrote and administered the Budget system so as to effect unheard-of economy.

They left us with a tariff for revenue act, which did not even produce revenue, and we supplanted it with a real American tariff law, which not only produced the revenue but brought prosperity.

We will go before the country under the leadership of Calvin Coolidge with every confidence of success, and under the continued policies of the Republican Party this mighty Republic with rapid strides of progress will march on to the high destiny within our reach.

### THE M'NARY-HAUGEN BILL

Mr. RUBEY. Mr. Speaker, I avail myself of this opportunity to set forth as briefly as I may the proceedings in the House and elsewhere as they occurred relative to the McNary-Haugen agricultural bill.

The final stages of the proceedings in reference to the McNary-Haugen bill began on Friday, May 30, Decoration Day. The House met at 12 o'clock and shortly thereafter began the consideration of the bill under the five-minute rule. Scarcely had the work begun when the attention of the Members were called to an article which appeared in the Washington Times, noon edition, by Representative ASWELL, of Louisiana, who read the headlines and a part of the article. The headlines in large black letters contained the information that President Coolidge wanted Congress to kill the McNary-Haugen farm bill, and stated that it would be vetoed if passed. The headlines further stated that work had already begun on a compromise measure. In the face of these glaring headlines, and despite these discouraging statements, the consideration of the bill continued during the remainder of the day.

When the House convened on Saturday, May 31, an effort was made by the majority leader, Mr. LONGWORTH, to obtain a unanimous-consent agreement under which the bill could be considered under the five-minute rule and finished on Saturday, but that the final vote on the bill would not be had until the following Tuesday. In connection with this unanimous-consent agreement I called the attention of the House to the situation in the following language:

> Reserving the right to object, let me say this: If this agreement is entered into you can mark my word that this bill will not pass this House on next Tuesday. If the gentlemen on the Republican side of the House want to take the responsibility for the defeat of this legislation, well and good; but I want the country to know where the responsibility is in the proposal of this unanimous-consent agreement to-day. You put off the vote on this bill until next Tuesday morning, and those who make the proposition know that at that time there will be 40 or 50 or 60 gentlemen in this House who are not here now, every one of whom will be against this legislation.

The chairman of the Committee on Agriculture, Mr. HAUGEN, stated that he had nothing to do with the proposition of unanimous consent offered by the gentleman from Ohio, and he asked that the bill be taken up and disposed of, and that it be taken up at once. The gentleman from Washington [Mr. SUMMERS] objected to the unanimous-consent agreement offered by Mr. LONGWORTH, and then Mr. LONGWORTH said:

> I merely desire to say that a motion will be made to adjourn when the previous question has been ordered on this bill in order to have a vote later on.

Consideration of the McNary-Haugen bill continued through the day on Saturday. Many amendments were offered, but all of them except one were rejected, and that one was offered by the gentleman from Texas [Mr. JONES], and was acceptable to the Committee on Agriculture. For that reason it was adopted. Late in the afternoon the bill was completed. The Committee of the Whole arose, Mr. GRAHAM, the Chairman, reported the bill back to the House with the recommendation that the amendment be agreed to and that the bill do pass. At that point in the proceeding Mr. VOIGT, of Wisconsin, moved that the House adjourn.

I state only the facts when I say that at the time Mr. VOIGT made the motion to adjourn the majority leader, Mr. LONGWORTH, was standing by him, and when a division was called he motioned to the men on his side of the House to stand. There is not any doubt in my mind but what he was carrying out his statement previously made that a motion to adjourn would be made in order that the final vote on the bill might go over until Tuesday of the following week. The motion to adjourn was carried, and further consideration of the McNary-Haugen bill was therefore postponed and could not come up again until Tuesday, June 3. The bill was then placed upon final passage, at which time I demanded the yeas and nays, and the roll was called. The bill was defeated—154 to 224.

On Monday, the day preceding, when Mr. LONGWORTH presented his resolution to adjourn on the 7th, and before the vote was taken, I interrogated him, calling his attention to the fact that on the following day we would vote on the McNary-Haugen bill, and asked him if the bill were defeated whether he had

any idea that other legislation could be brought in during the remaining three or four days that would help agriculture. He replied, "I think so."

On Wednesday, June 4, it was stated through the press and among the Members on the floor of the House that a modified farm relief bill was being worked out through the cooperation of the representatives of farm organizations and the Republican leaders, and it was stated, in substance, that this new proposal would authorize the War Finance Corporation to buy wheat and flour and livestock products at approximately ratio prices and export them abroad and sell them at the best obtainable prices, the loss to be paid out of the funds that had been accumulated by the War Finance Corporation. This eleventh-hour emergency legislation was submitted to the President by certain well-known Republican leaders—it is not necessary for me to name them here, but everyone knows who they are.

The President advised these gentlemen that he would consider their proposal and report later in the day. It is stated that he called into consultation some of his advisers and they gave consideration to this proposed measure. Late in the afternoon the President's answer was sent to the leaders of the House of Representatives by former Representative the Hon. Frank Mondell. For some time the steering committee conferred with Mr. Mondell, at the end of which time the Republican leader, Mr. LONGWORTH, issued the following formal statement to the press:

A large majority recorded against the McNary-Haugen bill made it evident that any legislative proposition embodying the basic principles of this bill could not be passed. While realizing fully the condition of agriculture, and with the most earnest desire to bring relief as far as legislatively possible, we have so far been unable to work out a plan which would command the necessary support.

Not a single word is said in this statement as to the views of President Coolidge in regard to the proposed compromise emergency relief measure.

Had the President agreed to any relief measure, it could have been passed. From the very moment the consideration of the McNary-Haugen bill began under the five-minute rule until the end the President's position was well known, and that in itself was sufficient to bring it to defeat. Congress will adjourn to-day, and no relief bill will be passed for the benefit of agriculture. The farmers of America will continue to present their just claims to the Congress of the United States. They are asking that American agriculture be given equal right, equal opportunities, and equal protection with those which Congress has already given to other industries. All that the farmer asks is agricultural justice and equality.

### PEACE BY PROPER PREPAREDNESS

Mr. McSWAIN. Mr. Speaker, under leave to extend my remarks, I respectfully call attention to the following facts in connection with the proposition to take the profits out of war and to equalize the burdens of war and thereby to promote the national defense and the peace of this Nation and the world.

### NOT A NEW OR SUDDEN MOVE

In the Sixty-seventh Congress I introduced a resolution, then designated H. J. Res. 400, and the same was referred to the Judiciary Committee, and one day's hearings had; but the committee made no report on same. On the convening of the Sixty-eighth Congress I introduced a resolution identical in language and purpose, now known as H. J. Res. 128, and the following is a copy of same:

Joint resolution (H. J. Res. 128) to promote peace and to equalize the burdens and to minify the profits of war

Whereas it is the duty of Congress to require that the burdens and benefits of war shall be justly and fairly distributed; and

Whereas it is the duty of all citizens to contribute to our Nation's success in war according to their several capacities and resources; and

Whereas modern warfare rests increasingly upon scientific knowledge and industrial resources and must be carried on by the Nation as a whole and not merely by the young men in arms; and

Whereas to take the profits out of war and to require equal service for all and deny special profits to any will be conducive to peace (which is our traditional policy); and

Whereas we should employ the experience of recent wars to work out and enact into law, while we are yet at peace, such provisions and policies to be pursued when the war shall come as shall empower the President immediately to mobilize all the resources of the country: Now, therefore, be it

*Resolved, etc.*, That a commission is hereby created to draft and report to the President of the United States, who in turn shall transmit the same, with or without his approval, to Congress not later than the first Monday in December, 1924, proposed legislation to accomplish in fact the principles and policies expressed in this resolution.

That said commission shall be bipartisan and nonpolitical and shall be composed of four members of the Military Affairs Committee of the House of Representatives and two members of the Military Affairs Committee of the Senate, the Secretary of War, the Secretary of the Navy, the Secretary of Commerce, and three other persons not holding official or governmental position whatever, and selected with a view to represent in a general sense the views of labor, industry, and capital, respectively.

Within 30 days after the approval of this resolution the President shall appoint and announce the members of said commission and shall direct the same to meet in the city of Washington, D. C., as soon thereafter as may be practicable and shall supply from the War Department all necessary office and clerical assistance.

When said commission shall meet it shall organize by electing one of its number as chairman and another as vice chairman, and shall appoint a secretary and proceed to draft proposed legislation to accomplish the aims and purposes of this resolution; and such proposed legislation, with any comment upon same deemed desirable, shall be transmitted to the President not later than November 1, 1924, and the President shall direct that there shall be printed not exceeding 5,000 copies thereof for the use of Congress.

That the guiding principle to control the labors of said commission is that true preparedness demands our calm and careful adoption in advance of another war of a nation-wide policy of service for all citizens to the end that while young men are laying down for their country the comforts and joys of home and family, their health, their strength and time, their blood, bodies, and life itself, others not required to make these greater sacrifices may be required to lay down equitably and fairly some of their material resources and wealth, to the great end that victory for the Nation's ideals may speedily come, and that after victory there be no need for any adjustment of compensation and no mighty war debt piled up to sap the strength of the producing activities of the people for scores of years.

That no compensation shall be paid any member of said commission, and no expenses shall be incurred by them except the actual cost of maintenance and travel to the three members of the commission not already holding an official position.

### SEVERAL BILLS PENDING IN THE HOUSE

This resolution was referred to the Committee on Military Affairs, to which had also been referred H. R. 194, by Hon. BURTON L. FRENCH, of Idaho, and H. R. 4841, by Hon. ROYAL C. JOHNSON, of South Dakota, and H. R. 811, introduced by myself. Extensive hearings were conducted, and there appeared before the committee to express approval of the result aimed at by the resolution and by H. R. 194, by Representative FRENCH, et al., and H. R. 4841, by Representative JOHNSON of South Dakota, numbers of prominent citizens and public officials, including Hon. Herbert Hoover, Secretary of Commerce; Hon. Curtis D. Wilbur, Secretary of the Navy; Hon. Dwight F. Davis, Assistant Secretary of War; Mr. William B. Colver, formerly chairman of Federal Trade Commission and member of Price Fixing Commission during the World War; Mr. R. S. Brookings, LL. D., chairman of Price Fixing Commission during the World War; Mr. Bernard M. Baruch, chairman of War Industries Board during the World War; Mr. Edward F. McGrady, representative of American Federation of Labor; Col. John D. Marky, national chairman of legislative committee of the American Legion; Hon. JOHN M. EVANS, Representative from Montana; Hon. ROYAL C. JOHNSON, Representative from South Dakota; Hon. CHARLES L. RICHARDS, Representative from Nevada; and Hon. BURTON L. FRENCH, Representative from Idaho.

After most careful consideration the committee unanimously reported, recommending the adoption of House Joint Resolution 128, for the appointment of a commission to study economic and constitutional questions and to report same to the next session of Congress. I earnestly recommend that all Members of Congress obtain a printed copy of the hearings before the Military Affairs Committee and study the same carefully. There is a vast amount of information contained in the 250 pages of printed matter. The report of the committee is as follows:

TO PROMOTE PEACE AND TO EQUALIZE THE BURDENS AND TO MINIFY THE PROFITS OF WAR

Mr. McSWAIN, from the Committee on Military Affairs, submitted the following report, to accompany H. J. Res. 128:

The Committee on Military Affairs, to whom was referred the resolution (H. J. Res. 128) to promote peace and to equalize the burdens and to minify the profits of war, having considered the same, report thereon with a recommendation that it do pass.

This resolution explains its object and purpose. The desirability of accomplishing the end sought is well expressed in the inaugural address of President Warren G. Harding, March 4, 1921, as follows:

> "Our supreme task is the resumption of our onward, normal way. Reconstruction, readjustment, restoration—all these must follow. I would like to hasten them. If it will lighten the spirit and add to the resolution with which we take up the task, let me repeat for our Nation we shall give no people just cause to make war upon us; we hold no national prejudice; we entertain no spirit of revenge; we do not hate; we do not covet; we dream of no conquest nor boast of armed prowess.
>
> "If, despite this attitude, war is again forced upon us, I earnestly hope a way may be found which will unify our individual and collective strength and consecrate all America, materially and spiritually, body and soul, to national defense. I can vision the ideal republic, where every man and women is called under the flag for assignment to duty for whatever service, military or civic, the individual is best fitted; where we may call to universal service every plant, agency, or facility, all in the sublime sacrifice for country, and not one penny of war profit shall inure to the benefit of private individual, corporation, or combination, but all above the normal shall flow into the defense chest of the Nation. There is something inherently wrong, something out of accord with the ideals of representative democracy, when one portion of our citizenship turns its activities to private gain amid defensive war while another is fighting, sacrificing, or dying for national preservation."

This sentiment was several times repeated by President Harding, and notably on December 8, 1922, in his message to Congress:

> "The proposed survey of a plan to draft all the resources of the Republic, human and material, for national defense may well have your approval. I commended such a program in case of future war, in the inaugural address of March 4, 1921, and every experience in the adjustment and liquidation of war claims and settlement of war obligations persuades me we ought to be prepared for such universal call to armed defense."

The same principle has been several times indorsed by national conventions of the American Legion.

There appeared before the committee to express approval of the result aimed at by the resolution and by H. R. 194, by Representative FRENCH, et al., and H. R. 4841, by Representative JOHNSON, South Dakota, numbers of prominent citizens and public officials, including Hon. Herbert Hoover, Secretary of Commerce; Hon. Curtis D. Wilbur, Secretary of the Navy; Hon. Dwight F. Davis, Assistant Secretary of War; Mr. William B. Colver, formerly chairman of Federal Trade Commission and member of Price Fixing Commission during the World War; Mr. R. S. Brookings, LL. D., chairman of Price Fixing Commission during the World War; Mr. Bernard M. Baruch, chairman of War Industries Board during the World War; Mr. Edward F. McGrady, representative of American Federation of Labor; Col. John D. Marky, national chairman of legislative committee of the American Legion; Hon. JOHN M. EVANS, Representative from Montana; Hon. ROYAL C. JOHNSON, Representative from South Dakota; Hon. CHARLES L. RICHARDS, Representative from Nevada; and Hon. BURTON L. FRENCH, Representative from Idaho.

The hearings have been somewhat extensive for the purpose of ascertaining the facts relating to profiteering during previous wars, and especially during the World War, in order to understand the better what laws and legislative agencies are necessary to prevent a recurrence of such inequalities and unfairness while making war. It is highly desirable that remedial and regulatory legislation be adopted during the present Congress while the successes and mistakes of the recent war are fresh in our minds, and especially while there are yet in Congress and in the public service generally many of those who participated in legislation and administration during the recent war period.

There is another strong and convincing reason for enacting into law the result of experiences in conducting war now, far in advance of another war. That reason is manifest. If we wait for the outbreak of another war, those persons then in Congress will have but faint and uncertain recollection of the governmental agencies set up during the World War to coordinate transportation, production by industries, mines, forests, and farms, and buying and consumption by the military and civilian populations. The result may and probably will be that in the rush and excitement of commencing war utterly inadequate legislation will be formulated to prevent the outrage of profiteering in war, whereby some citizens, equally bound in moral and patriotic spirit to sacrifice for the country's defense, will grow rich, many of them immensely rich, while other citizens, perhaps millions of them, are under arms, suffering the hardships of the field and trench, blistering under torrid heat or freezing with arctic coldness, being gassed, wounded, killed. Such inequality or burden in democratic America, where all have enjoyed so many blessings, is an injustice that we must not permit to be repeated.

The exact legal methods and machinery whereby to accomplish the end invariably conceded to be highly desirable are not just yet clear to your committee. Therefore, without reporting any one of the pending bills, with or without amendments, we deem it best to recommend the adoption of House Joint Resolution 128, creating a commission to continue the study we have commenced and to formulate the language necessary to accomplish the desired results. That will involve knowledge, patience, concentration, and full opportunity for conference and counsel; this a commission sitting in the recess can have. The fruit of their labors will be before us in definite and well-thought out form when we reconvene in December. A vote for the creation of this proposed commission is merely an expression of approval of the general principle that "In war, as among the citizens of America, there should be equal service and equal sacrifice for all and special profits to none."

As a well-nigh ideal program of effective preparedness, the proposition will appeal to all seeking to insure national defense. It will mean that on the outbreak of war our skeleton organization for the human, material, and financial resources of the country is ready-made. There will be universal cooperation, and we will be able to strike an instant and concentrated blow with the vast powers of the entire Nation, insuring speedy and complete victory.

But as a war deterrent it is bound to prove efficacious. Undoubtedly certain interests that have profited hugely by previous wars are, to speak mildly, not averse to the recurrence of war. These same interests, or sympathetic interests, own and control most of the great daily newspapers of the country, and these, without specific war intent, are apt to influence the public mind out of a desire to satisfy a popular craving for the sensational. But if these interests understood in advance of war that they would have to make sacrifices and bear burdens and suffer losses, and not make huge profits as heretofore, then such interests would prescribe that these newspapers controlled by them shall not unduly and unnecessarily alarm the public mind. In such case the newspapers would caution prudence and toleration and forbearance to the last.

Since no group of citizens will then have any motive to stir up an aggressive war, and other nations will be very slow to attack or outrage the rights of a nation so prepared to make prompt and cooperative effective defense, war will become very remote and improbable. We do not contend that all wars will be prevented. That is yet impossible in the present state of human development.

Again, in the event of an inevitable, unpreventable war of national defense there will also be harmonious spiritual cooperation among all citizens, because all become defenders, whether in uniform or not, and some will not feel a sense of injustice and unfairness arising from inequality. After the war there will be no heartburnings, recriminations, and demand for adjusted compensation. The Nation will resume its normal labors where it left off. There will be absent during and after the war the usual carnival of corruption and bribery. If Government officials have no contracts to let carrying great profits, there will be no motive to offer a bribe. There will not be a new class of very rich made from war profits. All will equally and sincerely rejoice at the conclusion of war and the coming of peace, because it will mean the end of suffering and sacrifice for all.

OBJECTION TO CONSIDERATION ON CONSENT CALENDAR

This report was placed upon the Union Calendar, but not being able to consider the same under the ordinary rules I had said matter placed upon the Consent Calendar, and the same was reached on the call of the Consent Calendar on June 5, when objection was made to the present consideration by the Hon. MORTON D. HULL, of Illinois, as evidenced from the following extract of the RECORD of that date:

PROMOTION OF PEACE AND EQUALIZATION OF THE BURDENS OF WAR

The next business on the Consent Calendar was House Joint Resolution 128, to promote peace and to equalize the burdens and to minify the profits of war.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. MORTON D. HULL. I object, Mr. Speaker.

In the meantime application had been made by the Hon. C. W. RAMSEYER, of Iowa, and myself to the Committee on Rules for a special resolution and rule, and accordingly on June 5 the chairman of the Committee on Rules, by the authority of the committee, reported favorably House Joint Resolution 285:

Joint resolution (H. J. Res. 285) providing for the creation of a joint commission on national defense

*Resolved, etc.*, That a joint commission is hereby created, to be known as the joint commission on national defense, which shall consist of five Senators to be appointed by the President of the Senate and five Representatives to be appointed by the Speaker.

It shall be the duty of said commission to investigate and study the most practicable and effective plan to prevent profiteering in time of war upon either the Government or the civilian population; to insure the national defense by the mobilization in time of war of all the resources of the Nation, both human and material; to discourage any tendency to aggressive warfare; and to equalize the burdens and sacrifices of defensive warfare by requiring a just and fair contribution to the national defense by all the forces and factors of national life without war profit to any private individual, corporation, or combination.

The said commission shall report its acts, proceedings, findings, and conclusions to Congress on or before the first Monday in December, 1925. The commission shall include in its report recommendations for legislation which, in its opinion, will tend to carry out the purposes of this resolution and shall specifically report upon the limitations of the powers of Congress to enact such legislation.

The commission shall elect its chairman and vice chairman, and vacancies occurring in the membership of the commission shall be filled in the same manner as the original appointments.

The commission or any subcommittee of its members is authorized to sit during the sessions or recesses of Congress, to send for persons and papers, to administer oaths, to summon and compel the attendance of witnesses, and to employ such personal services and incur such expenses as may be necessary to carry out the purposes of this resolution; such expenditures shall be paid from the contingent funds of the Senate and House of Representatives in equal proportions upon vouchers authorized by the commission and signed by the chairman thereof.

It having been made to appear that H. J. Res. 285 is not privileged matter, being a joint resolution and providing for the expenditure of money, the Hon. BERTRAND H. SNELL, of New York, chairman of the Committee on Rules, by instruction of the committee introduced a House concurrent resolution, as will appear by reference to the following extract from the proceedings in the House on June 6, 1924:

JOINT COMMISSION OF NATIONAL DEFENSE

Mr. SNELL. Mr. Speaker, I have another resolution.

The SPEAKER. The gentleman from New York offers a resolution, which the Clerk will report.

The Clerk read as follows:

"Concurrent resolution providing for the creation of a joint commission on national defense

"*Resolved by the House of Representatives of the United States of America in Congress assembled (the Senate concurring)*, That a joint commission on national defense, which shall consist of five Senators to be appointed by the President of the Senate and five Representatives to be appointed by the Speaker.

"It shall be the duty of said commission to investigate and study the most practicable and effective plan to prevent profiteering in time of war upon either the Government or the civilian population; to insure the national defense by the mobilization in time of war of all the resources of the Nation, both human and material; to discourage any tendency to aggressive warfare; and to equalize the burdens and sacrifices of defensive warfare by requiring a just and fair contribution to the natonal defense by all the forces and factors of national life without war profit to any private individual, corporation, or combination.

"The said commission shall report its acts, proceedings, findings, and conclusions to Congress on or before the first Monday in January, 1925. The commission shall include in its report recommendations for legislation which in its opinion will tend to carry out the purposes of this resolution and shall specifically report upon the limitations of the powers of Congress to enact such legislation.

"The commission shall elect its chairman and vice chairman, and vacancies occurring in the membership of the commission shall be filled in the same manner as the original appointments.

"The commission or any subcommittee of its members is authorized to sit during the sessions or recesses of Congress, to send for persons and papers, to administer oaths, to summons and compel the attendance of witnesses."

Mr. SNELL. Mr. Speaker, this resolution provides for a joint commission of both Houses, whose duty it shall be to study and investigate the most practical and effective plan to prevent profiteering in time of war upon either the Government or the civilian population; to insure the national defense by the mobilization in time of war of all the resources of the Nation, both human and material; to discourage any tendency to aggressive warfare, and to equalize the burdens and sacrifices of defensive warfare by requiring a just contribution to the national defense by all the factors of our national life. It also provides that this commission shall report back to the House its various recommendations before January 1, 1925.

The first recommendation along this line was made by President Harding, and this recommendation received a most unanimous response throughout the length and breadth of this country; and on account of the study and investigation of some of our own Members, and the introduction of bills along this line, there has been quite a general demand that Congress take notice of this proposition and give cognizance of our interest in the developments along this line. For that reason the Committee on Rules has thought it proper and just to present this resolution at this time.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. MOORE of Virginia. Is this expected to be a part of the Cleveland platform?

Mr. SNELL. It having come from a Democratic Member, I should not think it would be.

Mr. HUDDLESTON. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. HUDDLESTON. Why was this delayed so late in the session? Why is it necessary to do it now? Is war imminent?

Mr. SNELL. I do not know that it is. A great many people desire to have it presented at this time.

Mr. HUDDLESTON. Why is the national defense more relevant at this time than at other times? The gentleman has delayed until now to lay it before the House for its consideration.

Mr. SNELL. It does not require an appropriation. It just permits these people to investigate the question this summer and make a report next fall.

Mr. HUDDLESTON. Well, this resolution is not as innocent as it might be thought to be. There is a purpose behind it.

Mr. SNELL. If there is, I do not know it.

Mr. HUDDLESTON. I would like to know what the purpose is. I would like to know who really advised that.

Mr. MCSWAIN. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. MCSWAIN. The gentleman from Alabama [Mr. HUDDLESTON] asked if there is any purpose behind it. I want to say that, so far as I know, the purpose is to equalize the burdens of war, so that my children and grandchildren and yours, if they have to meet the issues that we have had to meet, may meet them with some degree of equity, so that just as America stands on the proposition of equality in time of peace, that there shall be equal rights and special privileges to none, so in time of war there shall be equal sacrifices and equal burdens imposed on all. [Applause.]

Mr. HUDDLESTON. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I will yield to the gentleman from Alabama.

Mr. HUDDLESTON. It is quite evident to me that the Committee on Military Affairs has all the jurisdiction needed to investigate the subject and that there exists no real reason along the line indicated by the gentleman from South Carolina [Mr. MCSWAIN] for appointing this commission. The real fact is, as I deduce, that the purpose of appointing this commission is to afford an instrumentality of propaganda and to exercise and advocate it between now and the beginning of the next Congress. The gentleman is providing, as I understand, for the conscription of human labor and all kinds of human material. He may think he is fighting for the conscription of property; but if he expects to get anywhere, I want to say to him that he wants to abandon that portion of the program. And let me say to the gentleman that there is a considerable body of people in the country who are opposed to the conscription of labor and the conscription of human material. Anyhow, there are some of us who are opposed to the conscription of men in time of war, and I for one am altogether opposed to the bringing in here, in the last moment of Congress, of a bill without proper investigation to provide an agency of propaganda such as the gentleman entertains. [Applause.] I think the gentleman ought to give us some time for debate on this question.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. TREADWAY. I understood the gentleman to say, in the course of his brief explanation, that there was a great general demand for this sort of an inquiry. I try to keep up with the times, but I confess that that general demand has overshawdowed my information, and I would be glad to know where it is.

Mr. SNELL. There is a general demand all over the country.

Mr. HUDDLESTON. Mr. Speaker, I am unwilling that this should be done without a quorum. I make the point of order that a quorum is not present in the House.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from Ohio moves——

Mr. LONGWORTH. I understand that there is no possibility of a conference report being reported to-night.

Mr. MOORE of Virginia. I ask the gentleman not to press that. A large number of Members will be here after a while. I do not think there will be any difficulty.

Mr. LONGWORTH. Mr. Speaker, I was not aware that such a controversial subject would be brought up.

Mr. SNELL. I will say I did not know there was any controversy about it. Mr. Speaker, I did not understand this bill was going to cause so much trouble.

The SPEAKER. Does the gentleman from Alabama withdraw his point of no quorum?

Mr. HUDDLESTON. Temporarily I withdraw it.

Mr. SNELL. I think we had better withdraw this resolution. It is nothing in which I am especially interested myself.

The SPEAKER. The gentleman withdraws the resolution, and the gentleman from Maine [Mr. HERSEY] is recognized.

NO COMMISSION TO STUDY QUESTION NOW POSSIBLE

Now, Mr. Speaker, it is manifest that no action can be taken at the present session of Congress to appoint a commission to continue the study of this great question and to report their conclusions and recommendations at the next session of Congress. I was very anxious that this commission of 10 Members of Congress might be designated, so that by correspondence they might exchange ideas and suggestions and have a special interest in the subject stimulated, so that when we reassemble in December these 10 men might assemble and formulate definite and specific suggestions as to the form and substance that legislation should take in order to accomplish the great aim desired by the peace-loving and justice-loving people of America.

PROPER PROCEDURE IS BY COMMISSION—A STUDY CAN HURT NOTHING, AND WILL SURELY HELP MUCH

There are many Members of Congress prepared now to vote in favor of legislation to prescribe in advance the methods and means of mobilizing all the resources of the Nation, human material and financial, at the outbreak of any future war. I heartily favor the general proposition because it is manifestly unjust that some citizens should grow rich during the war while others make the great sacrifice of time, of health, of body, and of life itself. The American Legion has been on record by resolution of its national conventions of several years as in favor of the language of the bill known as H. R. 4841, introduced by the Hon. ROYAL C. JOHNSON, of South Dakota. But I can see that there are many very intricate and important questions that will require careful and concentrated thought. I have been very anxious to have the benefit of the counsel and the usual contrariety of view coming from a conference of 10 men around a table devoting their time and thought to the solution of this great problem. Therefore, while I have introduced H. R. 8111, I have often and frankly stated that I am not quite sure of some of its parts and provisions, and I am sure that all of its parts are not consistent and properly related, but I introduced it in great haste as a sort of working basis and especially to provoke the criticism, both constructive and destructive, from other members of the committee and of Congress. One of the chief reasons why we ought to have a commission is because the Committee on Military Affairs, like all other committees of Congress, has several hundred bills pending before it, and the importunate proponents of these several bills are usually present and earnestly pressing their pet measures upon our attention. We are therefore distracted, and find it impossible to give the necessary quiet and connected study to such a great proposition as the universal mobilization of all the Nation's strength for national defense in time of war.

COMMISSION TO STUDY UNIVERSAL CONSCRIPTION FAVORED BY AMERICAN FEDERATION OF LABOR

After the proceedings in the House of Representatives on June 6 it was called to my attention that there is an article in the June number, 1924, of the American Federationist, written by Samuel Gompers, under the caption, "What about universal conscription for war?" In the article it is stated that the theory of universal conscription in time of war, and that its principle is just and that we must be spared all profiteering in the next war, if there is to be a next war. The seriousness of the question is emphasized, and several very pertinent and serious questions are asked. Answers are not advanced to these questions, and the reader is not sure as to what views the writer now holds on the questions propounded. But there is no doubt that the writer does favor the appointment of a commission to study this great question, as evidenced by the concluding paragraph in the article, which is as follows:

> These are things to think about. I should like to see a commission, composed of men from all walks of life, representing all forms of human effort, give study to this great question. We want no more war, but if we must have war we want to be as effective as possible and we do not want abuses and profiteering at home. What are the measures to be taken? We can not determine that question according to emotional desires, probably not according to abstract principles, and probably not according to any prearranged formula.

I am informed that there is an editorial in the June number, 1924, of the Review of Reviews, in which indorsement is given to the principle of universal mobilization in the interest, first, of proper preparedness for national defense in order to defend against an unavoidable war of aggression; second, to insure greater justice by equalizing and distributing the burdens and sacrifices of war; and, third, to promote peace by removing the temptation to incite to any war of aggression, and by deterring other nations from assaulting a nation so thoroughly prepared to defend itself by the instant cooperation of all its sources of strength.

SOME OBJECTIONS ANSWERED

Some may object to making such a study on the ground that they object to any war and object to making any preparation for war and object to drafting men to be soldiers in time of war, and therefore, to be consistent, they object to devising a plan to draft wealth and material resources to help fight a war. Such objectors are conscientious and unselfish, but I think their counsels are unsafe. Even while our Nation was composed largely of rural and agricultural people, with little commerce to defend, while still so small and weak as to excite only the friendly sympathy of other nations and never their jealousy and envy, yet then we engaged in several wars. Recently we nobly and generously rushed into what we called "the last great war to end war." We must now realize that our noble aims were not achieved in full. We destroyed hereditary autocratic power in the central empires, but autocracy is still raging in the world. The world may be reasonably safe for democracy, but the world is not functioning according to the ideals of democracy, and we are confronted with a condition of reality and not a theory of fancy. Even the League of Nations, if universally adhered to, would not prevent and exclude the recurrence of war. It could only postpone and render less frequent the outbreak of war. For that purpose it was a noble conception and is to-day a powerful reality.

WE LIVE IN A HUMAN WORLD AND NOT IN A FOOL'S PARADISE

When we study history we must comprehend the forces of selfishness and of passion that have prevailed among nations and even within nations. There have been international wars and internecine wars. Perhaps human nature has not changed so very much. Most of the Members of this Congress are sons of those who wore the blue and followed Grant and of those who wore the gray and followed Lee. Lee and Grant were both graduates of the same national military school. They had both held commissions in the United States Army. Both had resigned from the United States Army, hoping never to take up the art of war again. But both were disillusioned. With Grant Civil War broke out in a few short years after his resignation. With Lee a call came to defend his native State of Virginia against the invader. I wish there might be eternal peace, never broken by the clash of arms. I hope that war for our country will be long deferred. I favor the minimum of safe and sane outlay for armament and oppose a large standing army, but believe that our civilians should be encouraged to volunteer their services to become prepared to defend the Nation against a foreign invader or violator of our rights. I therefore think that we must be prepared, to adopt the language of South Carolina's motto, "in mind and resources" for the possible eventuality of war. Such being my views, I feel that we should plan now, while the lessons from the successes and mistakes of the World War are fresh, so to organize by legislation the machinery of government to become operated on a declaration of war by Congress as to equalize the burdens and sacrifices of warfare, so far as possible, among all our citizens.

THOUGH THE IDEAL BE PERHAPS UNATTAINABLE, YET SUBSTANTIAL PROGRESS IS POSSIBLE

Some persons object to appointing a committee to study this question, saying that "You can never take the profits out of war, because profiteering has heretofore prevailed during every war," and therefore they object to making an honest and unselfish effort toward progress. Such arguments could be made against crime and against any proposition to correct evil or to promote human advancement. Some persons object to drafting men to fight in the uniform and to drafting sufficient material resources to carry on the war in cooperation with human beings, because the fear that it is a covert and sinister scheme whereby to force the entire civilian population, especially civilian laborers, into the rigors of military discipline, even though performing nonmilitary services. I admit that a few extreme individuals have hastily contended that we ought to go to such lengths. However, I do not believe that any substantial and appreciable number of persons can be found who will advocate drafting more men and women than those necessary to conduct essentially military services, nor would they propose to draft—

which is merely another word for commandeer—any more material resources, such as railroads, factories, steamships, mines, munitions factories, and so forth, than may be actually and manifestly necessary at the time to be employed in cooperation with the military forces, either actually in the field or in supplying them with munitions, food, and clothing. Practical men, working to accomplish the ends of justice, recognize reasonable limitations. We must have idealism, but we must know its limitations.

WAR IS THE WHOLE NATION'S BUSINESS

Those who advocate the purely voluntary method of raising armies, to be consistent, should advocate the voluntary method of raising supplies to support the Army. That would exclude taxation to pay the expenses of war. That would mean our utter helplessness, and would be an express invitation to our enemies, now unknown, and I hope to remain unknown. But war is the business of the whole Nation and not a part of the Nation. If it is not everybody's business, Congress should never declare war. Being everybody's business, everybody should do his part, according to his respective ability. That is the foundation of the selective service system for human beings. Let all register and let those fit physically and mentally that can be spared from essential civilian pursuits with least dislocation to existing industries be called to the colors and assigned to different branches of service, according to their several capacities. In like manner let material wealth and financial resources be drafted in the same selective and discriminating way. A war of national defense is just as much in defense of wealth as of human beings. No conqueror would now massacre a population, but instead would impose a terrible indemnity upon property. Therefore let accumulated wealth contribute pro rata and equitably to maintain the fighting forces so that after war there may be no great war debt.

TO STOP PROFITEERING IS THE KEY TO THE SITUATION

It has been conservatively estimated by safe and sane men that about two-thirds of the war debts of this Nation represent the inflation due to war-time prices pushed up by the spirit of profiteering. The effort to tax back into the Treasury excess war profits proved largely futile. It produced a dislocation and confusion by reason of which speculators reaped enormous profits. Practical men, such as Bernard Baruch, chairman of the War Industries Board, a man of wide and successful business experience, and William B. Culver, chairman of the Federal Trade Commission and member of the Price Fixing Commission during the war, and many other equally practical and hard-headed business men, express positive conviction that war-time prices may be so stabilized and industries so regulated as to stop profiteering. When we stop profiteering we eliminate any motive to inflame the public mind unduly and unnecessarily. Practical and proven patriots, such as the nearly 1,000,000 members of the American Legion, have several times solemnly expressed their resolution that this Nation must erect now in peace an equitable and fair organization for employing, without profit, every resource of the Nation to defend the Nation's life and rights.

THIS PLAN IS NO PART OF A PACIFIST PROGRAM

Some object that this is an emotional, idealistic scheme of a few pacifists, understanding that "pacifists" are those who would supinely lie down and allow those who envy our blessings, and are jealous of our wealth, and want to occupy our land to do with us according to their own sweet will. That was the thought neither of George Washington nor Thomas Jefferson. I feel that I can safely say that 95 per cent of the practical, cool-headed, red-blooded, and thoughtful soldiers and ex-soldiers of this Nation believe that this plan that I am advocating is primarily and preeminently part of a program of proper preparedness, and, secondarily, is inspired by the ideals of democracy and prompted by the spirit of justice. If, in consequence of our preparation to defend ourselves, others may be deterred from attacking us, and war be thereby prevented, then this measure is in that sense a powerful promoter of peace. If, as a result of eliminating war profits, any of our citizens controlling the instrumentalities of publication and propaganda be influenced to encourage the preservation of peace, and not to incite to aggressive war, even by reason of the selfish motive of not being compelled to make financial sacrifice to carry on the war, and war be thus deferred and even prevented, then this measure would by this reason be a mighty agency for peace. In other words, this is the peace plan of practical men, believing in the principles of American democracy, and willing to suffer and sacrifice to defend American ideals.

THE INTERNATIONAL ASPECTS OF THIS PROPOSITION

It is commonplace to say that as America goes so goes the world; but there is much truth in the statement, as the history of the world shows since we proclaimed the Declaration of Independence. If other nations be deterred from attacking us because of our ability to defend and if self-interest prompts us not to attack others, how will war come about? Furthermore, other nations will adopt the same system of preparedness and the same forces will operate upon the human nature of their citizens. The outcome through the ages must be that the rank and file of the people must come to realize that war is a national calamity, that war means sacrifice to each and every citizen and a benefit to none. It was perhaps the greatest American practical political philosopher, Thomas Jefferson, who gave utterance to that fundamental democratic conception that among our people in peace there should be "equal rights for all and special privileges to none." So let us build on that sure foundation and proclaim a new conception of the ideals of American democracy, operating in time of war upon the principle that there shall be "equal service and equal sacrifice for all and special profits to none."

THE REVENUE ACT OF 1924

Mr. OLDFIELD. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

The following table of the number of persons making income-tax returns in 1921 is compiled from the official figures of the Treasury Department contained in Statistics of Income for 1921.

It shows the total number of persons making income-tax returns in each State, and the number benefited more by the Democratic (act of 1924) plan than by the Mellon plan, and the number benefited more by the Mellon plan than by the Democratic (act of 1924) plan.

*Comparative table showing beneficiaries of the Democratic (act of 1924) tax-reduction plan and of the Mellon plan by States*

| State | Total number making income-tax returns, 1921 | Number benefited more by Mellon plan | Number benefited more by act of 1924 (Democratic plan) |
|---|---|---|---|
| Alabama | 43,009 | 25 | 42,984 |
| Arizona | 18,477 | 1 | 18,476 |
| Arkansas | 33,839 | 8 | 33,822 |
| California | 386,082 | 237 | 385,845 |
| Colorado | 69,676 | 25 | 69,651 |
| Connecticut | 123,269 | 96 | 123,173 |
| Delaware | 15,889 | 12 | 15,877 |
| District of Columbia | 89,956 | 68 | 89,888 |
| Florida | 42,249 | 14 | 42,235 |
| Georgia | 67,719 | 24 | 67,695 |
| Hawaii | 11,481 | 22 | 11,459 |
| Idaho | 22,976 | 1 | 22,975 |
| Illinois | 611,558 | 537 | 611,021 |
| Indiana | 150,300 | 52 | 150,244 |
| Iowa | 111,483 | 24 | 111,459 |
| Kansas | 88,785 | 9 | 88,776 |
| Kentucky | 69,496 | 25 | 69,471 |
| Louisiana | 67,960 | 34 | 67,926 |
| Maine | 44,397 | 25 | 44,372 |
| Maryland | 112,963 | 109 | 112,854 |
| Massachusetts | 388,442 | 505 | 387,937 |
| Michigan | 250,147 | 174 | 249,973 |
| Minnesota | 124,501 | 81 | 124,420 |
| Mississippi | 25,614 | 5 | 25,609 |
| Missouri | 172,519 | 106 | 172,413 |
| Montana | 36,907 | 4 | 36,903 |
| Nebraska | 71,953 | 14 | 71,839 |
| Nevada | 9,710 | 1 | 9,718 |
| New Hampshire | 32,410 | 17 | 32,393 |
| New Jersey | 269,096 | 274 | 268,822 |
| New Mexico | 11,780 | 1 | 11,779 |
| New York | 1,066,637 | 2,050 | 1,064,587 |
| North Carolina | 44,161 | 38 | 44,123 |
| North Dakota | 18,440 | 1 | 18,439 |
| Ohio | 367,096 | 270 | 366,826 |
| Oklahoma | 69,381 | 15 | 69,366 |
| Oregon | 62,804 | 18 | 62,786 |
| Pennsylvania | 621,103 | 833 | 620,270 |
| Rhode Island | 48,057 | 103 | 47,954 |
| South Carolina | 25,160 | 6 | 25,154 |
| South Dakota | 21,681 | 0 | 21,681 |
| Tennessee | 60,949 | 19 | 60,930 |
| Texas | 200,188 | 66 | 200,122 |
| Utah | 26,128 | 1 | 26,127 |
| Vermont | 17,746 | 8 | 17,738 |
| Virginia | 76,257 | 21 | 76,236 |
| Washington, including Alaska | 115,698 | 21 | 115,667 |
| West Virginia | 75,277 | 38 | 75,239 |
| Wisconsin | 148,457 | 67 | 148,390 |
| Wyoming | 22,413 | 4 | 22,409 |
| Total | 6,662,176 | 6,109 | 6,656,067 |

*Comparison of the Mellon and Democratic (act of 1924) tax plans with the act of 1921 (married persons without dependents), the first $5,000 of all income to be deemed to be earned; balance unearned*

| Number of persons making returns in each class for 1921 | Income | Amount of normal tax under— | | | Amount of surtax under— | | | Amount of surtax reduction under— | | Amount of greater reduction of surtax under— | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Act of 1921 | Mellon plan | Act of 1924, Democratic plan | Act of 1921 | Mellon plan | Act of 1924, Democratic plan | Mellon plan | Act of 1924, Democratic plan | Mellon plan | Act of 1924, Democratic plan |
| 401,849 under | $1,000.00 | | | | | | | | | | |
| | 2,000.00 | | | | | | | | | | |
| | 3,000.00 | $20.00 | $11.25 | $7.50 | | | | | | | |
| | 4,000.00 | 60.00 | 33.75 | 22.50 | | | | | | | |
| | 5,000.00 | 100.00 | 56.25 | 37.50 | | | | | | | |
| 6,087,968 | 6,000.00 | 160.00 | 97.50 | 57.50 | $10.00 | | | $10.00 | $10.00 | | |
| | 7,000.00 | 240.00 | 157.50 | 87.50 | 20.00 | | | 20.00 | 20.00 | | |
| | 8,000.00 | 320.00 | 217.50 | 127.50 | 30.00 | | | 30.00 | 30.00 | | |
| | 9,000.00 | 400.00 | 277.50 | 167.50 | 40.00 | | | 40.00 | 40.00 | | |
| | 10,000.00 | 480.00 | 337.50 | 207.50 | 60.00 | $10.00 | $10.00 | 50.00 | 50.00 | | |
| | 11,000.00 | 560.00 | 397.50 | 257.50 | 80.00 | 20.00 | 20.00 | 60.00 | 60.00 | | $10.00 |
| | 12,000.00 | 640.00 | 457.50 | 317.50 | 110.00 | 40.00 | 30.00 | 70.00 | 80.00 | | 20.00 |
| | 13,000.00 | 720.00 | 517.00 | 377.50 | 140.00 | 60.00 | 40.00 | 80.00 | 100.00 | | 30.00 |
| | 14,000.00 | 800.00 | 577.50 | 437.50 | 180.00 | 90.00 | 60.00 | 90.00 | 120.00 | | 40.00 |
| | 15,000.00 | 880.00 | 637.50 | 497.50 | 220.00 | 120.00 | 80.00 | 100.00 | 140.00 | | 50.00 |
| 114,244 | 16,000.00 | 960.00 | 697.50 | 557.50 | 270.00 | 160.00 | 110.00 | 110.00 | 160.00 | | 60.00 |
| | 17,000.00 | 1,040.00 | 757.50 | 617.50 | 320.00 | 200.00 | 140.00 | 120.00 | 180.00 | | 70.00 |
| | 18,000.00 | 1,120.00 | 817.50 | 677.50 | 380.00 | 250.00 | 180.00 | 130.00 | 200.00 | | 80.00 |
| | 19,000.00 | 1,200.00 | 877.50 | 737.50 | 440.00 | 300.00 | 220.00 | 140.00 | 220.00 | | 90.00 |
| | 20,000.00 | 1,280.00 | 937.50 | 797.50 | 520.00 | 360.00 | 270.00 | 160.00 | 250.00 | | 100.00 |
| | 21,000.00 | 1,360.00 | 997.50 | 857.50 | 600.00 | 420.00 | 320.00 | 180.00 | 280.00 | | 110.00 |
| | 22,000.00 | 1,440.00 | 1,057.50 | 917.50 | 690.00 | 490.00 | 380.00 | 200.00 | 310.00 | | 120.00 |
| | 23,000.00 | 1,520.00 | 1,117.50 | 977.50 | 780.00 | 560.00 | 440.00 | 220.00 | 340.00 | | 130.00 |
| | 24,000.00 | 1,600.00 | 1,177.50 | 1,037.50 | 880.00 | 640.00 | 510.00 | 240.00 | 370.00 | | 140.00 |
| | 25,000.00 | 1,680.00 | 1,237.50 | 1,097.50 | 980.00 | 720.00 | 580.00 | 260.00 | 400.00 | | 150.00 |
| 28,948 | 26,000.00 | 1,760.00 | 1,297.50 | 1,157.50 | 1,090.00 | 810.00 | 660.00 | 280.00 | 430.00 | | 160.00 |
| | 27,000.00 | 1,840.00 | 1,357.50 | 1,217.50 | 1,200.00 | 900.00 | 740.00 | 300.00 | 460.00 | | 170.00 |
| | 28,000.00 | 1,920.00 | 1,417.50 | 1,277.50 | 1,320.00 | 1,000.00 | 830.00 | 320.00 | 490.00 | | 180.00 |
| | 29,000.00 | 2,000.00 | 1,477.50 | 1,337.50 | 1,440.00 | 1,100.00 | 920.00 | 340.00 | 520.00 | | 190.00 |
| | 30,000.00 | 2,080.00 | 1,537.50 | 1,397.50 | 1,570.00 | 1,210.00 | 1,020.00 | 360.00 | 550.00 | | 200.00 |
| | 31,000.00 | 2,160.00 | 1,597.50 | 1,457.50 | 1,700.00 | 1,320.00 | 1,120.00 | 380.00 | 580.00 | | 220.00 |
| | 32,000.00 | 2,240.00 | 1,657.50 | 1,517.50 | 1,850.00 | 1,440.00 | 1,230.00 | 410.00 | 630.00 | | 240.00 |
| | 33,000.00 | 2,320.00 | 1,717.50 | 1,577.50 | 2,000.00 | 1,560.00 | 1,320.00 | 440.00 | 680.00 | | 260.00 |
| | 34,000.00 | 2,400.00 | 1,777.50 | 1,637.50 | 2,150.00 | 1,690.00 | 1,430.00 | 460.00 | 720.00 | | 280.00 |
| 12,047 | 35,000.00 | 2,480.00 | 1,837.50 | 1,697.50 | 2,300.00 | 1,820.00 | 1,540.00 | 480.00 | 760.00 | | 300.00 |
| | 36,000.00 | 2,560.00 | 1,897.50 | 1,757.50 | 2,460.00 | 1,960.00 | 1,660.00 | 500.00 | 800.00 | | 320.00 |
| | 37,000.00 | 2,640.00 | 1,957.50 | 1,817.50 | 2,620.00 | 2,100.00 | 1,780.00 | 520.00 | 840.00 | | 330.00 |
| | 38,000.00 | 2,720.00 | 2,017.50 | 1,877.50 | 2,790.00 | 2,240.00 | 1,910.00 | 550.00 | 880.00 | | 340.00 |
| | 39,000.00 | 2,800.00 | 2,077.50 | 1,937.50 | 2,960.00 | 2,380.00 | 2,040.00 | 580.00 | 920.00 | | 360.00 |
| | 40,000.00 | 2,880.00 | 2,137.50 | 1,997.50 | 3,140.00 | 2,530.00 | 2,170.00 | 610.00 | 970.00 | | 380.00 |
| | 41,000.00 | 2,960.00 | 2,197.50 | 2,057.50 | 3,320.00 | 2,680.00 | 2,300.00 | 640.00 | 1,020.00 | | 390.00 |
| | 42,000.00 | 3,040.00 | 2,257.50 | 2,117.50 | 3,510.00 | 2,830.00 | 2,440.00 | 680.00 | 1,070.00 | | 400.00 |
| | 43,000.00 | 3,120.00 | 2,317.50 | 2,177.50 | 3,700.00 | 2,980.00 | 2,580.00 | 720.00 | 1,120.00 | | 400.00 |
| | 44,000.00 | 3,200.00 | 2,377.50 | 2,237.50 | 3,900.00 | 3,130.00 | 2,730.00 | 770.00 | 1,170.00 | | 400.00 |
| | 45,000.00 | 3,280.00 | 2,437.50 | 2,297.50 | 4,100.00 | 3,280.00 | 2,880.00 | 820.00 | 1,220.00 | | 400.00 |
| 6,051 | 46,000.00 | 3,360.00 | 2,497.50 | 2,357.50 | 4,310.00 | 3,440.00 | 3,040.00 | 870.00 | 1,270.00 | | 400.00 |
| | 47,000.00 | 3,440.00 | 2,557.50 | 2,417.50 | 4,520.00 | 3,600.00 | 3,200.00 | 920.00 | 1,320.00 | | 390.00 |
| | 48,000.00 | 3,520.00 | 2,617.50 | 2,477.50 | 4,740.00 | 3,760.00 | 3,370.00 | 980.00 | 1,370.00 | | 380.00 |
| | 49,000.00 | 3,600.00 | 2,677.50 | 2,537.50 | 4,960.00 | 3,920.00 | 3,540.00 | 1,040.00 | 1,420.00 | | 360.00 |
| | 50,000.00 | 3,680.00 | 2,737.50 | 2,597.50 | 5,190.00 | 4,080.00 | 3,720.00 | 1,110.00 | 1,470.00 | | 340.00 |
| | 51,000.00 | 3,760.00 | 2,797.50 | 2,657.50 | 5,420.00 | 4,240.00 | 3,900.00 | 1,180.00 | 1,520.00 | | 320.00 |
| | 52,000.00 | 3,840.00 | 2,857.50 | 2,717.50 | 5,660.00 | 4,410.00 | 4,090.00 | 1,250.00 | 1,570.00 | | 300.00 |
| | 53,000.00 | 3,920.00 | 2,917.50 | 2,777.50 | 5,900.00 | 4,580.00 | 4,280.00 | 1,320.00 | 1,620.00 | | 280.00 |
| | 54,000.00 | 4,000.00 | 2,977.50 | 2,837.50 | 6,150.00 | 4,750.00 | 4,470.00 | 1,400.00 | 1,680.00 | | 260.00 |
| | 55,000.00 | 4,080.00 | 3,037.50 | 2,897.50 | 6,400.00 | 4,920.00 | 4,660.00 | 1,480.00 | 1,740.00 | | 230.00 |
| 3,431 | 56,000.00 | 4,160.00 | 3,097.50 | 2,957.50 | 6,660.00 | 5,090.00 | 4,860.00 | 1,570.00 | 1,800.00 | | 200.00 |
| | 57,000.00 | 4,240.00 | 3,157.50 | 3,017.50 | 6,920.00 | 5,260.00 | 5,060.00 | 1,660.00 | 1,860.00 | | 170.00 |
| | 58,000.00 | 4,320.00 | 3,217.50 | 3,077.50 | 7,190.00 | 5,440.00 | 5,270.00 | 1,750.00 | 1,920.00 | | 140.00 |
| | 59,000.00 | 4,400.00 | 3,277.50 | 3,137.50 | 7,460.00 | 5,620.00 | 5,480.00 | 1,840.00 | 1,980.00 | | 110.00 |
| | 60,000.00 | 4,480.00 | 3,337.50 | 3,197.50 | 7,740.00 | 5,800.00 | 5,690.00 | 1,940.00 | 2,050.00 | | 80.00 |
| | 61,000.00 | 4,560.00 | 3,397.50 | 3,257.50 | 8,020.00 | 5,980.00 | 5,900.00 | 2,040.00 | 2,120.00 | | 40.00 |
| | 62,000.00 | 4,640.00 | 3,457.50 | 3,317.50 | 8,310.00 | 6,160.00 | 6,120.00 | 2,150.00 | 2,190.00 | | |
| | 63,000.00 | 4,720.00 | 3,517.50 | 3,377.50 | 8,600.00 | 6,340.00 | 6,340.00 | 2,260.00 | 2,260.00 | | |
| | 64,000.00 | 4,800.00 | 3,577.50 | 2,437.50 | 8,900.00 | 6,530.00 | 6,570.00 | 2,370.00 | 2,330.00 | $40.00 | |
| 2,240 | 65,000.00 | 4,880.00 | 3,637.50 | 3,497.50 | 9,200.00 | 6,720.00 | 6,800.00 | 2,480.00 | 2,400.00 | 80.00 | |
| | 66,000.00 | 4,960.00 | 3,697.50 | 3,557.50 | 9,510.00 | 6,910.00 | 7,040.00 | 2,600.00 | 2,470.00 | 130.00 | |
| | 67,000.00 | 5,040.00 | 3,757.50 | 3,617.50 | 9,820.00 | 7,100.00 | 7,280.00 | 2,720.00 | 2,540.00 | 180.00 | |
| | 68,000.00 | 5,120.00 | 3,817.50 | 3,677.50 | 10,140.00 | 7,290.00 | 7,530.00 | 2,850.00 | 2,610.00 | 240.00 | |
| | 69,000.00 | 5,200.00 | 3,877.50 | 3,737.50 | 10,460.00 | 7,480.00 | 7,780.00 | 2,980.00 | 2,680.00 | 300.00 | |
| | 70,000.00 | 5,280.00 | 3,937.50 | 3,797.50 | 10,790.00 | 7,680.00 | 8,040.00 | 3,110.00 | 2,750.00 | 360.00 | |
| | 71,000.00 | 5,360.00 | 2,997.50 | 3,857.50 | 11,120.00 | 7,880.00 | 8,300.00 | 3,240.00 | 2,820.00 | 420.00 | |
| | 72,000.00 | 5,440.00 | 4,057.50 | 3,917.50 | 11,460.00 | 8,080.00 | 8,560.00 | 3,380.00 | 2,900.00 | 480.00 | |
| | 73,000.00 | 5,520.00 | 4,117.50 | 3,977.50 | 11,800.00 | 8,280.00 | 8,820.00 | 3,520.00 | 2,980.00 | 540.00 | |
| | 74,000.00 | 5,600.00 | 4,177.50 | 4,037.50 | 12,150.00 | 8,480.00 | 9,090.00 | 3,670.00 | 3,060.00 | 610.00 | |
| | 75,000.00 | 5,680.00 | 4,237.50 | 4,097.50 | 12,500.00 | 8,680.00 | 9,360.00 | 3,820.00 | 3,140.00 | 680.00 | |
| 1,423 | 76,000.00 | 5,760.00 | 4,297.50 | 4,157.50 | 12,860.00 | 8,890.00 | 9,640.00 | 3,970.00 | 3,220.00 | 750.00 | |
| | 77,000.00 | 5,840.00 | 4,357.50 | 4,217.50 | 13,220.00 | 9,100.00 | 9,920.00 | 4,120.00 | 3,300.00 | 820.00 | |
| | 78,000.00 | 5,920.00 | 4,417.50 | 4,277.50 | 13,590.00 | 9,310.00 | 10,200.00 | 4,280.00 | 3,390.00 | 890.00 | |
| | 79,000.00 | 6,000.00 | 4,477.50 | 4,337.50 | 13,960.00 | 9,520.00 | 10,480.00 | 4,440.00 | 3,480.00 | 960.00 | |
| | 80,000.00 | 6,080.00 | 4,537.50 | 4,397.50 | 14,340.00 | 9,730.00 | 10,770.00 | 4,610.00 | 3,570.00 | 1,040.00 | |
| | 81,000.00 | 6,160.00 | 4,597.50 | 4,457.50 | 14,720.00 | 9,940.00 | 11,060.00 | 4,780.00 | 3,660.00 | 1,120.00 | |
| | 82,000.00 | 6,240.00 | 4,657.50 | 4,517.50 | 15,110.00 | 10,160.00 | 11,360.00 | 4,950.00 | 3,750.00 | 1,200.00 | |
| | 83,000.00 | 6,320.00 | 4,717.50 | 4,577.50 | 15,500.00 | 10,380.00 | 11,660.00 | 5,120.00 | 3,840.00 | 1,280.00 | |
| | 84,000.00 | 6,400.00 | 4,777.50 | 4,637.50 | 15,900.00 | 10,600.00 | 11,970.00 | 5,300.00 | 3,930.00 | 1,370.00 | |
| | 85,000.00 | 6,480.00 | 4,837.50 | 4,697.50 | 16,300.00 | 10,820.00 | 12,280.00 | 5,480.00 | 4,020.00 | 1,460.00 | |
| 957 | 86,000.00 | 6,560.00 | 4,897.50 | 4,757.50 | 16,710.00 | 11,040.00 | 12,590.00 | 5,670.00 | 4,120.00 | 1,550.00 | |
| | 87,000.00 | 6,640.00 | 4,957.50 | 4,817.50 | 17,120.00 | 11,260.00 | 12,900.00 | 5,860.00 | 4,220.00 | 1,640.00 | |
| | 88,000.00 | 6,720.00 | 5,017.50 | 4,877.50 | 17,540.00 | 11,490.00 | 13,220.00 | 6,050.00 | 4,320.00 | 1,730.00 | |
| | 89,000.00 | 6,800.00 | 5,077.50 | 4,937.50 | 17,960.00 | 11,720.00 | 13,540.00 | 6,240.00 | 4,420.00 | 1,820.00 | |
| | 90,000.00 | 6,880.00 | 5,137.50 | 4,997.50 | 18,390.00 | 11,950.00 | 13,870.00 | 6,440.00 | 4,520.00 | 1,920.00 | |
| | 91,000.00 | 6,960.00 | 5,197.50 | 5,057.50 | 18,820.00 | 12,180.00 | 14,200.00 | 6,640.00 | 4,620.00 | 2,020.00 | |
| | 92,000.00 | 7,040.00 | 5,257.50 | 5,117.50 | 19,260.00 | 12,410.00 | 14,540.00 | 6,850.00 | 4,720.00 | 2,130.00 | |
| | 93,000.00 | 7,120.00 | 5,317.50 | 5,177.50 | 19,700.00 | 12,640.00 | 14,880.00 | 7,060.00 | 4,820.00 | 2,240.00 | |
| | 94,000.00 | 7,200.00 | 5,377.50 | 5,237.50 | 20,150.00 | 12,880.00 | 15,230.00 | 7,270.00 | 4,920.00 | 2,350.00 | |
| | 95,000.00 | 7,280.00 | 5,437.50 | 5,297.50 | 20,600.00 | 13,120.00 | 15,580.00 | 7,480.00 | 5,020.00 | 2,460.00 | |
| 666 | 96,000.00 | 7,360.00 | 5,497.50 | 5,357.50 | 21,060.00 | 13,360.00 | 15,940.00 | 7,700.00 | 5,120.00 | 2,580.00 | |
| | 97,000.00 | 7,440.00 | 5,557.50 | 5,417.50 | 21,520.00 | 13,600.00 | 16,300.00 | 7,920.00 | 5,220.00 | 2,700.00 | |
| | 98,000.00 | 7,520.00 | 5,617.50 | 5,477.50 | 21,990.00 | 13,840.00 | 16,660.00 | 8,150.00 | 5,330.00 | 2,820.00 | |
| | 99,000.00 | 7,600.00 | 5,677.50 | 5,537.50 | 22,460.00 | 14,080.00 | 17,020.00 | 8,380.00 | 5,440.00 | 2,940.00 | |
| | 100,000.00 | 7,680.00 | 5,737.50 | 5,597.50 | 46,460.00 | 26,580.00 | 35,520.00 | 19,880.00 | 10,940.00 | 8,940.00 | |
| 1,817 | 150,000.00 | 11,680.00 | 8,737.50 | 8,597.50 | 70,960.00 | 39,080.00 | 54,020.00 | 31,880.00 | 16,940.00 | 15,940.00 | |
| | 200,000.00 | 15,680.00 | 11,737.50 | 11,597.50 | 95,960.00 | 51,580.00 | 73,020.00 | 44,380.00 | 22,940.00 | 21,440.00 | |
| 451 | 250,000.00 | 19,680.00 | 14,737.50 | 14,597.50 | 120,960.00 | 64,080.00 | 92,020.00 | 56,880.00 | 28,940.00 | 27,940.00 | |
| | 300,000.00 | 23,680.00 | 17,737.50 | 17,597.50 | 220,960.00 | 114,080.00 | 170,020.00 | 106,880.00 | 50,940.00 | 55,940.00 | |
| 63 | 500,000.00 | 39,680.00 | 29,737.50 | 29,597.50 | 470,960.00 | 239,080.00 | 370,020.00 | 231,880.00 | 100,940.00 | 130,940.00 | |
| | 1,000,000.00 | 79,680.00 | 59,737.50 | 59,597.50 | | | | | | | |

*Comparison of the Mellon and Democratic (act of 1924) tax plans with the act of 1921 (married persons without dependents), the first $5,000 of all income to be deemed to be earned; balance unearned.*

| Number of persons making returns in each class for 1921 | Income | Amount of total tax under— | | | Amount of reduction of total tax under— | | Amount of greater reduction of total tax under— | | Percentage of reduction of total tax under— | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Act of 1921 | Mellon plan | Act of 1924, Democratic plan | Mellon plan | Act of 1924, Democratic plan | Mellon plan | Act of 1924, Democratic plan | Mellon plan | Act of 1924, Democratic plan |
| 401,849 under | $1,000.00 | | | | | | | | | |
| | 2,000.00 | | | | | | | | | |
| | 3,000.00 | $20.00 | $11.25 | $7.50 | $8.75 | $12.50 | | $3.75 | $43.75 | $62.50 |
| | 4,000.00 | 60.00 | 33.75 | 22.50 | 26.25 | 37.50 | | 11.25 | 43.75 | 62.50 |
| | 5,000.00 | 100.00 | 56.25 | 37.50 | 43.75 | 62.50 | | 18.75 | 43.75 | 62.50 |
| 6,087,968 | 6,000.00 | 160.00 | 97.50 | 57.50 | 62.50 | 102.50 | | 40.00 | 39.06 | 64.06 |
| | 7,000.00 | 250.00 | 157.50 | 87.50 | 92.50 | 162.50 | | 70.00 | 37.00 | 65.00 |
| | 8,000.00 | 340.00 | 217.50 | 127.50 | 122.50 | 212.50 | | 90.00 | 36.03 | 62.50 |
| | 9,000.00 | 430.00 | 277.50 | 167.50 | 152.50 | 262.50 | | 110.00 | 35.47 | 61.05 |
| | 10,000.00 | 520.00 | 337.50 | 207.50 | 182.50 | 312.50 | | 130.00 | 35.10 | 60.10 |
| | 11,000.00 | 620.00 | 407.50 | 267.50 | 212.50 | 352.50 | | 140.00 | 34.27 | 56.85 |
| | 12,000.00 | 720.00 | 477.50 | 337.50 | 242.50 | 382.50 | | 140.00 | 33.68 | 53.13 |
| | 13,000.00 | 830.00 | 557.50 | 407.50 | 272.50 | 422.50 | | 150.00 | 32.83 | 50.90 |
| | 14,000.00 | 940.00 | 637.50 | 477.50 | 302.50 | 462.50 | | 160.00 | 32.18 | 49.20 |
| 114,244 | 15,000.00 | 1,060.00 | 727.50 | 557.50 | 332.50 | 502.50 | | 170.00 | 31.35 | 47.41 |
| | 16,000.00 | 1,180.00 | 817.50 | 637.50 | 362.50 | 542.50 | | 180.00 | 30.72 | 45.97 |
| | 17,000.00 | 1,310.00 | 917.50 | 727.50 | 392.50 | 582.50 | | 190.00 | 29.96 | 44.47 |
| | 18,000.00 | 1,440.00 | 1,017.50 | 817.50 | 422.50 | 622.50 | | 200.00 | 29.34 | 43.22 |
| | 19,000.00 | 1,580.00 | 1,127.50 | 917.50 | 452.50 | 662.50 | | 210.00 | 28.64 | 41.93 |
| | 20,000.00 | 1,720.00 | 1,237.50 | 1,017.50 | 482.50 | 702.50 | | 220.00 | 28.05 | 40.84 |
| | 21,000.00 | 1,880.00 | 1,357.50 | 1,127.50 | 522.50 | 752.50 | | 230.00 | 27.79 | 40.00 |
| | 22,000.00 | 2,040.00 | 1,477.50 | 1,237.50 | 562.50 | 802.50 | | 240.00 | 27.57 | 39.34 |
| | 23,000.00 | 2,210.00 | 1,607.50 | 1,357.50 | 602.50 | 852.50 | | 250.00 | 27.26 | 38.57 |
| | 24,000.00 | 2,380.00 | 1,737.50 | 1,477.50 | 642.50 | 902.50 | | 260.00 | 27.00 | 37.92 |
| 28,948 | 25,000.00 | 2,560.00 | 1,877.50 | 1,607.50 | 682.50 | 952.50 | | 270.00 | 26.66 | 37.21 |
| | 26,000.00 | 2,740.00 | 2,017.50 | 1,737.50 | 722.50 | 1,002.50 | | 280.00 | 26.37 | 36.59 |
| | 27,000.00 | 2,930.00 | 2,167.50 | 1,877.50 | 762.50 | 1,052.50 | | 290.00 | 26.02 | 35.92 |
| | 28,000.00 | 3,120.00 | 2,317.50 | 2,017.50 | 802.50 | 1,102.50 | | 300.00 | 25.72 | 35.34 |
| | 29,000.00 | 3,320.00 | 2,477.50 | 2,167.50 | 842.50 | 1,152.50 | | 310.00 | 25.38 | 34.71 |
| | 30,000.00 | 3,520.00 | 2,637.50 | 2,317.50 | 882.50 | 1,202.50 | | 320.00 | 25.07 | 34.16 |
| | 31,000.00 | 3,730.00 | 2,807.50 | 2,477.50 | 922.50 | 1,252.50 | | 330.00 | 24.73 | 33.58 |
| | 32,000.00 | 3,940.00 | 2,977.50 | 2,637.50 | 962.50 | 1,302.50 | | 340.00 | 24.43 | 33.06 |
| | 33,000.00 | 4,170.00 | 3,157.50 | 2,797.50 | 1,012.50 | 1,372.50 | | 360.00 | 24.28 | 32.91 |
| | 34,000.00 | 4,400.00 | 3,337.50 | 2,957.50 | 1,062.50 | 1,442.50 | | 380.00 | 24.15 | 32.79 |
| 12,847 | 35,000.00 | 4,630.00 | 3,527.50 | 3,127.50 | 1,102.50 | 1,502.50 | | 400.00 | 23.81 | 32.45 |
| | 36,000.00 | 4,860.00 | 3,717.50 | 3,297.50 | 1,142.50 | 1,562.50 | | 420.00 | 23.51 | 32.15 |
| | 37,000.00 | 5,100.00 | 3,917.50 | 3,477.50 | 1,182.50 | 1,622.50 | | 440.00 | 23.19 | 31.81 |
| | 38,000.00 | 5,340.00 | 4,117.50 | 3,657.50 | 1,222.50 | 1,682.50 | | 460.00 | 22.89 | 31.51 |
| | 39,000.00 | 5,590.00 | 4,317.50 | 3,847.50 | 1,272.50 | 1,742.50 | | 470.00 | 22.76 | 31.17 |
| | 40,000.00 | 5,840.00 | 4,517.50 | 4,037.50 | 1,322.50 | 1,802.50 | | 480.00 | 22.65 | 30.86 |
| | 41,000.00 | 6,100.00 | 4,727.50 | 4,227.50 | 1,372.50 | 1,872.50 | | 500.00 | 22.50 | 30.70 |
| | 42,000.00 | 6,360.00 | 4,937.50 | 4,417.50 | 1,422.50 | 1,942.50 | | 520.00 | 22.37 | 30.54 |
| | 43,000.00 | 6,630.00 | 5,147.50 | 4,617.50 | 1,482.50 | 2,012.50 | | 530.00 | 22.36 | 30.35 |
| | 44,000.00 | 6,900.00 | 5,357.50 | 4,817.50 | 1,542.50 | 2,082.50 | | 540.00 | 22.36 | 30.18 |
| 6,051 | 45,000.00 | 7,180.00 | 5,567.50 | 5,027.50 | 1,612.50 | 2,152.50 | | 540.00 | 22.46 | 29.98 |
| | 46,000.00 | 7,460.00 | 5,777.50 | 5,237.50 | 1,682.50 | 2,222.50 | | 540.00 | 22.55 | 29.79 |
| | 47,000.00 | 7,750.00 | 5,997.50 | 5,457.50 | 1,752.50 | 2,292.50 | | 540.00 | 22.61 | 29.58 |
| | 48,000.00 | 8,040.00 | 6,217.50 | 5,677.50 | 1,822.50 | 2,362.50 | | 540.00 | 22.67 | 29.38 |
| | 49,000.00 | 8,340.00 | 6,437.50 | 5,907.50 | 1,902.50 | 2,432.50 | | 530.00 | 22.81 | 29.13 |
| | 50,000.00 | 8,640.00 | 6,657.50 | 6,137.50 | 1,982.50 | 2,502.50 | | 520.00 | 22.95 | 28.97 |
| | 51,000.00 | 8,950.00 | 6,877.50 | 6,377.50 | 2,072.50 | 2,572.50 | | 500.00 | 23.16 | 28.74 |
| | 52,000.00 | 9,260.00 | 7,097.50 | 6,617.50 | 2,162.50 | 2,642.50 | | 480.00 | 23.34 | 28.54 |
| | 53,000.00 | 9,580.00 | 7,327.50 | 6,867.50 | 2,252.50 | 2,712.50 | | 460.00 | 23.51 | 28.31 |
| | 54,000.00 | 9,900.00 | 7,557.50 | 7,117.50 | 2,342.50 | 2,782.50 | | 440.00 | 23.66 | 28.11 |
| 3,431 | 55,000.00 | 10,230.00 | 7,787.50 | 7,367.50 | 2,442.50 | 2,862.50 | | 420.00 | 23.88 | 27.98 |
| | 56,000.00 | 10,560.00 | 8,017.50 | 7,617.50 | 2,542.50 | 2,942.50 | | 400.00 | 24.08 | 27.86 |
| | 57,000.00 | 10,900.00 | 8,247.50 | 7,877.50 | 2,652.50 | 3,022.50 | | 370.00 | 24.33 | 27.73 |
| | 58,000.00 | 11,240.00 | 8,477.50 | 8,137.50 | 2,762.50 | 3,102.50 | | 340.00 | 24.58 | 27.60 |
| | 59,000.00 | 11,590.00 | 8,717.50 | 8,407.50 | 2,872.50 | 3,182.50 | | 310.00 | 24.78 | 27.46 |
| | 60,000.00 | 11,940.00 | 8,957.50 | 8,677.50 | 2,982.50 | 3,262.50 | | 280.00 | 24.97 | 27.32 |
| | 61,000.00 | 12,300.00 | 9,197.50 | 8,947.50 | 3,102.50 | 3,352.50 | | 250.00 | 25.22 | 27.26 |
| | 62,000.00 | 12,660.00 | 9,437.50 | 9,217.50 | 3,222.50 | 3,442.50 | | 220.00 | 25.45 | 27.19 |
| | 63,000.00 | 13,030.00 | 9,677.50 | 9,497.50 | 3,352.50 | 3,532.50 | | 180.00 | 25.73 | 27.11 |
| | 64,000.00 | 13,400.00 | 9,917.50 | 9,777.50 | 3,482.50 | 3,622.50 | | 140.00 | 25.91 | 27.04 |
| 2,240 | 65,000.00 | 13,780.00 | 10,167.50 | 10,067.50 | 3,612.50 | 3,712.50 | | 100.00 | 26.22 | 26.94 |
| | 66,000.00 | 14,160.00 | 10,417.50 | 10,357.50 | 3,742.50 | 3,802.50 | | 60.00 | 26.43 | 26.85 |
| | 67,000.00 | 14,550.00 | 10,667.50 | 10,657.50 | 3,882.50 | 3,892.50 | | 10.00 | 26.68 | 26.75 |
| | 68,000.00 | 14,940.00 | 10,917.50 | 10,957.50 | 4,022.50 | 3,982.50 | $40.00 | | 26.92 | 26.66 |
| | 69,000.00 | 15,340.00 | 11,167.50 | 11,267.50 | 4,172.50 | 4,072.50 | 100.00 | | 27.20 | 26.55 |
| | 70,000.00 | 15,740.00 | 11,417.50 | 11,577.50 | 4,322.50 | 4,162.50 | 160.00 | | 27.46 | 26.44 |
| | 71,000.00 | 16,150.00 | 11,677.50 | 11,897.50 | 4,472.50 | 4,252.50 | 220.00 | | 27.69 | 26.33 |
| | 72,000.00 | 16,560.00 | 11,937.50 | 12,217.50 | 4,622.50 | 4,342.50 | 280.00 | | 27.91 | 26.22 |
| | 73,000.00 | 16,980.00 | 12,197.50 | 12,537.50 | 4,782.50 | 4,442.50 | 340.00 | | 28.16 | 26.16 |
| | 74,000.00 | 17,400.00 | 12,457.50 | 12,857.50 | 4,942.50 | 4,542.50 | 400.00 | | 28.41 | 26.11 |
| 1,423 | 75,000.00 | 17,830.00 | 12,717.50 | 13,187.50 | 5,112.50 | 4,642.50 | 470.00 | | 28.73 | 26.04 |
| | 76,000.00 | 18,260.00 | 12,977.50 | 13,517.50 | 5,282.50 | 4,742.50 | 540.00 | | 28.93 | 25.97 |
| | 77,000.00 | 18,700.00 | 13,247.50 | 13,857.50 | 5,452.50 | 4,842.50 | 610.00 | | 29.15 | 25.91 |
| | 78,000.00 | 19,140.00 | 13,517.50 | 14,197.50 | 5,622.50 | 4,942.50 | 680.00 | | 29.37 | 25.82 |
| | 79,000.00 | 19,590.00 | 13,787.50 | 14,537.50 | 5,802.50 | 5,052.50 | 750.00 | | 29.62 | 25.79 |
| | 80,000.00 | 20,040.00 | 14,057.50 | 14,877.50 | 5,982.50 | 5,162.50 | 820.00 | | 29.85 | 25.76 |
| | 81,000.00 | 20,500.00 | 14,327.50 | 15,227.50 | 6,172.50 | 5,272.50 | 900.00 | | 30.10 | 25.78 |
| | 82,000.00 | 20,960.00 | 14,597.50 | 15,577.50 | 6,362.50 | 5,382.50 | 980.00 | | 30.36 | 25.62 |
| | 83,000.00 | 21,430.00 | 14,877.50 | 15,937.50 | 6,552.50 | 5,492.50 | 1,060.00 | | 30.58 | 25.63 |
| | 84,000.00 | 21,900.00 | 15,157.50 | 16,297.50 | 6,742.50 | 5,602.50 | 1,140.00 | | 30.79 | 25.58 |
| 957 | 85,000.00 | 22,380.00 | 15,437.50 | 16,667.50 | 6,942.50 | 5,712.50 | 1,230.00 | | 31.02 | 25.53 |
| | 86,000.00 | 22,860.00 | 15,717.50 | 17,037.50 | 7,142.50 | 5,822.50 | 1,320.00 | | 31.24 | 25.47 |
| | 87,000.00 | 23,350.00 | 15,997.50 | 17,407.50 | 7,352.50 | 5,942.50 | 1,410.00 | | 31.48 | 25.45 |
| | 88,000.00 | 23,840.00 | 16,277.50 | 17,777.50 | 7,562.50 | 6,062.50 | 1,500.00 | | 31.72 | 25.43 |
| | 89,000.00 | 24,340.00 | 16,567.50 | 18,157.50 | 7,772.50 | 6,182.50 | 1,590.00 | | 31.93 | 25.40 |
| | 90,000.00 | 24,840.00 | 16,857.50 | 18,537.50 | 7,982.50 | 6,302.50 | 1,680.00 | | 32.14 | 25.37 |
| | 91,000.00 | 25,350.00 | 17,147.50 | 18,927.50 | 8,202.50 | 6,422.50 | 1,780.00 | | 32.36 | 25.34 |
| | 92,000.00 | 25,860.00 | 17,437.50 | 19,317.50 | 8,422.50 | 6,542.50 | 1,880.00 | | 32.57 | 25.30 |
| | 93,000.00 | 26,380.00 | 17,727.50 | 19,717.50 | 8,652.50 | 6,662.50 | 1,990.00 | | 32.79 | 25.26 |
| | 94,000.00 | 26,900.00 | 18,017.50 | 20,117.50 | 8,882.50 | 6,782.50 | 2,100.00 | | 33.02 | 25.21 |
| 666 | 95,000.00 | 27,430.00 | 18,317.50 | 20,527.50 | 9,112.50 | 6,902.50 | 2,210.00 | | 33.22 | 25.16 |
| | 96,000.00 | 27,960.00 | 18,617.50 | 20,937.50 | 9,342.50 | 7,022.50 | 2,320.00 | | 33.41 | 25.12 |
| | 97,000.00 | 28,500.00 | 18,917.50 | 21,357.50 | 9,582.50 | 7,142.50 | 2,440.00 | | 33.62 | 25.06 |
| | 98,000.00 | 29,040.00 | 19,217.50 | 21,777.50 | 9,822.50 | 7,262.50 | 2,560.00 | | 33.83 | 25.01 |
| | 99,000.00 | 29,590.00 | 19,517.50 | 22,197.50 | 10,072.50 | 7,392.50 | 2,680.00 | | 34.04 | 24.98 |
| | 100,000.00 | 30,140.00 | 19,817.50 | 22,617.50 | 10,322.50 | 7,522.50 | 2,800.00 | | 34.25 | 24.96 |
| 1,817 | 150,000.00 | 58,140.00 | 35,317.50 | 44,117.50 | 22,822.50 | 14,022.50 | 8,800.00 | | 39.25 | 24.12 |
| | 200,000.00 | 86,640.00 | 50,817.50 | 65,617.50 | 35,822.50 | 21,022.50 | 14,800.00 | | 41.35 | 24.26 |
| 451 | 250,000.00 | 115,640.00 | 66,317.50 | 87,617.50 | 49,322.50 | 28,022.50 | 21,300.00 | | 42.65 | 24.23 |
| | 300,000.00 | 144,640.00 | 81,817.50 | 109,617.50 | 62,822.50 | 35,022.50 | 27,800.00 | | 43.50 | 24.21 |
| | 500,000.00 | 260,640.00 | 143,817.50 | 199,617.50 | 116,822.50 | 61,022.50 | 55,800.00 | | 44.82 | 23.41 |
| 63 | 1,000,000.00 | 550,640.00 | 298,817.50 | 429,617.50 | 251,822.50 | 121,022.50 | 130,800.00 | | 45.73 | 21.96 |

COST OF CONSTRUCTING 30-FOOT DEPTH OF SHIP CANAL, HUDSON RIVER TO LAKE ONTARIO

Mr. SWEET. Mr. Speaker, the resolution which I introduced provides for the bringing down to date the estimates and surveys previously made by the Board of Army Engineers for the construction of a 30-foot waterway from the Hudson River to Lake Ontario. A very thorough survey was made in 1900 by the Board of Army Engineers representing an estimate of cost of about $100,000,000. Computing that prices have almost doubled since that date, it is my opinion that the present figure would be in the neighborhood of $200,000,000.

Water transportation as a means of carrying heavy traffic and thus relieving railroad business is, to-day, a permanent necessity and has been in the past one of the chief factors in the commercial development of the country. The railroads should mostly carry freight which requires speedy delivery. The water traffic on Lake Ontario, the Mississippi and Ohio Rivers, and around our coast has proven the possibilities of this transportation, and New York has been the pioneer in it and should continue to be.

Cheaper freight rates for farm and all other products from the Middle West to the seaboard must be provided. The New York State route provides the shortest and most feasible way for such relief. In view of the benefits to be gained for the commerce of the country by such a route, I do not think it would be too much to expect the national and New York State governments, acting in conjunction, to expend the money. The State has just bonded itself for $50,000,000 for the building of hospitals and for $45,000,000 more for the payment of a bonus to the veterans of the war. I do not see why it should not further bond itself to assist in an improvement which would greatly affect commercial development everywhere within its borders. And I do not see why the Federal Government should not provide an easy water outlet to tidewater and the sea to New York City and Europe for the products of all the Middle and Middle Western States.

The suggestion first made by Gouverneur Morris for the construction of the Erie Canal was regarded as the effusion of an eccentric mind. But men like Morris, DeWitt Clinton, and Robert Livingston had the vision to make the effusion a reality. Grumblers declared that the suggestion was impracticable; but the next generation found the canal inadequate for growing commerce. Finally, a ship canal was urged by those who again seemed visionary and a compromise was made on a barge canal. It is now found that this will not meet the needs of heavy-draft vessels which might easily proceed through a 30-foot channel to and from the Lakes to the port of New York.

Against the St. Lawrence route it seems to me there lie objections which must prevail. For five or six months of the year the channel would be difficult of navigation because of climatic conditions. Ice and fog would discourage mariners. Harbor facilities are wanting. Much time would be consumed by ocean vessels in proceeding 1,500 to 2,000 miles to the north through such a canal. This additional time and the other factors I have mentioned would militate against the success of the undertaking by keeping the great ocean freight carriers away and limiting the size of the vessels used.

Vessels would find it difficult to obtain cargoes in both directions. Nor should they proceed out of the established lanes of travel from the center of the continent through New York City. Insurance rates from New York to Liverpool the year round are 25 cents. From Montreal to Liverpool through the St. Lawrence they are forbiddingly high. Thus they are 27½ cents from the opening of navigation to the middle of October, 32½ cents to the 1st of November, 42½ cents to the 16th of November, and 55 cents from that date to the absolute close of the season. Furthermore, the canal would be built and operated in conjunction with the Canadian Government. I regard the St. Lawrence project as out of the question.

On the other hand, the reasons for a 30-foot channel from the Hudson to Oswego seem unassailable. The Hudson is impassable for a very short period and could be made navigable continually. The Army engineers have already recommended a project for deepening the Hudson to Troy. The Mohawk and barge improvements provide a basis for adequate deepening. Insurance rates would be low. Time would be saved, and great vessels would use the route. Harbor facilities would be of the best. Profit on cargoes would be made both going and coming. American territory and enterprises would be developed. New York City would be enhanced as a port and continue as the financial center of the world. That city and other points in New York would find easier shipment to and from the Middle West, particularly in the reduction of rail rates which would inevitably result. If the United States would continue as the commercial leader of the globe it must develop its commercial routes primarily for the benefit of its own people and not in conjunction with and primarily for another land and people. A ship canal from the Lakes to the Atlantic is inevitable. The Oswego-Hudson route is logical. It ought to be adopted.

AMENDING THE NATIONAL BANK AND FEDERAL RESERVE ACTS

Mr. McFADDEN. Mr. Speaker, the House Banking and Currency Committee, after careful deliberation and the holding of extensive hearings, on April 20, 1924, ordered the chairman of the committee to report the bill H. R. 8887 with a favorable recommendation, and instructions to procure a rule for immediate consideration of the bill. The bill was immediately reported and the chairman immediately presented the request of the committee for a rule, which was refused by the chairman of the Rules Committee, and not until the most persistent efforts were put forth did the Rules Committee finally present a rule for the consideration of this measure on June 3, 1924.

Notwithstanding the fact that we had repeated assurances of the passage of this bill at the present session of Congress by the leaders, the consideration of the bill, because of their attitude, has been postponed until the December session of the present Congress. This action on the part of the leaders in not permitting the action on this bill at this time precipitates a most crucial situation. The national banking system is facing a crisis because of the competition of State banks and trust companies which has grown up recently, and many of the most important national banks are awaiting the decision on this bill as to whether they will remain in the national system.

The branch banking situation is developing so rapidly throughout the several States that the refusal on the part of Congress to consider this restrictive measure at this time is simply an invitation for the extension of branch banking in the United States which will be more troublesome to deal with next December than at the present time. The importance of this measure to the Federal reserve system can not be overestimated. We are facing the development of a banking system in this country operating under the different laws of 48 States, which will be presided over by a Federal board pretending to supervise a banking system operating under State banking laws, which laws are largely administered through political influence and expediency. The practical operation of such a system will be entirely under the control of the departments of the States and the influence of a Federal board over such a system would be practically negative.

This bill has been approved and its passage at the present session of Congress urged by the Federal Reserve Board, the national banking section of the American Bankers' Association, the executive council of the American Bankers' Association, the Federal Advisory Council of the Federal Reserve Board, the Reserve City Bankers' Association, and the State bankers' associations of such States as New York, Illinois, Missouri, Kansas, Texas, and so forth, boards of trade, associations of credit men, the National Association of Credit Men, by the Comptroller of the Currency and the Secretary of the Treasury.

This bill, in my opinion, is the most important banking bill which has come before the House since the passage of the Federal reserve act, and its enactment into law is necessary to preserve and more firmly establish the benefits and advantages of that act. The business of banking is a competitive commercial enterprise like any other business which makes a profit through the rendition of service to the public. Under our financial system where in each State of the Union there are two systems of banking—National and State—each in natural competition with the other for business, it is necessary for their mutual existence that their charter powers be substantially equal. It is especially important that the national banks be not left in a position in the Federal reserve system, being compulsory members of that system, where they are unable to meet the competition from the State member banks.

You will recall that in 1917 the Federal reserve act was amended, largely as a war measure, whereby State banks were permitted to come into the Federal reserve system with the privilege of withdrawing therefrom at will and at the same time were permitted to exercise all of the charter powers given them under the respective State banking laws. Many of these State laws grant more liberal charter powers than is permitted national banks under the national bank act.

The effect of this amendment has been to permit the development within the Federal reserve system of several forms of competition between the State and National banks with the advantage in favor of the State banks. National banks can exercise no powers except those granted by Congress, and the main purpose of this bill is to restore as nearly as possible the equilibrium between the State and National banks within the Federal reserve system. The bill will not place any dis-

advantage upon the State banks, but is in many respects favorable to them, as will be later pointed out.

The unfavorable position in which the national banks have found themselves within the last few years has resulted in a large number of withdrawals from the national system, either through the absorption by State banks or direct conversion of national banks into State banks. Since January 1, 1913, 173 national banks, each with a capital of more than $100,000, gave up their national and took out State charters and carried with them total assets of nearly $2,000,000,000. This is about 10 per cent of the total assets of the entire national banking system. At this rate of defection from the national system it would not be many years before the system itself would be destroyed and the Federal reserve system thereby left with only State member banks, which could withdraw at will.

These national banks entered the State banking systems in order to place themselves upon an equal competitive basis with the State banks in their respective localities. Among those who thus left the national system are some of the great banking institutions of the country. I betray no confidence, since it is a matter of public record, when I mention such names as the Wells-Fargo, of San Francisco, the First National Bank of Cleveland, the Lowry National of Atlanta, the National Bank of Commerce, Kansas City, the Union National of Newark, the Liberty National of New York, the Irving National of New York, and the Bank of North America, of Philadelphia, as being among those now under State charters.

The Bank of North America was the first bank in the United States, and was started by Robert Morris. There is not the least shadow of a doubt that to-day the board of directors of many of our great national banks are seriously considering giving up their national charters in order to enter State systems and thereby returning to the Federal reserve system as State member banks with wider charter powers.

This is not a threat or gesture on the part of these national banks to force legislation from Congress. Many of them would prefer to be State member banks of the Federal reserve system than compulsory national bank members in it. The big banks of the country are not pressing for this legislation. They no doubt feel that they can take care of themselves. The concern should be upon the part of Congress, for the national banking system and the Federal reserve system are the creatures of Congress. Their maintenance in their fullest strength and efficiency are of vital importance to the American people in order to insure the orderly coordination of credit machinery by the National Government. It is not the life of these particular banking institutions which is at stake. It is the life of a great financial system, without which the country will fall back into the chaotic complexities of 48 different banking systems under the supervision of 48 independent and uncoordinated banking officials.

The effect on the national banking system of competition engendered by recent State legislation is not disastrous alone to the large national banks but is gradually squeezing out the national banks in the small towns and agricultural communities. These little national banks are the only arteries through which the Federal reserve system reaches the rural communities, since the small State banks have seen fit not to become members. They are compelled by law to bear the burdens of the Federal reserve system, and they deserve the most watchful care of Congress. Their loss to the national system is a total loss to the Federal reserve system, since when they are absorbed into a State system they do not later, as do the large city banks, become member banks. It is more profitable for them to remain on the outside.

This bill contains many provisions designed to aid these little national banks in the efficient conduct of their banking business.

First, let me touch upon branch banking.

The outstanding feature of banking operations on the part of State banks, which is making the greatest inroads into the national system, is that of branch banking.

State-wide branch banking is permitted in 9 States, county-wide branch banking in 2 States, and city-wide branch banking only in 9 States. (Hearings, p. 46.)

The annual report of the comptroller shows that in California 82 State banks are operating 475 branches, and 184 of these branches are beyond the limits of the city in which the parent bank is located. I understand that there has been an increase in the number of these branches since the report of the comptroller. One of these State banks is operating branches in 50 different cities and towns in California. In the various parts of the city of Detroit 14 down-town banks are operating over 200 branches. Two hundred and fifty-one State banks in the State of New York are operating branches, and in the United States as a whole it is reported that about 500 State banking institutions have in operation 1,700 branches.

This bill proceeds, therefore, upon the principle that branch banking under State laws has already gained a foothold in various parts of the United States; that in so far as it is carried on outside of the city in which the parent bank is located it involves the fact of absentee control over the finances of a community, is an unsound and un-American form of banking, and should be stopped at its present stage of development to the extent that it lies within the power of Congress to do so. The bill does not regard branch banking within the limits of a single city by the banks therein located in the same light as state-wide branch banking. This distinction between intracity and state-wide branch banking was clearly made by the Comptroller of the Currency, Mr. Henry M. Dawes, in his statement before our committee. He said:

> At the outset it should be stated that while the question of extending outside facilities in the form of offices or branches beyond the limits of the parent institution but confined to municipal limits is one that might be properly controversial, it does not, to my mind, involve the fundamental principle of branch banking. So long as such an operation is confined strictly to municipal limits, it remains in its essence a community operation conducted for the benefit of residents by residents.
>
> I will not discuss the necessity or develop the arguments which have induced State legislatures to permit this form of operation. It seems to me it is sufficient to say that these intracity activities do not run parallel at all to the operations which are involved in the extension of banking influence by direct control in the form of branches covering a whole State or limits beyond the municipality. If the principle of local control over banking facilities within city limits is recognized and such an operation is forbidden in one and permitted in another State, it would not be a real concession to any branch banking principle, since intracity banking is, after all, community banking as distinguished from State, district, or national branch banking.
>
> The city is the natural unit under which all concentrated districts of population naturally operate.
>
> Where branch banks become state-wide in their operation the problem assumes an entirely different aspect. They cease then to be institutions operated by residents for the benefit of residents. The principle of absentee control of finance and of the monopolistic aggregation of capital into huge units is involved. The balance of the Federal reserve system is materially affected. I have dilated upon the results of such developments, and nothing would seem to me to be more undesirable than to attempt to protect the national banking system by an unnecessary surrender to an unsound principle. This, in my opinion, would be the effect of granting state-wide branch banking privileges to the national banks. (Hearings, pp. 14, 15, and 16.)

This distinction was confirmed before the committee by both the governor and the vice governor of the Federal Reserve Board.

The bill, however, recognizes the right of State member banks to engage in intracity branch banking in the large cities where the State legislature has as a matter of public policy granted them this right.

The most complete information on branch banking was before the committee not only through hearings which it held but also through extensive hearings and investigations by the Joint Committee of the House and Senate, which visited the various banking centers of the country recently.

I do not feel that it is necessary for me to consume any time here in going into the arguments for and against branch banking. The strongest and clearest presentation of this whole subject may be found in the committee hearings. In reporting out this bill the committee reflected what I believe to be the overwhelming sentiment of the country against branch banking. This is an antibranch banking bill. This is clearly shown by the provisions which I shall now point out.

ANTIBRANCH BANKING FEATURES

In dealing with the consolidation of a State with a national bank, section 1 of the bill prohibits any such consolidated bank from retaining in operation any branch which the State bank might have had beyond city limits. Such a State bank can only be absorbed into the national system upon condition that it first abolish such outside branches.

Section 7, in relation to the conversion of a State bank into a national bank, prohibits such a bank from electing to retain in operation any branch which it may have had before conversion on the outside of city limits.

Section 9 prohibits any State bank having in operation branches outside of city limits to become a member of the Federal reserve system without first divesting itself of such branches. This prevents state-wide branch banking on the part of new member banks in the Federal reserve system. As to

the State banks already members of the Federal reserve system which are engaged in state-wide branch banking, this section prohibits them or any other member bank from establishing any additional branches beyond the city limits. State-wide branch banking, therefore, in the Federal reserve system will be stopped at its present stage of development.

The committee found no feasible plan to force the State member banks to divest themselves of branches which they now have outside of the city limits. This section further prohibits a State member bank from establishing any branches at all in cities with a population less than 25,000; it prohibits the establishment of more than one branch in cities from 25,000 to 50,000 population; and prohibits the establishment of more than two branches in cities of 50,000 to 100,000 population. This section, therefore, regardless of the scope of the State laws, would limit within the Federal reserve system the future establishment of branches by State banks to cities having a population of less than 100,000.

Section 8 of the bill prohibits a national bank from establishing any branches beyond the limits of the city in which the bank is located. It prohibits also the establishment by a national bank of a branch anywhere in any State which does not permit the State banks to establish branches. This provision would prevent the national banks from entering into unfair competition with the State banks. In those States which permit State banks to engage in branch banking this section authorizes the Comptroller of the Currency in his discretion, as a necessary measure of protection to the national banking system and the Federal reserve system, to permit national banks within the limits of the city in which the bank is located to establish branches. The same limitation as to numbers as is imposed with reference to population less than 100,000 by section 9 upon State member banks is also imposed by this section upon national banks.

I may say here that this permission for national banks to meet the competition of State banks engaged in branch banking in certain large cities is absolutely vital to the maintenance of the national banking system. It is an economic fact easily demonstrated by reference to recent banking history that the national banks in those cities where the State banks are engaged in branch banking will gradually die out for want of the power to meet their competitors on equal terms unless this provision of the bill is enacted into law. I need only point to cities like New Orleans and Rochester, each with only one national bank left; Cleveland and Detroit, with only three national banks left; and to San Francisco, Los Angeles, and Cincinnati, where the national banks are gradually diminishing in numbers and prestige.

In each of these cities a little over a decade ago the national banks were flourishing in numbers sufficient to maintain the strength and dignity of the national banking system. It is a well-known fact that in the great city of New York competition from the State branch banking institutions is so severe that many of the long-established national banks there are finding it impossible to function under the national laws.

The end of the national banking system would not be far distant if Congress continued to allow the hands of the national banks to be tied in those cities of the United States where under State laws the State banks are engaged in branch banking. The ultimate logical result would be that the stockholders of the Federal reserve banks in several districts would be predominantly, if not altogether, volunteer members of the Federal reserve system. Such a situation would be no less than a national calamity. It would destroy the only instrumentality through which the Federal Government can authoritatively supervise the credit machinery of the country. Compulsory membership in the Federal reserve system is necessary to its existence as a Federal instrumentality. The national banking system is, therefore, basic and the emergency condition which has now arisen in a number of large cities by reason of branch banking is necessary to be met in a spirit of justice and fairness to the national banks themselves and, what is of equal if not greater importance, to maintain the permanence of national coordination of credit instrumentalities.

It may be said that many of the national banks in New York and in certain other cities are already engaged in branch banking. This is true only where State laws have permitted branch banking. The national bank act for the past 60 years has authorized a State bank upon converting into a national bank to elect to retain its branches. Later on some of these converted State banks consolidated with other national banks, the branches being retained. Wherever national banks are operating branches within city limits we will find that these branches were originally established under State laws as branches of State banks and that these branches have been carried over into the national system under the provisions of section 5155 of the Revised Statutes of the United States. This form of branch banking has not met the need of the national banks for facilities to meet the competition of State banks in branch banking but has only served to continue this competition.

Under a ruling issued by ex-Comptroller of the Currency Crissinger, and supported by an opinion from the then Attorney General, national banks in cities where State banks were engaged in branch banking were permitted to establish what has been called "additional offices" or "tellers' windows" for the receipt of deposits and cashing checks. The theory of this ruling was based upon the doctrine that a national bank possessed the incidental power to perform this character of service because competition from State banks had created a condition which made it necessary. A limited number of these additional offices have been established, but their status is not legally certain in view of the implications in the decision of the Supreme Court in the St. Louis case, and they are otherwise not adequate to meet the situation. They were designed to meet what was regarded as a dangerous emergency in the national banking system. This bill will clear up the uncertainties which may be involved in this situation.

Now a few words in respect of the other provisions of the bill.

I shall not attempt to analyze in detail all of the sections of this bill, since many of them are obvious upon their face. I may say that the committee, first through a subcommittee, gave these sections the most careful consideration, and later the full committee considered each of them in detail. I may say also that the office of the Comptroller of the Currency has gone over the bill section by section, and both the comptroller and your chairman have held numerous conferences with bankers and their counsel from every section of the country and from every character of community. These sections of the bill were also submitted to the chief national-bank examiners in each Federal reserve district, who, in contact and consultation with the leading bankers in their districts, went over them in detail. Let me emphasize that these provisions have the approval of the Comptroller of the Currency, the Federal Reserve Board, the Federal Advisory Council, the Reserve City Bankers' Association, and the national-bank division of the American Bankers' Association.

Three or four of these sections are of great importance in themselves, and the others, taken in connection with the bill as a whole, will go a long way to restoring the equilibrium in the Federal reserve system between the National and the State banks.

CLARIFICATION OF SECTION 5200

Section 10 of the bill is a reenactment and clarification of section 5200 of the Revised Statutes, which imposes a general limitation of 10 per cent of the bank's capital and surplus upon loans to any one person. The general limitation of 10 per cent and the exceptions thereto as written in the bill remain practically the same as under existing law. The difficulty in the interpretation of section 5200 as it is now carried on the statute books is due largely to the complexity of its language, several amendments having been added from time to time to the original provision. It was considered advisable, therefore, to rewrite the whole section in precise legal terminology so that each exception to the 10 per cent limitation would stand as a complete statement capable of being interpreted with reference to any other part of the law. The language of the bill is still necessarily technical, because it is dealing with the intricate processes involved in financing commercial transactions. No section of this bill has had more careful consideration by your committee than has this section. It is the outgrowth of consultations with Government officials and with numerous bankers and their counsel from every part of the country. The language as it now stands will remove many difficulties confronting national-bank examiners and the bankers in the matter of determining the legality of loans.

REDISCOUNT BY FEDERAL RESERVE BANKS

Section 14 has a very important bearing on the rediscount of paper by the Federal reserve banks for member banks, both National and State. Under the existing law the only exception which a Federal reserve bank can make to this 10 per cent limitation is the rediscount of bills of exchange drawn against existing values. In other words, the only paper which a member bank can now present for rediscount in excess of the 10 per cent limitation is a bill of exchange. This section of the bill broadens the exception to include every class of paper exempted from the 10 per cent loan limit under section 5200. That is to say, if the paper is sufficiently sound and so secured as to permit a person to become liable to a national

bank thereon in excess of the 10 per cent limitation of the capital and surplus of the national bank, this bill provides that such paper will also be eligible for rediscount at the Federal reserve banks in excess of the 10 per cent of the capital and surplus of the bank for whom the rediscount is made. If, therefore, a State bank held paper in conformity with the exceptions enumerated in section 5200 of the Revised Statutes, such State bank might rediscount such paper at a Federal reserve bank.

The practical effect of this provision would be that the Federal reserve banks would be empowered to rediscount not only bills of exchange but also commercial paper in the form of notes and in the form of commodity paper secured by readily marketable nonperishable staples or by livestock or Government bonds. Section 14 would thus broaden the scope of eligible paper and would, therefore, have the effect of facilitating the marketing of agricultural and manufacturing products.

REAL-ESTATE LOANS

Section 18 is a reenactment of section 24 of the Federal reserve act under the provisions of which a national bank is permitted to make loans upon improved real estate. The only substantial change made from the existing law is the increase of the period for which a loan may be made upon improved city property from a period of one year to a period of five years. The demand for this change in the law has been made with great insistency and it meets with practically the unanimous approval of the national banks in the small towns and cities. The large city banks are not particularly interested in lending money upon city property, but in the case of the bank in the small communities the situation is different. First mortgages upon improved city property is the best security which the customers of the banks in the small communities can offer. The present time limit of one year is too short to meet the situation. Such real-estate loans are ordinarily made by State banks for periods from three to five years. A five-year mortgage note upon improved city property is more liquid and has a greater marketability than a one-year mortgage note.

Next to branch banking the competition which these smaller national banks feel most from the State banks is in this matter of real-estate loans. If a national bank can not accommodate its customer by lending him money upon the security of his city property for a period longer than one year, such a customer naturally goes across the street to one of the State banks or trust companies where he obtains a loan upon the security of his real estate for the period he desires. The commercial account of such a customer in many cases will gravitate toward the bank which makes him such a loan. In this manner State banks and trust companies in the smaller cities and towns have been able to make steady inroads upon the business of the national banks to such an extent as seriously to impair their progress. This section as redrafted will have the effect of lifting to a considerable extent this handicap upon the smaller national banks.

INDETERMINATE CHARTER

Section 2 changes the term of the succession of national banks from 99 years, which is the present law, to an indeterminate succession. It provides that a national bank shall continue in operation until its shareholders see fit to dissolve it; or until by reason of violation of law its franchise shall become forfeited; or until its affairs are placed in the hands of a receiver; or until Congress shall by a general or special act terminate its existence. This extension of the succession is, therefore, in no sense a perpetual charter. The life of the corporation is subject to dissolution at the will of the shareholders; at the will of the comptroller if the banking laws are violated, or if the bank becomes insolvent; and at any time by an act of Congress directed either toward a particular national bank or by general legislation affecting all national banks. In other words, Congress could at any time after the passage of this bill restore the succession to the 99-year term or to a lesser term. Personally, while I have no objection to this reservation in behalf of Congress being put in the bill, I am of the opinion that it is entirely unnecessary. This was unquestionably the feeling in this House last Congress as it passed unanimously this committee's so-called perpetual charter bill. The charter powers of a national bank are the national bank act and amendments thereto made from time to time by Congress. Congress is free at all times to amend the national banking laws or to repeal them entirely. It may abolish the national banking system by the repeal of the national bank act. When Congress compelled the national banks to become members of the Federal reserve system a very serious change was made in the charter powers of the national banks.

This provision of the bill does not involve a radical departure in banking practice. The State banks and trust companies in the great financial centers of the country have for years been operating under indeterminate charters. The report of the Comptroller of the Currency for 1921 shows this to be the situation in the following 21 States: Arkansas, Connecticut, Florida, Illinois, Kentucky, Maine, Massachusetts, Minnesota, Nebraska, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oregon, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, and West Virginia. These States include the important cities of New York, Buffalo, Boston, Chicago, St. Paul, Minneapolis, Cleveland, Cincinnati, and a number of lesser financial centers.

A few years ago Congress conferred upon national banks the right to exercise trust powers, and the trust business of national banks has developed with great rapidity since that grant. A charter limited to a term of years is, however, a considerable handicap to a bank exercising trust powers. Some legal doubt has been expressed as to its authority to administer a perpetual trust such as is often made for the purpose of establishing foundations for scientific, educational, and charitable purposes. If the national banks are to act as trustees, they should not be discriminated against by law, so as to embarrass them in handling these foundation funds for schools, hospitals, scientific societies, libraries, art galleries, museums, churches, and the like.

In the matter of long-term trusts, not perpetual, it is certainly a considerable handicap to a national bank to lose the administration of such a trust, for the reason that the trust ran for a longer term than the charter powers of the bank. As a matter of fact, a customer desiring to make a long-term trust will naturally select a State bank or trust company with an indeterminate charter. The national banks are losing trust business of this character.

It is recognized that the trust business has become a part of a well-rounded banking service. The administration of trusts is very profitable business for a bank. The trust companies operating under State laws are not only doing a regular commercial banking business but the trust business serves to increase the commercial business of the bank, and vice versa. The conduct of a large trust business by the State banks and trust companies has certainly not proven a detriment to the efficiency or to the soundness of their commercial business. There may have been a time in the history of banking in the United States when a banking service could be rendered by purely commercial banks. That day has passed. The development in the large cities is toward great banking houses doing all forms of banking under a single charter. We will never go back to the time when the receipt of savings deposits, the exercise of trust powers, and the conduct of a commercial banking business were totally divorced and conducted as separate institutions. Congress has already recognized this fact by enlarging the charter powers of the national banks to permit them to do both a savings and a trust business. This section is designed simply to permit them to do this trust business without embarrassment.

MISCELLANEOUS PROVISIONS

I shall not attempt to discuss in detail the remaining sections of the bill but will merely give a brief outline.

Section 1 permits the direct consolidation of a State with a national bank. The purpose is to eliminate the cumbersome step of first requiring a State bank to convert into a national bank before such a consolidation may take place.

Section 4 permits the organization of national banks in outlying sections of a city with a capital of not less than $100,000.

Section 6 legalizes the position of chairman of the board of directors.

Section 12 eliminates the criminal penalty for certifying a check before the deposit has been regularly entered upon the books of the bank. The penalty remains for certifying a check if funds are not in the bank at the time of certification.

Section 13 permits the board of directors of a national bank to designate an assistant cashier or vice president to sign reports to the comptroller in the absence of the president and cashier. This situation sometimes arises in case of sickness or other unavoidable absence.

Section 15 permits national banks to own stock in a safe deposit company located in or adjacent to the bank, and section 5 permits national banks to pay dividends in stock. Stock dividends are now permitted national banks under a ruling of the office of the comptroller.

Section 16 and section 17 provide certain criminal penalties for the protection of both national and State member banks of the Federal reserve system.

I am absolutely convinced that the enactment of this bill into law will put a stop to the desire of national banks to leave the national system in favor of operating under State laws. This bill is conservative and safe. It makes no concessions to unsound principles of banking. Through the cumulative effect of all of its provisions it will give new life to the national banking system and unquestionable permanence to the Federal reserve system.

DUTY OF AMERICAN CITIZENS

Mr. BIXLER. Mr. Speaker, I have listened here day after day to many splendid oratorical discourses, some commending, others assailing, this administration and the "do nothing" Congress, and I rise in self-defense. Since taking my seat I have worked quietly but enthusiastically, energetically, and untiringly in an effort to do my duty as a representative of a part of this great Nation. Much of this work is done in committee in order to get first-hand and detailed information on various subjects. To be brief, if nothing else were accomplished, the small reduction of 25 per cent for 1923 taxes is one item. As everyone knows, as a war necessity taxes higher than ever dreamed of had been placed upon our people, a tax burden so heavy that it was strangling industry and suppressing initiative and enterprise. Coincident with the Republican policy of economy came tax reduction. Under the Harding administration a revenue law was passed making substantial reduction in the high Federal taxes. Due to increased business and industry and to the economies of the administration, a very substantial surplus was created in the Federal Treasury.

This enabled our honorable Secretary of the Treasury, Andrew W. Mellon, to prepare and offer for consideration a systematic and workable plan of tax reduction, which met the approval of all citizens, and so a new revenue measure coming out of this plan has been enacted by a Republican Congress and approved by President Coolidge, who promises broader reductions and reforms in the next session of Congress. This new law relieves those of small incomes of all income taxes, those with an income of less than $10,000 per year secure about a 50 per cent reduction, and those up to $22,000 receive practically a 50 per cent reduction. Those whose income exceeds the latter amount will get a reduction less in percentage but nevertheless a substantial reduction. Practically all the excise taxes have been repealed. The national debt has been reduced in a greater sum under the Republican administration since the close of the war than our debt was reduced for the entire period from the close of the Civil War to the time of our participation in the World War.

Under the wise leadership of the late President Harding a sane program was outlined and followed. His successor, our Chief Executive, Calvin Coolidge, admirably fitted and qualified for the task thrust upon him, took up the work. He has carried on, and under his sane and statesmanlike leadership, his pronounced policy of economy, the Republican Party will continue to "Keep cool with Coolidge" and thereby continue the work so well begun. Economy: Keeping expenditures within our revenues. Result: A sound Treasury, and with it faith and confidence in our Government. Speaking of the Treasury, which contains the people's money, it should be guarded and the doors should not be left ajar for every call made upon it. There should be a reserve for a rainy day. Many times after bills are passed in good faith and after the President consults with his advisers and the Secretary of the Treasury and the Treasurer of these United States, and it is found impracticable to pay out such vast sums as are sometimes involved, and the President, in his good judgment, believes it would be a drain on the Treasury to such extent that he vetoes such measure, it is my opinion he should be sustained by his Congress.

American citizens are responsible for the character of their government—whether it be Federal, State, or local. Our public officials are nominated and elected by the people. It should be kept in mind that the work of getting good public officials is not all done on election day. It begins in the party primaries and conventions. This preliminary work for the coming presidential election is now well under way. In many States the dates of primaries and conventions for selection of candidates are past, in others they are scheduled. It is the duty of every good citizen who wishes good government to belong to a party and to participate in his party elections. It is his duty to see that the candidates nominated are party men who represent the party principles and who are pledged to support its policies and cooperate with its organization. Only in this manner can we have responsible party government, which is the most successful form of representative government yet devised. During the last few years there has been a great deal of propaganda decrying party activity. There has been an attempt to make virtue of so-called nonpartisanship. Instead of nonpartisanship being a virtue, it is a menace. It tends to break down representative government. The need of the hour is not for less partisan activity but for more of it.

The underlying cause of most political evils of to-day is the indifference of our citizens to their right of suffrage. Even the briefest study of nomination and election figures shows that the majority of the legal voters are taking no part in either their party primaries or the general elections. Less than half the citizens of the United States voted in the presidential election of 1920. The percentage taking part in the congressional elections of 1922 was even less. Such conditions make possible a government by the minority.

Representative government is not automatic. It is not self-supporting. It draws not only its authority from the people, but it draws its strength and vitality from them. Unless they participate in public affairs in an active and intelligent manner their government must of necessity cease to be representative.

I implore both men and women to take active interest in public affairs; to study and read and to glean the good from the bad, the truth from the scandal and hearsay; and to go to the polls well equipped to cast their vote on the right side. This is the duty and privilege of every American citizen.

We must educate our children and ourselves to know the laws, both written and unwritten, and to obey them, and not because others break the law be inclined to believe the world is all wrong and there is not need in making or obeying the law.

The Republican Party has always stood for protective tariff, and the result has always been prosperity. Here you have an important difference between Republican and Democratic fiscal policies and results. The Democrats always get less revenue from their legislation than they expect; the Republicans get more. The Democrats get less because their laws discourage business; the Republicans get more because their legislation encourages business. Which do you want?

Among other accomplishments of the Republican Congress, the much-needed immigration law with protection to our native and adopted sons is another move in the right direction.

Although it has not yet received its full measure of prosperity, agriculture has gone forward a long distance from the depression of 1921, and conditions justify the belief that this improvement will continue. I would suggest that a commission be appointed of men well versed in this line to make a complete investigation of agriculture and to determine the best method of relief. Agricultural relief can not be temporary, as prices are fixed by supply and demand. Action is promised in the December session.

Business is optimistic and preparing for a record-breaking year. Government securities are selling at par and better, while interest rates are normal, encouraging legitimate industrial and business expansion. Let us keep looking upward, with our eyes on the stars and our feet on the ground.

FEDERAL RESERVE BANKS

Mr. FULMER. Mr. Speaker and gentlemen of the House, during the last Congress a joint congressional committee was appointed with Mr. MCFADDEN, of Pennsylvania, as its chairman, to hold sessions between the Sixty-seventh and Sixty-eighth Congresses for the specific purpose of ascertaining what could be done to bring about a better feeling on the part of member banks toward the Federal reserve banks and to induce nonmember banks to join the Federal reserve system. Although this committee was to report to the Sixty-eighth Congress six months ago, up to this time we have not yet had this report. I have asked for it repeatedly and have in each instance been informed that it had not yet been printed.

Now, Mr. Speaker, the refusal of this commission to make this report so that some intelligent information could be had in connection with the reason for the passage of this McFadden bill should be, I am sure, a very just reason on the part of the House not to pass this bill at this session of the Congress, in order that Members may have a chance to know the real situation.

I have received around 2,000 letters from national banks from every State in the Union in the interest of my bill, H. R. 3206. Although these letters recite their grievances and suggest what should be done to relieve the situation, not one of them mentions branch banking.

I wish to warn State banks and independent National banks that if they sit idly by now and permit the passage of the McFadden bill during this Congress or the next they will very soon have the displeasure of seeing branch banking all over this country, and that their days of usefulness to agriculture, to individuals, and to small business communities will come to

an end. I also wish to take this opportunity to warn Members here who are interested in equal rights to all and special privileges to none, and those of you who do not want to see the small, independent banks pushed out or forced to sell to these money barons who seem hell bent on controlling the financial system of this country, you had better go slow in lending your aid toward the passage of this bill. No doubt many of you have received letters from your banks at home telling you how they are being sidetracked, penalized, and left by the roadside, helpless because of the burdensome regulations and manner of administration of the Federal reserve system; yet none of them have said we want a bill passed to allow branch banking either in the large cities or anywhere else.

You should read my speech on the Federal reserve system in the CONGRESSIONAL RECORD of June 5, and you will find why national banks are leaving the system—not for branch banking, as some folks would have you believe. I have received fifty-odd letters from national banks or bankers from the State of California relating their trials and tribulations as members of the system, but not one of them states that they want branch banking.

I have 100 letters from Mr. MCFADDEN's State, Pennsylvania, also backing my statements as related in my speech of June 5, but not one of them mentions branch banking. I wish that I could be allowed to print in the RECORD these 2,000 letters from every State in the Union so that Members of Congress might be enlightened on this subject. I hope that you will get in touch with your banker while at home this summer and acquaint yourself with the facts straight from your banker. They tell you about indorsements from bankers' conventions. Who is it that runs these conventions and puts through these indorsements? If you have had anything to do with politics, political conventions, or any other kind of conventions, you know that just a few schemers usually run things. While you are at home this summer drop in and talk these matters over with your bankers and come back next December and let us put through some legislation that will dig down to the root of the matter regardless of what those who represent special interests will have to say about it.

I am going to take the liberty to insert in the RECORD just three letters from Representative MCFADDEN's State that you might be able to know how his bankers feel on the subject discussed by me on the 5th of June.

Now, let us see who appeared before the Banking and Currency Committee asking for the establishment of branch banking because of the necessity to compete with certain State banks now engaged in branch banking. First, Mr. E. H. Cruse, assistant legislative representative, Brotherhood of Locomotive Engineers, Washington, D. C. If you will read his one-page testimony in the hearings, you will readily see that the reason he gives for branch banking plainly shows what he knows about any kind of banking. Next, Arthur J. Lovel, president of the same organization. I want you to read his one-half page statement on page 48 of the hearings and see what he knows about banking and why he is making an appeal for the passage of the McFadden bill. Listen to this statement of his:

I just want to second what Mr. Cruse has said. Our brotherhood has no bank, but we have between twelve and thirteen millions of dollars on deposit with these banks throughout the various States, and we do not see any good reason why there should be any difference between the privileges of the State banks and the National banks. We do not know why there should be flesh of one and fowl of the other.

Why should these two men who live here in Washington and represent certain unions and who say, "We have no banks, but we can't see why," and so forth, be listed? Because when Mr. MCFADDEN appears before you he will be in a position to tell you that those representing labor unions appeared and indorsed the measure.

Next comes Mr. Edward Elliott, vice president Security Trust & Savings Bank, Los Angeles, Calif., who states:

We have 33 branch banks with capital and surplus and undivided profits amounting to $14,000,000 and deposits of $185,000,000. You may go to it with wide-open branch banking, provided you allow us to continue to remain members of the Federal reserve system so that we may enjoy all of the privileges now enjoyed by national banks.

I want you to rend in his testimony a letter from the Federal Reserve Bank of San Francisco, Calif., signed by the chairman of its board, in which it is stated that it will be satisfactory to remain in the system and establish branch banks, provided they do not impair the general strength and safety of the institution. I fail to find anywhere in the Federal reserve act any power granted to the system to encourage branch banking by taking on State banks with branches and saying to them, "You can continue to reach out, buy up, or force out independent banks and come right on in the system, for it will take care of you." Now, to cure this ill it is proposed to extend branch banking to national banks. You will be told that this will apply only to cities of certain population and States where the State laws permit branch banking, and so forth. You know what this means.

If you are going to allow it in cities of 25,000 inhabitants, then in cities of 5,000 or 10,000, why not the State as a whole? Next, we have before the committee Mr. John S. Drum, president Mercantile Trust Co., San Francisco, Calif., who states that 88 State banks in California have 480 branches. He also states that his bank has 46 branches, whose capital, surplus, and undivided profits aggregate $12,500,000 and whose deposits amount to $128,000,000. He still further states that he and Mr. Elliott represent the four largest banks in California, namely, Bank of Italy, with 75 branches; Mercantile Trust Co., with 46 branches; Pacific Southwest, with 75 branches; Security Trust & Savings Bank, with 28 branches. The combined capital of these four banks amounts to $1,000,000,000. Just think of two men representing four banks controlling 264 branches in 264 communities removed from the four mother banks! Yet these communities are under the control of these two men, or perhaps four men, at the mother banks that are far removed from the personal touch of the people comprising them. With the backing of a billion dollars, these two or four men can by a stroke of the pen either take care of any of these communities or special interests represented there or destroy them. This is not right, and you should demand more time on this McFadden bill, so that you may acquaint yourself with the facts and do the right thing in this kind of legislation. Mr. Drum states:

We have about 45 to 47 per cent of the entire deposits of all the banks in California.

Thus the whole scheme, when finally worked out, will place the United States in line with England. In 1842 she had 429 banks; in 1922 only 20 banks. Of these 20 banks, 5 controlled practically all of the banking of the nation. About 7,900 branches are in operation. There are only about 9 banks with 1,400 branches in Scotland. Ireland has about 9 banks with 800 branches. In 1885 there were 41 independent banks in Canada; in 1905 only 35; while to-day 14 banks with 5,000 branches are operating there. In other words, Montreal and Toronto control the finances of Canada. You will find these statements in the Bulletin of American Institute of Banking for July, 1923. Mr. Dawes, Comptroller of the Currency, recognizes that branch banking will ruin the country, yet, I suppose, in carrying out a policy settled upon by some of the members of the Federal reserve system, he joins with them in recommending the passage of the McFadden bill. Listen to Mr. Dawes's statements:

In branch banking character loans are impossible. By character loans is meant loans to people whose collateral is perhaps faulty from a technical standpoint but who are entitled to credit on account of their constructive influence in the community and intiative, enterprise, and character. This applies with particular force to the young, aggressive type of man, who has built up the western and pioneering sections of the country. Jim Hill, for example, at the beginning of his career did not have the kind of collateral which would pass the scrutiny of a branch banker. The development of America is dependent on nothing more than on the independent unit bankers of vision, courage, and independence, whose first interest in the creditor is his character.

The coercive power of a branch banker bent on expansion is very great. He is able to temporarily reduce interest rates until he gets banking control, and the cost of this can easily be reimbursed after he has secured a monopoly. The branch banker can secure the services of the employees of the unit banks by higher salaries. They can have the patrons of their own institutions influence and compel their customers and people who depend upon them for business accommodations to transfer their accounts from unit banks into the branch banks.

The third point, which is frequently of very great importance, is the ability to take care of emergency situations. When an acute emergency arises in a community it is impossible to get prompt and effective assistance where the local representative is compelled to refer back to the head office in another city. Even if the control of the institution were disposed to go to extreme lengths to relieve an emergency, by the time the necessary red tape was unrolled the assistance would be too late.

Mr. Platt, a member of the Federal Reserve Board, originally from New York, let the cat out of the bag when he made the following statement before the committee. Quoting Mr. Platt:

I think I may fairly say that the members of the Federal Reserve Board regret that this liberalizing feature of the bill does not go to the full limit of permitting the establishment of branches in all cities

large enough to have need for outlying banking facilities as a matter of right and without regard to the limitations of State laws. It would seem that the national banks might sometimes be permitted to take the lead in a matter of branch banking, which every competent banker and every economist approves.

Now, gentlemen, what more do you want than this statement coming from the Federal Reserve Board to satisfy your minds as to who wants branch banking and for what purpose. I want to say to Mr. Platt, who seems to represent the feelings of New York in this branch-banking liberalization, that under the original Federal reserve act we had very little kick coming from member banks—national banks—and to-day they are not, as he would have the Banking and Currency Committee believe, wanting liberalization by allowing branch banking, and neither will that keep them from continuing to give up their national charters and go into the State system. Mr. Platt stated that since 1918, 173 national banks have gone into the State system. They did not leave the national system to engage in branch banking, but did so because they have been paralyzed by the regulations and the administration of the Federal Reserve Board.

Listen to this statement of the Comptroller of the Currency, Mr. Dawes, and see if he does not back up my statement to the limit when he states in his 1923 report, pages 17 and 18. I now quote Mr. Dawes:

The national banks of the United States have a record of service and accomplishment without a parallel in the history of finance. No group of institutions operating under a single law has ever marshaled the resources and mobilized the wealth that they have done. In this achievement the operations of all of the component banks have been made to conform as closely as is humanly possible to a single standard. This has been accomplished without developing the rigidity of practice which would interfere with the independent action necessary to meet the requirements of communities which vary in our country all the way from the fully crystallized and finished state of older settlements to the new pioneering and developing sections. It is not possible that an organization with such a proud record of accomplishment should overnight complacently surrender its independence or could without a wrench adjust itself to either a subordinate or coordinate relationship with any new system, however well conceived and wisely administered the new instrumentality might be.

The Federal reserve system, on the other hand, is a new conception, controlled by men of imagination and independence and possessing the virile and aggressive characteristics of youth. The national banking system, which has behind it the traditions of 60 years of successful operation, is required to compromise and conform its policies and operations to those of this new organization. It is a situation which must contain the elements of conflict, and the ultimate adjustments can only be made by experimentation, mutual understanding, and a devotion to a common cause.

The Comptroller of the Currency knows what he is talking about. What stronger statement could have been made that would back up my contentions?

Did you get that statement? The system is controlled by men of imagination and independence. Yet these men have the power of the President of the United States when it comes to the management of the finance of America.

A further statement from Mr. Dawes in the hearings on page 27. In answering questions of Mr. GOLDSBOROUGH, he says:

I do not think any bank can operate a branch bank on an extensive scale to be a real menace and do it outside of the Federal reserve system.

Now, gentlemen, this statement from the comptroller is the milk in the coconut. Listen to this question of Mr. GOLDSBOROUGH:

Would not it be better to restrict the opportunities of the State banks who do branch banking than to increase the opportunity of the national banks to do it?

Now, I contend that this is the sensible thing to do and can be done.

They call this McFadden bill an antibranch banking bill, and this statement has gone out to banks of the country and to banking associations. A great many banks, as well as banking associations, have indorsed the bill, believing that it means the stopping of branch banking. This bill, or section 9 thereof, is purely a proviso to enable national banks to engage in branch banking, and if enacted into law will soon be amended so as to extend the privilege to every nook and corner in this country.

They had a convention some time ago at Boston, Mass., and to show you how these conventions are worked we will take a little time here to relate what happened. A select committee was selected to go down to Washington and wait upon Mr. MCFADDEN'S committee that held hearings last summer, and these are the folks who are interested in country banks and who usually tell the Federal reserve system, as well as Mr. MCFADDEN'S committee, where to get off. The following gentlemen composed the committee:

The Hon. Henry Cushman, Bangor, Me., representing the First National Bank with resources of $7,300,000; Arthur M. Heard, Manchester, N. H., president of a bank with resources of $5,018,000; C. L. Stickney, Brattleboro, Vt., representing resources of $5,400,000; I. W. Cook, New Bedford, Mass., president of a bank with resources of $12,222,000; F. A. Onthank, Fitchburg, Mass., representing a bank with resources of $5,705,000; Thos. A. West, jr., Providence, R. I., coming from a city with seven banks whose resources range from four to sixteen millions; and, lastly, H. T. Holt, Hartford, Conn., representing three banks whose resources amount to eleven, seventeen, and twenty-two millions, respectively.

The reports of the meeting further show that this commission, which, I am sure, is deeply interested in the Northwest, where banks have been going broke almost daily for the last year, made a request as follows—quoting their own statement:

We desire the distinguished Boston banker, Mr. Alford M. Aiken, be added to us as a temporary member to pilot us through the "mazes" of the meeting at Washington.

May the Lord bless and save us.

Who is this distinguished banker from Boston? He is president of the Shawmut National Bank of Boston, with resources of $166,125,000.

Following up this special bankers' convention, a convention was called at the Boston Federal Reserve Bank to be attended by member banks of the Boston district. At this convention the opening address was made by W. P. G. Harding, who also acted as chairman of the convention. Mr. Harding stated in the convention, as shown by the record:

Your committee—

Referring to the above seven bankers—

has done excellent work and evidently has made an impression on the joint congressional committee—

McFadden investigating committee—

and you will be asked to back up your committee, uphold its hands, and adopt the same resolutions that were presented by it to the joint committee of Congress. You may not get what you want, but there is no use in adopting a compromise to start with. Compromise when you have to, but don't compromise in the beginning.

Mr. Harding further stated:

The movement which you gentlemen have started here in the first Federal reserve district (Boston) is being followed with the greatest interest not only by the Federal Reserve Board but by the officials of the other Federal reserve banks. In fact, there are present here to-day representatives of the Federal Reserve Board and of several other reserve banks and therefore it would appear there is strong probability that if the organization in this district proves to be a success, as I feel it will, the stockholders of the reserve banks in other districts will follow the lead that you have set.

Under the leadership of this same W. P. G. Harding, who is still scheming, the system in 1921 extracted from the pockets of member banks the huge net earnings, after all expenses were charged off, of $82,000,000. This very large net increase in profits was brought about because of high rediscount rates put into effect in carrying out that most ruinous deflation policy that was planned and originated behind closed doors on the 18th day of May, 1920, which will go down in history and if not in history in the minds of thousands and thousands of innocent victims as the most outrageous, uncalled for policy that has ever been put on our people. Thousands of banks went down under it, lots of others are so maimed that they will never be able to work out, and others will take five years to be able to charge off bad debts that they got caught with.

After the war the press, the Government agents, and folks generally, called upon everybody to do their bit. The world was naked and hungry. We needed large crops and large supplies of manufactured goods and everybody set about to carry out this program. Country banks with $25,000 capital rediscounted with the system from $50,000 to $100,000. Many of them made as many as three or four loans to individual farmers to buy fertilizers, pay labor, and to carry on their extensive farm work prior to the putting on of this deflation policy.

In the year 1920 the millstones began to grind. It is useless for me to paint the next picture for you know all about it and have felt it too, no doubt.

We are told that the first proof of a murder is the corpse and here are the corpses of murdered values just as they were

struck down by the Federal reserve bludgeon. Let us look them over.

| | Corn, Chicago | New Orleans, middling cotton | No. 2 wheat, Chicago | Ohio wool |
|---|---|---|---|---|
| 1920 | | | | |
| January | $1.47 | $0.40 | $2.63 | $1.23 |
| May | 1.98 | .40 | 2.97 | 1.16 |
| June | 1.83 | .40 | 2.89 | 1.00 |
| July | 1.53 | .39 | 2.80 | .90 |
| August | 1.53 | .33 | 2.47 | .87 |
| September | 1.29 | .27 | 2.40 | .83 |
| October | .87 | .20 | 2.20 | .72 |
| November | .80 | .17 | 2.05 | .69 |
| December | .73 | .14 | 2.01 | .54 |
| 1921 | | | | |
| January | .65 | .14 | 1.96 | .54 |
| February | .63 | .13 | 1.91 | .54 |
| March | .61 | .11 | 1.67 | .52 |
| April | .55 | .11 | 1.38 | .52 |
| May | .60 | .11 | 1.56 | .50 |
| June | .60 | .11 | 1.43 | .49 |
| July | .60 | .11 | 1.22 | .49 |
| August | .55 | .12 | 1.23 | .49 |

Here we have a drop in corn from January, 1920, to August, 1921, of 92 cents per bushel, and on the same dates a drop in cotton of 28 cents per pound and a drop in wheat of $1.40 per bushel. Just think of the millions that were made by those who were on the inside by selling short, knowing that such a policy was being put on. Let us look at some other figures sliding the wrong way for the cattleman.

*Steers at Chicago, 1920*

| | |
|---|---|
| January | $15.93 |
| June | 15.03 |
| October | 14.68 |
| December | 12.09 |

*Steers at Chicago, 1921*

| | |
|---|---|
| January | $9.84 |
| June | 8.09 |
| August | 8.77 |

But, did they restrict credits? The total loans and discounts including bought paper in all of the 12 reserve districts stood as follows:

*1920*

| | |
|---|---|
| October | $3,099,672,000 |
| November | 2,983,103,000 |
| December | 2,974,836,000 |

*1921*

| | |
|---|---|
| January | $2,622,174,000 |
| February | 2,500,013,000 |
| March | 2,356,160,000 |
| April | 2,180,178,000 |
| May | 1,995,051,000 |
| June | 1,782,951,000 |
| July | 1,661,036,000 |
| August | 1,527,255,000 |

In 1921 there were 19,625 business failures as compared with 6,541 in 1919, or an increase of 13,174—more than three for one. The liabilities of these failures aggregated $627,401,000, an increase over 1919 of $514,000,000—more than five to one. In the so-called panic year of 1907, the high tide of business failures, liabilities amounted to only $197,000,000.

In the first six months of 1921 there were 4,527 suicides, against 1,810 for the same period of 1920. Here is what this tragedy of drastic deflation did to the farmer as measured for the years 1919, 1920, and 1921:

| | |
|---|---|
| 1919—Value of farm products | $13,500,000,000 |
| 1920—Value of farm products | 9,000,000,000 |
| 1921—Value of farm products | 5,675,000,000 |

Now, let us see what this Federal reserve deflation policy did for the banker. In 1921 there were 404 bank failures, involving liabilities of $173,027,776. In 1922 the failures numbered 227, with liabilities of $77,735,551. During the 12 months of 1923 there were 504 failures, representing liabilities of $196,790,000. The reports show that in the last calendar year there were failures of 77 national banks, member banks of the Federal reserve system. More national banks failed in this country during 1923 than did from 1914 up to the time of the putting on of the deflation policy.

While this destruction has been arrested somewhat in some sections of the country by tariff legislation, the South, West, and Northwest still have banks breaking almost every day, and farmers in such dire distress until even the President of the United States has gone out begging for them. I merely mention these facts to show you what a few men having control of the great financial system of this country can do.

We have more than 9,000 country member banks of the system, besides twice as many banks outside of the system; and I am sure that when they have had a chance to speak on the matter and when the facts have been put squarely up to them, they will take advantage of the opportunity this summer of putting you wise so that you will be prepared to head off the propaganda that you will be flooded with next December, and you will thereby pass some legislation in the interest of the great masses of banks instead of a special interest, which proposes to run the financial system of this country as well as Congress.

FIRST NATIONAL BANK,
*Ulster, Pa., January 25, 1924.*

Hon. H. P. FULMER, M. C.,
*Washington, D. C.*

DEAR SIR: Yours of the 12th is received. Our people are heartily in favor of your bill, H. R. 3206. Practically all the shareholders of this bank are farmers, and they can not see why 80 people here should furnish the Government funds at no rate of interest while it is paying other people in our midst 4½ per cent.

You may count on our support. Of course, our Mr. MCFADDEN, of this district, is already for the bill.

Yours truly,

R. B. ALLEN, *Cashier.*

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THE CURWENSVILLE NATIONAL BANK,
*Curwensville, Pa., January 25, 1924.*

Hon. H. P. FULMER,
*House Office Building, Washington, D. C.*

DEAR SIR: We have yours of the 12th advising us of the proposed amendment to the Federal reserve act.

We are mighty glad that somebody has had the courage to make this kind of a proposition.

The present law as it stands is decidedly unfair to the member banks. The member banks are furnishing the capital for the reserve banks to play with, and the fact that we are not getting any small rate of interest on daily balances, and the further fact of their system of acting as clearing house for all checks, is depriving the member banks of a considerable income.

Our contribution or penalty, or whatever it may be called, for being a member of the reserve system is costing us about $200 a month. The only comfort we get out of it is to regard it as cyclone insurance.

My recollection is that in a recent year the 12 reserve banks showed a profit of about $60,000,000. The dividends to the member banks came to about $6,000,000, the difference, under the law, going into the United States Treasury, after the member banks had been liberal to themselves in salaries and expenses. The salary of the governor of the Philadelphia bank some time ago was $30,000 a year; it may be more at this time. That would be equal to about the salaries of 10 ordinary bank presidents and beats playing Congressman about 3 to 1. We have never felt as warm toward the system because of the facts related above, but would feel more enthusiastic if we, with the others, were not being made the goat.

Wishing you all success in your efforts to have this bill passed, we are,

Respectfully yours,

ANTHONY HILE, *Cashier.*

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THE DUBOIS NATIONAL BANK,
*DuBois, Pa., January 25, 1924.*

Hon. H. P. FULMER,
*Member of Congress, Washington, D. C.*

DEAR SIR: Referring to your House bill 3206, we agree with you that interest should be paid on our reserve account with the Federal reserve bank, or reduced reserve requirements.

The capital of the DuBois National Bank is $100,000, and we are required to maintain a reserve balance in excess of $90,000, without interest. In addition our cash in bank of $50,000 or $60,000 is not considered as part of our reserve. Does this look like justice?

The total earnings of the Federal reserve banks from January 1, 1914, to January 1, 1924, exceeds $425,000,000. The Federal reserve banks, with a capital of $110,000,000, have paid a franchise tax of $130,000,000 to the Government. Our capital in the Federal Reserve Bank of Philadelphia has averaged over $9,000, and we have paid indirectly a franchise tax in excess of $11,000 to the Government. This is in addition to all the corporation taxes, State and national, which we pay as corporations. Does this look like justice?

From about 29,000 banks in the country eligible for membership in the Federal reserve system there are only a little over 9,000 banks which are identified with the Federal reserve as members.

We think the country needs the Federal reserve system, but the minority of banks should not be compelled to carry the entire financial burden of the country.

The Federal reserve system now indicates that it is a reserve city bankers' bank, in which the big banks in the city benefit by the credit they can obtain across the street from the Federal reserve, and loan it to the country banks. The city banks therefore retain the country banks' deposits. As one writer has said on the subject, "The country bank obtains bootleg credit."

I hope to see that this session of Congress will give some relief to the members of the Federal reserve system. I have already taken this matter up with our Congressman, Mr. SWOOPE.

Appreciating your interest, very truly yours,

W. G. BROWN, *Cashier.*

THE ANTILYNCHING BILL

Mr. TILLMAN. Mr. Speaker, in the RECORD of two days ago the author of the antilynching bill, H. R. No. 1, deplored the fact that his favorite measure had no chance of passage during this session. That is as it should be, and yet the black shadow of this vicious proposition still hovers over the Congress and the country. It is time for plain talk about this most unjust and mischievous bill. Taxes are now too heavy to be borne with any degree of patience, and yet this bill seeks to impose upon communities guilty of no wrong heavy penalties for the act or acts of people living in another county, State, or jurisdiction.

This antilynching bill is being used to keep within the Republican ranks the black voters of the Northern States. It will never pass. If it should pass, it will be declared unconstitutional; and therefore the negro vote is being herded in line by Republican false pretense, as usual. The South condemns the lynching evil, although the baleful shadow of the dusky rape fiend hangs over every southern home like the blight of death. The knee-crooking politician in quest of the colored vote views with silent unconcern the cause of many lynchings. They do not seem to realize that in this land of Christ in countless communities, no mother is safe for an hour unless guarded by watchful husband or son. Let us put an end to horrible mob murder; there is no excuse for it; but a measure like the antilynching bill now pending is infamous, and there is no constitutional warrant for its enactment.

FARM LEGISLATION

Mr. ASWELL. Mr. Speaker, under general leave to print on farm legislation, I submit the following telegram from Mr. B. F. Yoakum to the President of the United States:

JUNE 5, 1924.

The PRESIDENT,

*Washington, D. C.:*

Newspaper reports state that you have declined to approve a last-minute farm bill which contemplated establishment of a farm-product marketing scheme under the War Finance Board. Those engaged in and suffering from destructive conditions of agriculture will indorse your stand in refusing to be a party to small, insignificant scheme designed for political effect which would not in any way benefit farmers but tend to lower the standard of the biggest and by far the most important economic problem affecting the Nation's welfare. There is no political paternalistic plan that will overcome self-evident fact that 34,000,000 farm population can not recover their tremendous loss and extricate themselves from bankruptcy so long as existing system of marketing compels them to support 19,000,000 food-dealer population and pay toll through six different channels, each exacting their profits and commissions between farmer and his final customer. After exhausting all unsound and temporary theories you will reach the conclusion that the only plan that will overcome the fundamental difficulties destroying farm industry can be accomplished through national cooperative farm marketing organization, controlled and managed by farmers in same manner that every other business of the country is operated by those who own their plants and raw materials. There is no use for Members of Congress being deceived by designing interest or Government department heads. Agriculture can not restore itself to profitable basis until those who grow and own the products control the sale of them.

B. F. YOAKUM.

SALARIES OF POSTAL EMPLOYEES

Mr. O'CONNOR of New York. Mr. Speaker, early in this session of Congress, when hearings were being held before the Committees on Post Offices and Post Roads of the Senate and the House of Representatives, I prepared and caused to be issued to the press a statement signed by the entire Democratic delegation in the House of Representatives from the State of New York, as follows:

We believe the importance and necessity of adequate postal service is so great that unless the salaries paid to the employees in that service are increased to meet the present cost of living the service must necessarily suffer by losing many of its trained employees and failing to attract the proper types of men and women willing to enter the Government service.

They are among the most efficient and hardest working of our Government employees, and at the same time among the poorest paid.

In 1920 the salaries of clerks and carriers, for instance, were fixed at from $1,400 to $1,800 a year. At that time it was represented to these employees that the cost of living would gradually recede in the following years. Everybody knows this prediction has not come true. To meet the present cost of living an immediate increase substantially to the maximum of $2,400 requested is imperative.

It is absolutely essential to the well-being of the entire country, urban and suburban, that we have the most efficient Postal Service possible. We can not have such a service without trained and efficient employees, and we can not have efficient postal employees unless we pay them a wage commensurate with the present standards of living.

Trained employees are leaving the Postal Service and entering other occupations where they receive higher salaries, and consequently our Postal Service is losing in its efficiency.

There is no public servant upon whom business or other public convenience is more dependent than the postal employee, and we believe every effort possible should be made to adjust conditions that will retain in and attract competent men and women to the service.

The joint committee in charge of this legislation proposes to hold hearings during the first week in March, at which time the Democratic Members of Congress from New York will record their approval and support of this legislation.

America now leads the world in the efficiency of its postal facilities. To maintain that leadership this legislation is indispensable.

The members of our delegation also personally appeared before the committees and advocated relief of these underpaid Government employees. After these committees had reported bills to their respective Houses, application was made to the Rules Committee of the House of Representatives, of which I am a member, for a special rule bringing the subject before the House for immediate action. In that committee I, in conjunction with the three other minority members, constantly urged action on the measure.

We expressed it as our opinion that the Members of Congress were overwhelmingly in favor of readjusting the salaries of postal employees and that no other legislation pending before this Congress was of more vital importance.

The recent overwhelming action of the Senate on the bill pending before that body justified our prediction. This question now comes before us, gentlemen, under a motion to suspend the rules and pass the Senate bill by substituting the provisions of the House bill for those in the Senate bill. This substitution is asked for for the reason that it is the general belief of those Members of the House of Representatives who have studied the question that the provisions of the House bill are more equitable to the postal employees.

While it was hoped when this subject was first being considered that an increase running as high as $600 a year for the city carriers might be obtained, it has been necessary to compromise so that the proposal entails an increase of $300 for those employees.

The postal employees are the direct servants of the Government, numbering about 300,000 individuals located in every community of the United States and its Territories. Their wages have not been advanced to meet the increased cost of living as in other lines of employment. When the readjustment of their salaries was made in 1920 it was contemplated there would be a reduction in the cost of living. You gentlemen all know this anticipated reduction has not materialized. So it is only fair the Government should carry out the arrangement tentatively agreed upon in the 1920 adjustment.

No one who appeared before the committee opposed an increase of salaries of these employees. There was among the advocates, however, a difference of opinion as to the amounts of increases and certain business interests feared that the adjustment of salaries would entail an increase in postal rates. The Post Office Department advocated the postponement of any increase until the sources of revenue by increases in postal rates could be ascertained.

It was apparent to the committee that this latter method was not the correct one to pursue. The Post Office Department should first make up its budget including adequate salaries for its employees, and thereafter postal rates should be fixed so that they would yield sufficient revenue to meet the expenses of the department.

Few persons outside the Postal Service itself realize the magnitude of the operations of this department carried on by its employees. It is a highly specialized line of work requiring years of experience and not fitting those engaged in it for any other line of work. While being trained for this service these men lose all adaptability for other lines of work, so it is only fair and just that they be adequately compensated while devoting their services to their Government.

It is estimated that this bill which we are about to pass involves an increased expenditure on the part of the Government of about $64,000,000, an average increase of about $200 per year for the 300,000 employees. Surely no one can begrudge this small amount to these servants of the Government when it is the first increase they have received in four years,

while other employers have been periodically increasing the salaries of their employees. This Government, above all other employers, can not afford to be niggardly with its employees, and those persons who use the facilities of the Postal Service must unselfishly contribute their mite toward the increased cost entailed by this adjustment through increased salaries.

The business man of New York who mails, at a cost of only 2 cents, an important letter to San Francisco, involving probably thousands of dollars in its safe delivery, does not often realize the service rendered to him by these servants of the Government. I commend to him the inscription over the portals of the New York post office:

Neither snow, nor rain, nor heat, nor gloom of night stays these couriers from the swift completion of their appointed rounds.

THE REVENUE ACT OF 1924

Mr. AYRES. Mr. Speaker, in the last Congress Mr. Mellon, Secretary of the Treasury, convinced one branch of Congress that it was necessary to reduce the income tax of the millionaire income-tax payers from 65 per cent to 32 per cent. In other words, a majority of the House of Representatives allowed themselves to be dictated to in a matter which under the Constitution is exclusively within the jurisdiction of the House—that is, revenue legislation. He succeeded so well in the Sixty-seventh Congress he began early to try the same tactics in the Sixty-eighth Congress. I must say he had plenty of help. Not only the President, Mr. Coolidge, but the greatest organized machinery of propaganda and publicity controlled by great wealth and special interests, ably financed and directed, ever known in the history of this country.

It is estimated one periodical alone spent in postage over $300,000 to put through the Mellon plan. It looked for a while as though the interests had succeeded in getting practically all the magazines and big newspapers fighting for the Mellon plan. Each and all congressional districts were organized. I received thousands of letters from my district, hundreds of them from people who are not income-tax payers but were persuaded to write me. The most glaring misstatements were made in presenting the Mellon plan. People were told it was the only chance to get a reduction of taxes, and notwithstanding the fact the special interests lost in their fight, they are such poor losers they are still fighting by continuing their misstatements about the measure passed as a substitute for the Mellon plan, villifying Congressmen and Senators who had the courage to stand out and pass a measure in the interest of the masses and against the classes. Nothing is too mean or degrading for them to say in the press about individual Representatives or Congress as a whole, both by word and insulting cartoons.

The question is, Are the people going to permit this to influence them to vote in a Congress which will do the bidding of the special interests or support those who have, in the face of all that has been done to drive them, stood steadfast for the interests of the masses?

The measure just passed took into consideration such facts as the ability of the taxpayer to pay. I think it a fair presumption that a tax of $100 to a taxpayer whose income is from $5,000 to $6,000 is even a heavier burden than a tax of a much greater amount to a taxpayer whose income may be from $50,000 to $100,000. Then if this theory or principle is correct, it ought to be equally correct in reducing these taxes. But Mr. Mellon, whose income is millions of dollars, can not reason it that way, and because he and his adherents can not agree to this principle they are keeping up the misrepresentation of the so-called Simmons bill or the present tax measure. Only a day or so ago I saw an insulting cartoon representing Congress refusing to consent to any tax reduction, and also representing that it had tied the taxpayer to heavier burdens. This has a greater influence on the minds of a great many than a deliberate falsehood set forth in plain language, because thousands who do not bother to read are sure to look at and study a cartoon.

Let us see what the present law does in the way of a reduction of taxes. It reduces taxes for the fiscal year ending June 30, 1925, $361,000,000, and will reduce taxes for the fiscal year ending June 30, 1926, over $400,000,000. These estimates are made, not by some one interested in the passage of this bill but by the Actuary of the Treasury. It reduces taxes for the fiscal year 1925, $22,000,000 more than the Mellon plan, and for the year 1926 over $100,000,000 more than the Mellon plan. Of course, the reduction is not on the class exclusively, at least, as Mr. Mellon wanted and directed. It has already reduced individual income taxes for the year 1923 and payable this year $232,000,000 more than the Mellon plan, which carried no provision whatever to reduce the taxes to be paid this year.

That is not all. In the reduction of taxes provided for in this measure is $136,000,000 reduction in excise taxes. Notwithstanding a reduction of a sum of about $480,000,000 in taxes, which is about $250,000,000 more than proposed by the Mellon plan, the Treasury will carry a very nice surplus even after meeting the payment of the adjusted compensation.

I might go on and show what was done regarding estate and gift taxes, and so on, but I am anxious to show by tables just what we have done for the greatest number of taxpayers, which sets forth the exact facts and which I feel will appeal to those who want to be fair and who believe in the theory that government should be administered for the good of the greatest number. The following table, which is correct as it is compiled from the official figures of the Treasury Department and contained in statistics of income for the year 1921, shows the total number of persons making income-tax returns in each State and how they are benefited more by the present law than they would have been by the Mellon plan.

| State | Total number making income-tax returns, 1921 | Number benefited more by Mellon plan | Number benefited more by Democratic (Simmons) plan |
|---|---|---|---|
| Alabama | 43,009 | 25 | 42,984 |
| Arizona | 18,477 | 1 | 18,476 |
| Arkansas | 33,830 | 8 | 33,822 |
| California | 386,082 | 237 | 385,845 |
| Colorado | 69,676 | 25 | 69,651 |
| Connecticut | 123,269 | 96 | 123,173 |
| Delaware | 15,889 | 12 | 15,877 |
| District of Columbia | 89,966 | 68 | 89,898 |
| Florida | 42,249 | 14 | 42,235 |
| Georgia | 67,719 | 24 | 67,695 |
| Hawaii | 11,481 | 22 | 11,459 |
| Idaho | 22,976 | 1 | 22,975 |
| Illinois | 611,558 | 537 | 611,021 |
| Indiana | 150,300 | 52 | 150,248 |
| Iowa | 111,483 | 24 | 111,459 |
| Kansas | 88,785 | 9 | 88,776 |
| Kentucky | 69,498 | 25 | 69,471 |
| Louisiana | 67,960 | 34 | 67,926 |
| Maine | 44,397 | 25 | 44,372 |
| Maryland | 112,963 | 109 | 112,854 |
| Massachusetts | 388,442 | 505 | 387,937 |
| Michigan | 250,147 | 174 | 249,973 |
| Minnesota | 124,501 | 81 | 124,420 |
| Mississippi | 25,614 | 5 | 25,609 |
| Missouri | 172,519 | 106 | 172,413 |
| Montana | 36,907 | 4 | 36,903 |
| Nebraska | 71,853 | 14 | 71,839 |
| Navada | 9,719 | 1 | 9,718 |
| New Hampshire | 32,410 | 17 | 32,393 |
| New Jersey | 269,096 | 274 | 268,822 |
| New Mexico | 11,780 | 1 | 11,779 |
| New York | 1,066,637 | 2,050 | 1,064,587 |
| North Carolina | 44,161 | 38 | 44,123 |
| North Dakota | 18,440 | 1 | 18,439 |
| Ohio | 367,096 | 270 | 366,826 |
| Oklahoma | 69,381 | 15 | 69,366 |
| Oregon | 62,804 | 18 | 62,786 |
| Pennsylvania | 621,103 | 833 | 620,270 |
| Rhode Island | 48,057 | 103 | 47,954 |
| South Carolina | 25,160 | 6 | 25,154 |
| South Dakota | 21,681 | 0 | 21,681 |
| Tennessee | 60,949 | 19 | 60,930 |
| Texas | 200,188 | 66 | 200,122 |
| Utah | 26,128 | 1 | 26,127 |
| Vermont | 17,746 | 8 | 17,738 |
| Virginia | 76,257 | 21 | 76,236 |
| Washington, including Alaska | 115,688 | 21 | 115,667 |
| West Virginia | 75,277 | 38 | 75,239 |
| Wisconsin | 148,457 | 67 | 148,390 |
| Wyoming | 22,413 | 4 | 22,409 |
| Total | 6,662,176 | 6,109 | 6,656,067 |

This, no doubt, will be of but little interest to anyone having already been sold the Mellon plan.

It is, however, barely possible when he sees a table which points out his income and his taxes showing exactly how much he had to pay under the law passed in 1921 and what he will be compelled to pay under the present law which takes its place, also what he would have paid under this so-called Mellon plan, he will be interested; and unless he is so afflicted with mellonitis that he is incurable, he may admit he was mistaken. I am going to insert a table which is absolutely correct, which shows in the first four columns the normal tax paid by a taxpayer under the old, or 1921, law; also what he would have paid under the Mellon plan and what he will pay under the present law. In the next three columns it shows the amounts of surtaxes paid under the 1921 act, what they would have had to pay under the Mellon plan, and what will have to be paid under the present law. The last two columns show the amount of surtax reduction under the Mellon plan and the law as passed.

*Comparison of the Mellon and Act of 1924 tax plans with the Act of 1921 (married persons without dependents), the first $5,000 of all income to be deemed to be earned; balance unearned*

| Number of persons making returns in each class for 1921 | Income | Amount of normal tax under— | | | Amount of surtax under— | | | Amount of surtax reduction under— | |
|---|---|---|---|---|---|---|---|---|---|
| | | Act of 1921 | Mellon plan | Act of 1924 | Act of 1921 | Mellon plan | Act of 1924 | Mellon plan | Act of 1924 |
| 401,849 under | $1,000.00 | | | | | | | | |
| | 2,000.00 | | | | | | | | |
| | 3,000.00 | $30.00 | $11.25 | $7.50 | | | | | |
| | 4,000.00 | 60.00 | 33.75 | 22.50 | | | | | |
| | 5,000.00 | 100.00 | 56.25 | 37.50 | | | | | |
| 6,087,968 | 6,000.00 | 160.00 | 97.50 | 57.50 | | | | | |
| | 7,000.00 | 240.00 | 157.50 | 87.50 | $10.00 | | | $10.00 | $10.00 |
| | 8,000.00 | 320.00 | 217.50 | 127.50 | 20.00 | | | 20.00 | 20.00 |
| | 9,000.00 | 400.00 | 277.50 | 167.50 | 30.00 | | | 30.00 | 30.00 |
| | 10,000.00 | 480.00 | 337.50 | 207.50 | 40.00 | | | 40.00 | 40.00 |
| | 11,000.00 | 560.00 | 397.50 | 257.50 | 60.00 | $10.00 | $10.00 | 50.00 | 50.00 |
| | 12,000.00 | 640.00 | 457.50 | 317.50 | 80.00 | 20.00 | 20.00 | 60.00 | 60.00 |
| | 13,000.00 | 720.00 | 517.00 | 377.50 | 110.00 | 40.00 | 30.00 | 70.00 | 80.00 |
| | 14,000.00 | 800.00 | 577.50 | 437.50 | 140.00 | 60.00 | 40.00 | 80.00 | 100.00 |
| 114,244 | 15,000.00 | 880.00 | 637.50 | 497.50 | 180.00 | 90.00 | 60.00 | 90.00 | 120.00 |
| | 16,000.00 | 960.00 | 697.50 | 557.50 | 220.00 | 120.00 | 80.00 | 100.00 | 140.00 |
| | 17,000.00 | 1,040.00 | 757.50 | 617.50 | 270.00 | 160.00 | 110.00 | 110.00 | 160.00 |
| | 18,000.00 | 1,120.00 | 817.50 | 677.50 | 330.00 | 200.00 | 140.00 | 120.00 | 180.00 |
| | 19,000.00 | 1,200.00 | 877.50 | 737.50 | 380.00 | 250.00 | 180.00 | 130.00 | 200.00 |
| | 20,000.00 | 1,280.00 | 937.50 | 797.50 | 440.00 | 300.00 | 220.00 | 140.00 | 220.00 |
| | 21,000.00 | 1,360.00 | 997.50 | 857.50 | 530.00 | 360.00 | 270.00 | 160.00 | 260.00 |
| | 22,000.00 | 1,440.00 | 1,057.50 | 917.50 | 600.00 | 420.00 | 320.00 | 180.00 | 280.00 |
| | 23,000.00 | 1,520.00 | 1,117.50 | 977.50 | 690.00 | 490.00 | 380.00 | 200.00 | 310.00 |
| | 24,000.00 | 1,600.00 | 1,177.50 | 1,037.50 | 780.00 | 560.00 | 440.00 | 220.00 | 340.00 |
| | 25,000.00 | 1,680.00 | 1,237.50 | 1,097.50 | 850.00 | 640.00 | 510.00 | 240.00 | 370.00 |
| 28,948 | 26,000.00 | 1,760.00 | 1,297.50 | 1,157.50 | 980.00 | 720.00 | 580.00 | 260.00 | 400.00 |
| | 27,000.00 | 1,840.00 | 1,357.50 | 1,217.50 | 1,090.00 | 810.00 | 660.00 | 280.00 | 430.00 |
| | 28,000.00 | 1,920.00 | 1,417.50 | 1,277.50 | 1,200.00 | 900.00 | 740.00 | 300.00 | 460.00 |
| | 29,000.00 | 2,000.00 | 1,477.50 | 1,337.50 | 1,320.00 | 1,000.00 | 830.00 | 320.00 | 490.00 |
| | 30,000.00 | 2,080.00 | 1,537.50 | 1,397.50 | 1,440.00 | 1,100.00 | 920.00 | 340.00 | 520.00 |
| | 31,000.00 | 2,160.00 | 1,597.50 | 1,457.50 | 1,570.00 | 1,210.00 | 1,020.00 | 360.00 | 550.00 |
| | 32,000.00 | 2,240.00 | 1,657.50 | 1,517.50 | 1,700.00 | 1,320.00 | 1,120.00 | 380.00 | 580.00 |
| | 33,000.00 | 2,320.00 | 1,717.50 | 1,577.50 | 1,850.00 | 1,440.00 | 1,220.00 | 410.00 | 630.00 |
| | 34,000.00 | 2,400.00 | 1,777.50 | 1,637.50 | 2,000.00 | 1,560.00 | 1,320.00 | 440.00 | 680.00 |
| 12,047 | 35,000.00 | 2,480.00 | 1,837.50 | 1,697.50 | 2,180.00 | 1,690.00 | 1,430.00 | 460.00 | 720.00 |
| | 36,000.00 | 2,560.00 | 1,897.50 | 1,757.50 | 2,300.00 | 1,820.00 | 1,540.00 | 480.00 | 760.00 |
| | 37,000.00 | 2,640.00 | 1,957.50 | 1,817.50 | 2,460.00 | 1,960.00 | 1,660.00 | 500.00 | 800.00 |
| | 38,000.00 | 2,720.00 | 2,017.50 | 1,877.50 | 2,620.00 | 2,100.00 | 1,780.00 | 520.00 | 840.00 |
| | 39,000.00 | 2,800.00 | 2,077.50 | 1,937.50 | 2,790.00 | 2,240.00 | 1,910.00 | 550.00 | 880.00 |
| | 40,000.00 | 2,880.00 | 2,137.50 | 1,997.50 | 2,980.00 | 2,380.00 | 2,040.00 | 580.00 | 920.00 |
| | 41,000.00 | 2,960.00 | 2,197.50 | 2,057.50 | 3,140.00 | 2,530.00 | 2,170.00 | 610.00 | 970.00 |
| | 42,000.00 | 3,040.00 | 2,257.50 | 2,117.50 | 3,320.00 | 2,680.00 | 2,300.00 | 640.00 | 1,020.00 |
| | 43,000.00 | 3,120.00 | 2,317.50 | 2,177.50 | 3,510.00 | 2,830.00 | 2,440.00 | 680.00 | 1,070.00 |
| | 44,000.00 | 3,200.00 | 2,377.50 | 2,237.50 | 3,700.00 | 2,980.00 | 2,580.00 | 720.00 | 1,120.00 |
| 6,051 | 45,000.00 | 3,280.00 | 2,437.50 | 2,297.50 | 3,900.00 | 3,130.00 | 2,730.00 | 770.00 | 1,170.00 |
| | 46,000.00 | 3,360.00 | 2,497.50 | 2,357.50 | 4,100.00 | 3,280.00 | 2,880.00 | 820.00 | 1,220.00 |
| | 47,000.00 | 3,440.00 | 2,557.50 | 2,417.50 | 4,310.00 | 3,440.00 | 3,040.00 | 870.00 | 1,270.00 |
| | 48,000.00 | 3,520.00 | 2,617.50 | 2,477.50 | 4,520.00 | 3,600.00 | 3,200.00 | 920.00 | 1,320.00 |
| | 49,000.00 | 3,600.00 | 2,677.50 | 2,537.50 | 4,740.00 | 3,760.00 | 3,370.00 | 980.00 | 1,370.00 |
| | 50,000.00 | 3,680.00 | 2,737.50 | 2,597.50 | 4,960.00 | 3,920.00 | 3,540.00 | 1,040.00 | 1,420.00 |
| | 51,000.00 | 3,760.00 | 2,797.50 | 2,657.50 | 5,190.00 | 4,080.00 | 3,720.00 | 1,110.00 | 1,470.00 |
| | 52,000.00 | 3,840.00 | 2,857.50 | 2,717.50 | 5,420.00 | 4,240.00 | 3,900.00 | 1,180.00 | 1,520.00 |
| | 53,000.00 | 3,920.00 | 2,917.50 | 2,777.50 | 5,660.00 | 4,410.00 | 4,090.00 | 1,250.00 | 1,570.00 |
| | 54,000.00 | 4,000.00 | 2,977.50 | 2,837.50 | 5,900.00 | 4,580.00 | 4,280.00 | 1,320.00 | 1,620.00 |
| 3,431 | 55,000.00 | 4,080.00 | 3,037.50 | 2,897.50 | 6,150.00 | 4,750.00 | 4,470.00 | 1,400.00 | 1,680.00 |
| | 56,000.00 | 4,160.00 | 3,097.50 | 2,957.50 | 6,400.00 | 4,920.00 | 4,660.00 | 1,480.00 | 1,740.00 |
| | 57,000.00 | 4,240.00 | 3,157.50 | 3,017.50 | 6,660.00 | 5,090.00 | 4,860.00 | 1,570.00 | 1,800.00 |
| | 58,000.00 | 4,320.00 | 3,217.50 | 3,077.50 | 6,920.00 | 5,260.00 | 5,060.00 | 1,660.00 | 1,860.00 |
| | 59,000.00 | 4,400.00 | 3,277.50 | 3,137.50 | 7,190.00 | 5,440.00 | 5,270.00 | 1,750.00 | 1,920.00 |
| | 60,000.00 | 4,480.00 | 3,337.50 | 3,197.50 | 7,460.00 | 5,620.00 | 5,480.00 | 1,840.00 | 1,980.00 |
| | 61,000.00 | 4,560.00 | 3,397.50 | 3,257.50 | 7,740.00 | 5,800.00 | 5,690.00 | 1,940.00 | 2,050.00 |
| | 62,000.00 | 4,640.00 | 3,457.50 | 3,317.50 | 8,020.00 | 5,980.00 | 5,900.00 | 2,040.00 | 2,120.00 |
| | 63,000.00 | 4,720.00 | 3,517.50 | 3,377.50 | 8,310.00 | 6,160.00 | 6,120.00 | 2,150.00 | 2,190.00 |
| 2,240 | 64,000.00 | 4,800.00 | 3,577.50 | 2,437.50 | 8,600.00 | 6,340.00 | 6,340.00 | 2,260.00 | 2,260.00 |
| | 65,000.00 | 4,880.00 | 3,637.50 | 3,497.50 | 8,900.00 | 6,530.00 | 6,570.00 | 2,370.00 | 2,330.00 |
| | 66,000.00 | 4,960.00 | 3,697.50 | 3,557.50 | 9,200.00 | 6,720.00 | 6,800.00 | 2,480.00 | 2,400.00 |
| | 67,000.00 | 5,040.00 | 3,757.50 | 3,617.50 | 9,510.00 | 6,910.00 | 7,040.00 | 2,600.00 | 2,470.00 |
| | 68,000.00 | 5,120.00 | 3,817.50 | 3,677.50 | 9,820.00 | 7,100.00 | 7,280.00 | 2,720.00 | 2,540.00 |
| | 69,000.00 | 5,200.00 | 3,877.50 | 3,737.50 | 10,140.00 | 7,290.00 | 7,530.00 | 2,850.00 | 2,610.00 |
| | 70,000.00 | 5,280.00 | 3,937.50 | 3,797.50 | 10,460.00 | 7,480.00 | 7,780.00 | 2,980.00 | 2,680.00 |
| | 71,000.00 | 5,360.00 | 3,997.50 | 3,857.50 | 10,790.00 | 7,680.00 | 8,040.00 | 3,110.00 | 2,750.00 |
| | 72,000.00 | 5,440.00 | 4,057.50 | 3,917.50 | 11,120.00 | 7,880.00 | 8,300.00 | 3,240.00 | 2,820.00 |
| | 73,000.00 | 5,520.00 | 4,117.50 | 3,977.50 | 11,460.00 | 8,080.00 | 8,560.00 | 3,380.00 | 2,900.00 |
| | 74,000.00 | 5,600.00 | 4,177.50 | 4,037.50 | 11,800.00 | 8,280.00 | 8,820.00 | 3,520.00 | 2,980.00 |
| 1,423 | 75,000.00 | 5,680.00 | 4,237.50 | 4,097.50 | 12,150.00 | 8,480.00 | 9,090.00 | 3,670.00 | 3,060.00 |
| | 76,000.00 | 5,760.00 | 4,297.50 | 4,157.50 | 12,500.00 | 8,680.00 | 9,360.00 | 3,820.00 | 3,140.00 |
| | 77,000.00 | 5,840.00 | 4,357.50 | 4,217.50 | 12,860.00 | 8,890.00 | 9,640.00 | 3,970.00 | 3,220.00 |
| | 78,000.00 | 5,920.00 | 4,417.50 | 4,277.50 | 13,220.00 | 9,100.00 | 9,920.00 | 4,120.00 | 3,300.00 |
| | 79,000.00 | 6,000.00 | 4,477.50 | 4,337.50 | 13,590.00 | 9,310.00 | 10,200.00 | 4,280.00 | 3,390.00 |
| | 80,000.00 | 6,080.00 | 4,537.50 | 4,397.50 | 13,960.00 | 9,520.00 | 10,480.00 | 4,440.00 | 3,480.00 |
| | 81,000.00 | 6,160.00 | 4,597.50 | 4,457.50 | 14,340.00 | 9,730.00 | 10,770.00 | 4,610.00 | 3,570.00 |
| | 82,000.00 | 6,240.00 | 4,657.50 | 4,517.50 | 14,720.00 | 9,940.00 | 11,060.00 | 4,780.00 | 3,660.00 |
| | 83,000.00 | 6,320.00 | 4,717.50 | 4,577.50 | 15,110.00 | 10,160.00 | 11,360.00 | 4,950.00 | 3,750.00 |
| 957 | 84,000.00 | 6,400.00 | 4,777.50 | 4,637.50 | 15,500.00 | 10,380.00 | 11,660.00 | 5,120.00 | 3,840.00 |
| | 85,000.00 | 6,480.00 | 4,837.50 | 4,697.50 | 15,900.00 | 10,600.00 | 11,970.00 | 5,300.00 | 3,930.00 |
| | 86,000.00 | 6,560.00 | 4,897.50 | 4,757.50 | 16,300.00 | 10,820.00 | 12,280.00 | 5,480.00 | 4,020.00 |
| | 87,000.00 | 6,640.00 | 4,957.50 | 4,817.50 | 16,710.00 | 11,040.00 | 12,590.00 | 5,670.00 | 4,120.00 |
| | 88,000.00 | 6,720.00 | 5,017.50 | 4,877.50 | 17,120.00 | 11,260.00 | 12,900.00 | 5,860.00 | 4,220.00 |
| | 89,000.00 | 6,800.00 | 5,077.50 | 4,937.50 | 17,540.00 | 11,490.00 | 13,220.00 | 6,050.00 | 4,320.00 |
| | 90,000.00 | 6,880.00 | 5,137.50 | 4,997.50 | 17,960.00 | 11,720.00 | 13,540.00 | 6,240.00 | 4,420.00 |
| | 91,000.00 | 6,960.00 | 5,197.50 | 5,057.50 | 18,390.00 | 11,950.00 | 13,870.00 | 6,440.00 | 4,520.00 |
| | 92,000.00 | 7,040.00 | 5,257.50 | 5,117.50 | 18,820.00 | 12,180.00 | 14,200.00 | 6,640.00 | 4,620.00 |
| | 93,000.00 | 7,120.00 | 5,317.50 | 5,177.50 | 19,260.00 | 12,410.00 | 14,540.00 | 6,850.00 | 4,720.00 |
| | 94,000.00 | 7,200.00 | 5,377.50 | 5,237.50 | 19,700.00 | 12,640.00 | 14,880.00 | 7,060.00 | 4,820.00 |
| 666 | 95,000.00 | 7,280.00 | 5,437.50 | 5,297.50 | 20,150.00 | 12,880.00 | 15,230.00 | 7,270.00 | 4,920.00 |
| | 96,000.00 | 7,360.00 | 5,497.50 | 5,357.50 | 20,600.00 | 13,120.00 | 15,580.00 | 7,480.00 | 5,020.00 |
| | 97,000.00 | 7,440.00 | 5,557.50 | 5,417.50 | 21,060.00 | 13,360.00 | 15,940.00 | 7,700.00 | 5,120.00 |
| | 98,000.00 | 7,520.00 | 5,617.50 | 5,477.50 | 21,520.00 | 13,600.00 | 16,300.00 | 7,920.00 | 5,220.00 |
| | 99,000.00 | 7,600.00 | 5,677.50 | 5,537.50 | 21,990.00 | 13,840.00 | 16,660.00 | 8,150.00 | 5,330.00 |
| | 100,000.00 | 7,680.00 | 5,737.50 | 5,597.50 | 22,460.00 | 14,080.00 | 17,020.00 | 8,380.00 | 5,440.00 |
| 1,817 | 150,000.00 | 11,680.00 | 8,737.50 | 8,597.50 | 46,460.00 | 26,580.00 | 35,520.00 | 19,880.00 | 10,940.00 |
| | 200,000.00 | 15,680.00 | 11,737.50 | 11,597.50 | 70,960.00 | 39,080.00 | 54,020.00 | 31,880.00 | 16,940.00 |
| 451 | 250,000.00 | 19,680.00 | 14,737.50 | 14,597.50 | 95,960.00 | 51,580.00 | 73,020.00 | 44,380.00 | 22,940.00 |
| | 300,000.00 | 23,680.00 | 17,737.50 | 17,597.50 | 120,980.00 | 64,080.00 | 92,020.00 | 56,880.00 | 28,940.00 |
| | 500,000.00 | 39,680.00 | 29,737.50 | 29,597.50 | 220,960.00 | 114,080.00 | 170,020.00 | 106,880.00 | 50,940.00 |
| 63 | 1,000,000.00 | 79,680.00 | 59,737.50 | 59,597.50 | 470,960.00 | 239,080.00 | 370,020.00 | 231,880.00 | 100,940.00 |

It is argued that it is unfair to compel the rich man to pay 40 per cent of his income while taxing the ordinary or small income-tax payer 1 per cent. That might be true if it were a fact. If one will study the above table, he will find that the rich man pays the same taxes on incomes as the poor man up to an income of $10,000—that is to say, Mr. Mellon or Mr. Morgan or Mr. Rockefeller each pays the same tax as any other taxpayer receiving an income of $10,000 annually. True, when the rich man gets an income over $10,000, then he begins to pay a graduated surtax. The theory is, those who profit out of the economic condition of the country should be willing to give up a part of that profit to maintain the Government which protects them and permits them to make such profits. There is one way they can avoid paying these high surtaxes, and that is cease making such excess profits. An examination of the last table will show that on an income of, we will say, $25,000 annually under the law of 1921 the taxpayer paid $1,680; under the Mellon plan he would have paid $1,237.50, or $442.50 less than under the old law. Under the present law he will pay $1,097.50, or $582.50 less than under the 1921 act and $140 less than Mellon proposed. We will jump now to an income of $50,000. The 1921 act compelled the taxpayer to pay a normal tax of $3,680, while under the Mellon plan he would have paid $2,737.50, being $942.50 less than the 1921 law, while the present law compels him to pay $2,597.50, or $1,082.50 less than the 1921 act or $140 less than the Mellon plan. We will now jump to a $100,000 income, on which under the law of 1921 the taxpayer had to pay a normal tax of $7,680, while the Mellon plan provided for $5,737.50, or $1,942.50 less than that of 1921. The present law provides for a payment of $5,597.50, or $2,082.50 less than the 1921 law or $140 less than the Mellon plan.

It is not the normal tax, however, that tells the story of why Mr. Mellon and others of the same class were so anxious. If you will examine the surtax column, you can easily reach a conclusion as to why the intense interest of the millionaire taxpayer in the Mellon plan. For instance, it will be seen under the 1921 act the surtax on $10,000 was $40, while under the Mellon plan and the present law there is no surtax. Take the case of an income of $25,000; under the 1921 act the surtax was $880. The Mellon plan provided for $640, or $240 less than the 1921 act, while the present law provides for $510, or $370 less than the 1921 act. Take an income of $35,000. Under the old law of 1921 the surtax was $2,150, while the Mellon plan carried a tax of $1,690, or $460 less than the old law. The present law provides $1,430, or $720 less than the old law. A $50,000 income under the old law carried a surtax of $4,960. The Mellon plan provided $3,920, or $1,040 less than the old law, while the present law provides $3,540, or $1,420 less than the old law. You will observe from the table the amount saved by the present law and that proposed by the Mellon plan was all in favor of the present law as against the Mellon plan until you reach an income of $64,000, when it is exactly the same. That is to say the proposed Mellon plan saved the taxpayer in surtaxes on an income of $64,000, $2,260, and so does the present law. I hope all will make a close examination of the table from that on. For instance, take an income of $75,000. The Mellon plan proposed a saving of $3,670, while the present law saves $3,060; while on an income of $100,000 the Mellon plan proposed a saving of $8,380, and the present law saves $5,440. On a $200,000 income the Mellon plan proposed a saving of $31,880, while the present law saves $16,940. Take a $500,000 income; the Mellon plan would have saved the taxpayer $106,880, while the present law saves him $50,940. On an income of $1,000,000 the Mellon plan made a difference in surtax from the old law of $231,880, while the present law makes a difference of $100,940, or a difference between the Mellon plan and the present law of $130,840.

I think these figures explain much. I am inclined to think, however, when a man receives an income of from $50,000 to $64,000 annually he should be satisfied with the reduction he is receiving; and certainly the income-tax payer who gets more than that will be able to keep the wolf away from the door after paying his tax under the new law.

PROPOSED POSTAL LEGISLATION

Mr. BOYLAN. Mr. Speaker and gentlemen of the House, this legislation will not be a charge upon the Treasury because a subcommittee of the Post Office committee has gathered much data to enable them to formulate proposed legislation revising the postal rates on all classes of mail matter. Congressman KELLY, chairman of the subcommittee in charge of the revision of rates program, has advised the Congress that his subcommittee had gone as far as it could go, pending the report of the Cost Ascertainment Commission, and that he expected such report would be in possession of the subcommittee in ample time for the introduction of rate-revision legislation at the opening of the short session next December.

In addition to the above facts I contend that the increased efficiency, productivity, and enthusiasm of the employees and the normal increase in postal receipts will more than absorb any additional appropriation and would enable the department to administer this law and at the same time effect substantial economies in the service.

The following are some of the provisions of the bill:

$300 SALARY INCREASE—OTHER PROVISIONS

A flat increase of $300 for all clerks and special clerks and city letter carriers in first and second class post offices.

The existing legislation granting progression in the automatic grades and credit for substitute service is continued.

Provision is made for the automatic progression of clerks and employees in the automatic grades to the corresponding grade under the new law without interference with the automatic promotion earned by such employees.

Overtime or time in excess of eight hours per day will be compensated for on an hourly computation based on the division of the annual compensation by 306, which would be again divided by 8.

Compensatory time for Sunday service shall be granted on one of the six days following the Sunday of service and for holidays on one of the 30 days following the holiday of service except for the last three Sundays in the calendar year. Compensatory time for the last three Sundays of the calendar year may be granted on one of the 30 days following such Sunday of service, or, if the exigencies of the service require it, the Postmaster General may authorize the payment of overtime for the last three Sundays in the calendar year and for Christmas Day.

Ten days' sick leave with pay in each fiscal year, exclusive of Sundays and holidays, is provided. Such sick leave to be cumulative, but not more than 30 days' sick leave shall be granted in any one fiscal year.

Substitute clerks and carriers will receive 65 cents per hour.

MOTOR-VEHICLE EMPLOYEES

Motor-vehicle employees are classified into grades with automatic promotion and varying salary increases, none of which exceed $300.

SECOND AND THIRD CLASS POSTMASTERS

Second and third class postmasters receive an average increase of $100. Third-class postmasters also receive specific allowances for clerk hire not to be decreased by more than 25 per cent. Fourth-class postmasters receive an average increase of 15 per cent on cancellations.

RURAL CARRIERS

Rural carriers are allowed 4 cents per mile per day for the upkeep of their equipment. This provides an average increase of $300 for such employees.

Laborers, messengers, and so forth, will receive a flat increase of $150.

In view of these facts, Mr. Speaker and gentlemen of the House, I sincerely trust that you will adopt this conference report and give to the faithful employees in the Postal Service a well-deserved and well-merited, though tardy, recognition of their splendid work.

IMMIGRATION ACT

Mr. SABATH. Mr. Speaker, the statements made on the floor of the House yesterday by the gentleman from Kansas [Mr. TINCHER], the gentleman from California [Mr. RAKER], and the gentleman from Texas [Mr. BOX], and which were again stated to-day as to the number of those immigrants to whom my resolution would apply and relieve, have been made without any justification and with willful disregard of facts. The only excuse I can find for their wild and irrational statements is their fierce and unfounded prejudice against the foreign born, as whenever the question of immigration or prohibition is being considered they become hysterical, and their conduct and speech borders on insanity and fanaticism. But, gentlemen of the House, this is not a question of immigration, as was so properly stated by the gentleman from North Carolina [Mr. POU]. This is a question of deportation.

And as has been stated by the gentleman from Georgia [Mr. UPSHAW], it is a humane question—a question whether we should let the wives and children, the fathers and mothers, of American citizens and, in some instances, orphans, and a few hundred others already admitted, to remain in the United States, or whether, in view of the ruling of the Supreme Court, they should be deported.

My original resolution would not have permitted, as has been stated by the gentleman from California [Mr. RAKER], the entry of hundreds of thousands who are on the seas and in

foreign ports. It was carefully prepared to legalize the admission of those who are now in the United States and of those who embarked prior to or on May 26, the date the Supreme Court rendered its decision reversing the ruling of the Federal district and circuit courts of New York.

During my 17 years of service I pride myself that I have never deliberately made misstatements to the House, and I resent any imputation that I have endeavored to mislead the House by the wording of this resolution. For the information of the House I read the text of the resolution:

*Resolved, etc.*, That aliens who embarked for the United States on or before May 26, 1924, arriving in excess of quotas fixed under authority of the act entitled "An act to limit the immigration of aliens into the United States," approved May 19, 1921, as amended and extended, may, if otherwise admissible and if not subject to deportation for other causes, be permitted to enter and to remain in the United States without regard to the provisions of such act of May 19, 1921, as amended and extended.

The resolution comes back from the Senate in amended form, and as the gentleman from California [Mr. RAKER] and the gentleman from Texas [Mr. BOX] have taken it upon themselves to inform some members of the Senate Committee on Immigration that my resolution as originally passed by the House would authorize and permit to remain those designated in the resolution, but would also allow the coming of hundreds of thousands of others and serve as a loophole to defeat our present restrictive immigration laws, I take the liberty of including in my remarks the Senate amendments, which authorize to remain in the United States the following:

(1) Aliens heretofore admitted in excess quota and charged to the quota for a later month;

(2) Aliens heretofore admitted under a construction of such act of May 19, 1921, required by court decision;

(3) Aliens arriving in the United States after May 26 and before July 1, 1924, who departed for the United States on or before May 26, 1924, believing in good faith that they would be admitted pursuant to a construction of such act of May 19, 1921, required by court decision; and

(4) Aliens heretofore temporarily admitted under bond to relieve cases of extreme hardship.

The statements made to some of the members of the Senate committee were unwarranted and unjustified, as the wording of the resolution clearly showed the intent of affording relief solely to the unfortunate immigrants who were already here or who had embarked prior to or on May 26. In no sense of the word would it have permitted the coming of the number charged by the gentlemen who are suffering with immigration hysteria. To disprove the assertion of these gentlemen that I intended to permit the coming of any other, I desire to state that I acquiesced to the Senate amendments which specifically enumerate the classes to be relieved, and this the gentlemen were well aware of at the time of the meeting of the House Committee on Immigration, because the classes named in the Senate amendments were those, and only those, that would be covered by my original resolution. It were they alone that I sought to save and spare from the horrors of deportation and the misery which would follow. I believe that if I to-day called upon this House to disagree to the Senate amendments, a majority would be with me, because they are convinced that my original resolution was not misleading but clear in its scope, meritorious, and entitled to the vote and support of every man who is not blinded by prejudice and uncontrolled by the un-American organization which is responsible for nearly all, if not all, the irrational attacks and activities on the immigration question. Right here I take the privilege of inserting an editorial of a great newspaper—the New York World. It expresses the view of the duty of Congress as to the action that should be taken on this resolution:

IT SHOULD NOT FAIL TO PASS

The Sabath resolution for the relief of immigrants facing deportation as a result of the United States Supreme Court's decision in the Gottlieb case has passed the House. It is inconceivable that it should fail in the Senate.

Many thousands of persons, through no fault of their own, are affected by the Supreme Court's decision. Most of them are women and children—the wives and offspring of immigrants belonging to the excepted classes under the restrictions of the immigration law. They have followed their husbands and fathers in good faith and on the strength of lower Federal court interpretations of the law which the Supreme Court has recently overruled. To tear them away now and send them back homeless and helpless is business little becoming the American Republic.

It must not be. It would shame us unspeakably in the eyes of the civilized world. Congress should not adjourn until the Sabath resolution has been put through.

PUEBLO INDIAN BILL

Mr. MORROW. Mr. Speaker, the passage of Senate bill 2932, which is intended for a quieting of the title to lands within the Pueblo land grants of New Mexico, meets a situation in the State of New Mexico that has needed this legislation for a period of half a century. The history of Pueblo Indians and legislation for them dates back as early as 1551, when they were under the control of Spain.

It was at this period when the Spanish Emperor Charles attempted to have these Pueblos taught the Roman Catholic faith. At this early date these Pueblo Indians were practicing agriculture before any other European settlement had been attempted on the shores of America. The Spanish priests did a great work in bringing to the Indians a certain amount of Christian belief; while most of these Indians practice the Christian religion, they still cling to many of their forms of pagan worship. It ought to be called to the attention of our American lawmakers that these Indians when found here nearly four centuries ago had reached perhaps in some respects as high a degree of civilization as they now possess. In the construction of buildings and in many ways their method of living was, indeed, similar, except that some of the Pueblos resorted to cliff dwellings and cavite habitations. It would appear that this form of habitation was for the purpose of protection to themselves against other warlike or marauding bands.

These real American people led a simple life of hunting and to some extent tilling the soil, and raising corn for food, working the same up into meal by means of stone implements.

To show how complicated much of the titles to this real estate has become it is only necessary to refer to some of the old laws or decrees under the Spanish Government which permitted them to sell at public auction their real estate. This dates back to May 24, 1571. Much of this data that I am stating here I am indebted for to the speech of Hon A. B. Renehan, delivered at the conference of the League of the Southwest at Santa Barbara, Calif., June 9, 1923. In the speech is embodied a very clear history of the Pueblo life from the time that the Government of Spain took charge down to this date.

LAW OF JUNE 18, 1518

(a) So that our vassals may promote discovery and settlement in the Indies and live in the comfort and advantage which we desire for them, it is our will that houses, lands, lots, and caballerias (a piece of land 100 feet wide and 200 feet long) and peonias (a piece of land 50 feet wide and 100 feet long) be set off to all those who went forth to populate new territory in towns and places, which by the governor of the new settlement, shall be marked out to them maintaining the distinction between gentlemen and laborers, and those of higher rank and merit, and in order that they increase and better them, considering the quality of their services, and that they may practice husbandry and stock raising; and having established upon them their homes and farms, and resided in those towns four years, we grant them the power thenceforward to sell them and do with them as they wish, freely, as their own property; and likewise according to their character, the governor or whoever may have our faculty, shall look out for the Indians in the partition which he may make so that they may enjoy their benefits and the stays comformable to the rates and that which may be ordained, etc.

LAW 12 OF THE EMPEROR CHARLES OF MARCH 14 AND MAY 2, 1550

Whereas the grazing of cattle, horses, hogs, and other large and small stock does great damage to the cornfields of the Indians, and particularly where they go at large and without herders.

We command that there be no such pasturing in districts and places where injury may result, therefore let them be aloof from the pueblos of the Indians and their planted ground, without fail, since there are lands and herbage afar off for herding and grazing without doing damage, and let the justices see that the owners of flocks and those interested in the public welfare employ as many herders and guards as may suffice to prevent damage, and if any damage happens take steps for satisfying the same.

Another decree of Charles V, of the year 1533 (which is the 7th law, title 17, book 4, of the Recopilacion de las Indias), commanded that the forests contained within the grants, which may have been made or may be made in the Indies, should be common alike to the Spaniards and to the Indians, "and so we direct the viceroys and courts to cause it to be kept and fulfilled."

And as some persons without authority from his Majesty have occupied a very large portion of the limits and lands without lawful consent for making corrals, building shacks and cabins, and bringing

their flocks there, without their being common to all the residents, any ordinance or regulation to the contrary notwithstanding; and finally by the royal decree of October 20, 1508 (which is law 14, title 8, book 6 of the R. I.), Don Felipe also commanded:

"That if the viceroys, presidents, and governors have provided and taken measures for the fulfillment and accomplishment of the reductions, conversions (required to be made according to the Emperor's will), and if any person should be aggrieved and should interpose an appeal, let it be heard by the council of the Indies and no other tribunal. * * * And as there were to be marked off and given lands, waters, and forests to the Indians if they should be taken away from them by the Spaniards, just compensation therefor shall be made to them somewhere else, and in such case there shall be created a commission of three members of the audiencia (law court) so that if any persons be aggrieved they may hear them on appeal and cause reparation of the injury, as to that which is prohibited to the audiencias."

LAW OF MAY 24, 1571

When the Indians would sell their real estate or personal estate, let them be brought to public auction upon publication of notice by the common crier, real property for the period of 30 days and personal property for the period of 9 days, and let whatever may be struck off in any other way be of no value or effect; but if it seem right to the judge, for any reason, to abridge the time as to personal property he may do so.

And as the properties which Indians usually sell are of little price, and if in all sales they would have to proceed according to these regulations, it would be to cause such costs as the principal would amount to.

We ordain that this law shall be kept and enforced where the principal exceeds $30 in common gold, and not where less, and therefore in such case it will be sufficient for the Indian vendor to appear before the ordinary judge to ask leave to make the sale, and it appearing upon investigation that what he wants to sell is his, and that it will not be injurious to him to alienate it, he may give leave, setting forth his authority in writing which the purchaser shall execute, as being sufficient for the purpose.

LAW OF MARCH 16, 1642

We ordain that the sale, culture, and adjustment of lands be made with such regard for the Indians that all thereof which belongs to them will remain theirs, and even more, as well in private ownership as in community ownership, also the waters and the irrigation; and the lands on which they may have made ditches or other improvements whereby, through their personal industry, they may have been made productive, shall, in the first place, be reserved, and on no account may they be sold or alienated; and the judges who, for this purpose, are sent shall list the Indians whom they find on the lands, and the lands which they leave to each one of the tributaries, old men, reserves, caciques, governors, absentees, and communities.

LAW 17 OF DON FELIPE IV OF JUNE 30, 1646

The more to favor and protect the Indians and so that they may not suffer injury:

We command that the allotments of lands be not of these which Spaniards may have acquired from the Indians contrary to our royal decrees and ordinances or possess by vicious title, for, in respect to these lands, it is our will that the protector attorneys and the attorneys for the audiencias, if there are no protector attorneys, follow equity and the law which empowers them by decrees and ordinances for the purpose of seeking the nullification of such contracts. And we charge viceroys, presidents, and audiencias to give every assistance for its complete accomplishment.

DECREE OF JUNE 4, 1687

Whereas in my royal council of the Indies there is knowledge that the Marquis de Falces, count of Santisteban, while Viceroy of the Provinces of New Spain, promulgated an ordinance on the 26th of May, 1567, whereby he commanded that in the pueblos of the Indians, which might need lands to live upon and to plant, there should be given 500 varas, or so much more as might be necessary, and that therefore there should not be made to any person any grant of any tract of land which might not be at a distance of 1,000 varas, cloth or silk measurement, and away from the settlement and houses of the Indians and lands separated 500 varas from said settlement, as has been shown by the copy of the said ordinance which has come to the council, and that against this proceeding, order, and practice the owners of ranches and lands continue to go upon the lands of the Indians, ousting them or driving them off, sometimes by force and sometimes by fraud, on which account the unfortunate Indians leave their lands and their pueblos, just what the Spanish hunger for and want, intending and attaining that these 1,000 varas, which are to be separate from the pueblos, shall be measured from the Church of Hermitage, which the settlements usually have in the center of the place, and that it should happen that the whole body of the pueblos will be included in the settlements, whereby they will come to be without anything to give them, understanding that from the last 500 varas to all the four winds is meant that which is declared and commanded in laws 12 and 18, title 12, book 9, of the Nueva Recopilacion de las Indias (new compilation of the laws of the Indies), and because of the many impediments, damages, and diminutions which from this conduct would result to these natives (naturales) it has been considered proper to command that to the Indian pueblos which need lands to live upon and to plant there be given not only the 500 varas as provided by the said ordinance but also what varas they may need, to be measured outward from the last boundaries and houses of the place to all the four winds, as, for instance, 500 varas or more to the east, and a like manner to the west, north, and south, the rim of the pueblo always remaining vacant (de hueco el casco), these 500 varas to be given not only to the pueblo which may be a seat (or capital) but to all the others which may ask for them, and need them, as well those already inhabited as those which may hereafter be founded and settled, since in this way all would have lands to plant, and by which they may have something to eat, and upon which to graze their flocks, it being right and very much in accord with my royal kindness for me to look out for the Indians, who, I notice, suffer many injustices and molestations in view of the fact that they are those who sustain, benefit, and fructify my royal crown and all my vassals.

THE AMENDMENT OF THE DECREE OF JUNE 4, 1687

Royal Cedula, of July 12, 1695, asked by the farmers of New Spain to vacate the manner and form to be followed in making the measurement of the 600 varas of land which are to be given to the pueblos of the Indians and assigned to them by the royal decree of the 26th of May, 1567.

The KING, President and civil judges of my royal audiencia of Mexico:

In behalf of the farmers of this New Spain it has been represented to me that many are the vexations and molestations which they undergo and suffer because of the suits which the Indians are continually instituting, from which results the diminution not alone of the public revenues but of my own; and for the remedy whereof they beg that I will be pleased to order that the privileges may be maintained which were granted to them by the lords, kings, my predecessors, to be observed literally and without interpretation, and that there may be given to them an advocate to appear in their causes who should be a minister of the audiencia, and they say that the Indians, with the idea of depriving them of their farms and flocks, find it worth while to build huts of sod and stone and mud and thereupon with this idea run to the audiencia, so that in conformity with the ordinance of Marques de Galves, count of Santistevan of May 26, 1567, there might be caused to be measured the 500 varas which should intervene between their ranches and those of the Indians, and in this manner the Indians bring it to pass that the lands of these farmers conflict with their own, and that although this injury is of great gravity, yet greater is that which results from the cedula issued June 4, 1687, whereby there was granted to the pueblos of Indians another 100 varas over and above the 500 commanded to be measured to them to all the four winds, from the last house, the rim of the pueblo remaining free, and this being of so much detriment to the farmers they ask that it be not followed, and that the requirement of the ordinance have force only in those pueblos which were settled before the grants were made and before the establishment of their ranches, and that the measurements be understood as starting, not from the last house of the pueblo but from the center and the church, which is in the middle, and this should only be effective in those pueblos which are seats, whither the people necessarily repair for the administration of the holy sacraments, and so that the other varas may be measured off to the Indians—which they ask—from the church, sufficient reason is to be found in the fact that the Indians do not have their houses in regular form, for they are distant one from the other 30 or 40 varas, and some of them as much as a quarter of a league from where their farms are injured; and they further ask that the Indians be not permitted to build their huts or brotherhood houses on their farming lands, for thereby they make the pretense of a town for themselves upon false basis, and thence take the measurement of the lands, and the farmers are despoiled of their farms and their places by means of the sales which the Indians make of them and other properties, and besides the quantity of money which the farmers pay to Indian workmen and what more is collected in the woods, and the costs of the visits which the governor and alcaldes mayores—chief local judges—make to their farms and ranches for their own particular ends and objects involve an ever-increasing fee bill, and the matter having been considered in my council of the Indies, with the close attention which it requires, and having considered what you have reported concerning it in the letter of January 7 of this year, and also that which in this regard the attorney general has stated I have resolved that the Cedula, issued June 4 of the year past—1687—already mentioned, shall be kept, fulfilled, and enforced precisely, and of which you acknowledged receipt, but that it shall be understood that the distance of 600 varas which are to lie in between the land and planted places of the Indians

of this jurisdiction and those of the farmers shall be measured from the center of the pueblos, understanding by this from the church of the pueblos, and not from the last house; and that the same practice shall be followed in respect to the distance of the 1,100 varas which there are to be from the pueblo to the livestock ranches which are to be counted in the right way. And if from this method injury be experienced, whether to the partition land of the Indians or to those of the farmers, it shall be compensated to one and the other by lengthening out their line in such places as may be considered just and least prejudicial to one party and the other; and if there are no lands either from the partition of the Indians or the compositions and adjustments with the laborers from which to compensate the injury let it be done from the lands which belong to me, and you will take great care that this be done with so much equality and fairness that no reason for complaint shall be given either to the Indians or to the farmers, and in such manner that among them no lawsuits shall arise, and, particularly, that all show so much equity that each one be encouraged to hold himself within the limits belonging to him, and you will more particularly attend to the welfare and advantage of the Indians as I have commanded.

Wherefore, in order that they may be benefited, for such is my will, and upon receipt of this dispatch, and in order that my direction may remain in observance, you will advise me at the first opportunity.

Decreed at Madrid, July 12, 1695.

(Signed) I, the KING.

By order of the king, our lord.

(Signed) BERNARDO ANTONIO DE PARDINAS,
*Villa de Franco.*

From the time of the early Spanish settlements, extending back nearly 400 years ago, these Indians and Spaniards lived together, trading back and forth, and in many cases intermarried, so that in many instances the lands of the Indians became the Spaniards' and have remained to their descendants. This is especially true of the more fertile lands that could be irrigated when there was a water supply for that purpose.

That these Indians practiced this method of agriculture is evidenced upon every hand in New Mexico and Arizona; that they had dams and ditches and utilized water for the growing of crops, presumed to have been mostly corn, and since the date of the Spanish Government into New Mexico they have cultivated other grains and vegetables.

That the water supply, so as to afford irrigation of land to all of these different pueblos for their support, is in many cases insufficient. In fact, the area of cultivatable land to furnish food for the Indians to remain at home and cultivate the same is in some of the pueblos insufficient, and a problem is presented for solution that after the finding by the "pueblo land board," as is provided in the bill, has been made and when the real needs of these Indians has been determined as to land and water in order to live and develop, steps should be taken to provide for the same before our public land is exhausted.

The joint commission appointed under Senate bill 2932 should act promptly in dealing with this situation of the title to these Indian lands, so that the title of the settlers can be finally and firmly fixed and that the lands of the Indians likewise may be safeguarded.

This law, in my opinion, if carried out to its real finality, should settle for all time the disputes now existing between the settlers, who claim certain title to land which has been in their possession, and the descendants of many settlers for generations. The speedy clearing up of these titles should be brought about by this act; the Pueblo Indians now remaining, I herein set forth according to pueblos and population:

| Northern pueblos: | Population |
|---|---|
| Nambe | 117 |
| Picuris | 108 |
| Pojoaque | 8 |
| San Ildefonso | 100 |
| San Juan | 445 |
| Santa Clara | 334 |
| Taos | 607 |
| Tesuque | 114 |
| Total | 1,833 |

| Southern pueblos: | Population |
|---|---|
| Acomita | 592 |
| McCartys | 182 |
| Paraje Laguna | 182 |
| Old Laguna | 409 |
| Seama | 280 |
| Mesita | 177 |
| Paguate | 545 |
| Encinalanca | 157 |
| Casa Blanca | 93 |
| Santo Domingo | 977 |
| Santa Ana | 225 |
| Sandia | 93 |
| Isleta | 999 |
| Cochiti | 251 |
| Jemez | 561 |
| Sia | 145 |
| San Felipe | 523 |
| Total | 6,511 |
| Navaho Indians under southern pueblos | 300 |
| Grand total | 8,644 |

This population of quasi citizens of New Mexico should receive the attention of the State, and the State should give them the right of full citizenship as intended in the recently enacted legislation. The authorities of the Government to whom is detailed the working out of the problem of this land controversy between the settler and the Pueblo people should make the settlement quickly and in complete conformity with the legislation enacted. Then the State should proceed to bring these people as closely under the jurisdiction of State laws as other citizens, with a view of encouraging individual effort for development among the Indians.

In concluding my remarks upon the discussion I have made I want to add the following as the views of a new Member of Congress. In my short experience in Congress I want to say that I really believe that the Members of this body are hard-working, conscientious men who desire to legislate in the interests of their constituents. And when I say that I also want to add that I am a great believer in environment; that a Member's position upon a public question is frequently swayed by the peculiar conditions of his locality. I have an editorial from the New Mexico State Tribune, of Albuquerque, N. Mex., whose editor is a fearless writer, and I believe in this article, which I here insert and take responsibility for. The article gives a different light concerning Congress than that which the press has been giving the public for some time. The article is of June 1, 1924, and I embody it and extend it as a part of my own views, in perfect agreement with the same, and in contrast with the subsidized press that has so recently abused this Congress.

The article is as follows:

A year ago it was the fashion to speak lightly of Congress. We among others did it. We proposed saving the expense of heating the Capitol by utilizing the oratory, and made other pert remarks. We take all that back.

Congress is the representative body of the country. It is the fundamental thing in government. It should not, could not, be abolished. If Congress could not be made an effective body, worthy of respect, then there is no hope for a government in which the people rule, as we wish ours to be. To treat it as a joke is to invite the only alternative—dictatorship.

But there has been a great change. The growth of the progressive movement, breaking down party lines, old prejudices, and self-interest, has dignified Congress. In the session now closing we find Congress on the whole intelligently acting to pass laws in the interest of the people, killing attempts to put through raw deals, and going even further to show the people just how the administrative officers have betrayed them. Congress to-day is greater and nobler than the Executive. It is worthy of the American people.

Let us never make the mistake again of treating Congress as a joke. As an institution let us give it the dignity it deserves. Let us establish the custom that the greatest honor that can come to any man is to sit in the lawmaking body of his country. Then we shall have all our great public men in Congress, and we can safely give to Congress responsibility for the whole Government by making Cabinet officers report to it.

"WHAT IS THE MATTER WITH CONGRESS?"

Mr. BLACK of New York. Mr. Speaker, this is my answer to the Literary Digest on "What is the matter with Congress?"

Mr. WILLIAM SEAVER WOODS,
*Editor Literary Digest,*
*35½-360 Fourth Avenue, New York, N. Y.*

MY DEAR MR. WOODS: Congress errs in forbearing. We should have ordered some magnates before a firing squad. The people would approve. Then we could stand before the same squad, for the reasons for us would be dead before us. We fail, for the people enact the laws but interests administer them. Our laws are silent while money talks. Rifle shots can silence money.

Fault is found with blocs. Gary prefers one bloc—the big-business bloc with a Mark Hanna as contact.

Legislation is on sale, but only for votes. Voting is vulgar and golf refined. Election day sees the people at the polls and the best minds at the links.

He men call us reds because of us they can not squeeze the red blood out of infants in the mills.

Gary has one vote. For it he would own the United States. King Steel dislikes Congress. Charles I, George III, and Louis XVI were antipathetic to their master's voice.

Business prefers the Executive. Congress operates openly with a spry stenographer on hand. Executive records are in posthumous and charitable memoirs. Business whispers to the Executive that So-and-So should administer that "fool law" affecting "us."

Abolish Congress; its Members have no social hopes but the respect of constituencies. Hang, draw, and quarter Congressmen, for they bawl not "Aye, me lord," when Grand Duke Andy proclaymes his planne to benefit ye riche and further to harrasse ye miserable poore.

Let the chambers of commerce hand us a czar through an ex parte Literary Digest poll.

Waste of time in muckraking, etc; dear brothers of the Senate will meet this count in the indictment of the Self-Sufficients v. Congress. Time was wasted by Calvin and his senatorial satellites trying to cover up instead of to clean up the mess.

We fail to enact needed measures—for we pass a bonus which the veterans do not want—see pictures of veterans refusing the bonus in New York. We pass a fair tax reduction bill framed by Congressmen who were drawing revenue bills when Mellon was in the licit whisky business. We send to the White House ax a pension bill to let aging veterans live less a la Mills Hotel but far from a la Ritz, where the knockers put up. We would pay more to the postal employees, but the Great Heart in the White House is icebound. A decent retirement bill for Federal workers is needed—but retirement has a harsh sound this year in quarters where $75,000 is the prevailing rate of wage.

We are jealous of the Executive—seeing fight pictures at McLean's. What other pictures were shown and who had the hard luck to sit behind Hughes? The Elephant went to a stag.

We are cowards. We fear the voters. We pussy-foot—Calvin is a roaring lion.

How un-American—the local voice is heard in the general government. Washington, poor dullard, wanted more Congressmen, more local voices. We ought to have a Senate made up of Elbert Gary, Inc., and a House of Nicholas Murray Butler (St. Nicholas since he slipped from the vehicle). With Mellon as President, Hughes as the Supreme Court, and Hanihara Secretary of the Navy, Caution could take his cat under his arm and carefully deliberate as to which cow he would confer with on father's farm.

We usurp State rights. We would not let the Pittsburgh prodigy tax State bonds. Tax-exempt bonds will give the people means to recapture their utilities from the exploiters who defy him.

We lack ideals—we will not follow like sick sheep America's bellwethers for since they have made the most money they have the highest ideals.

Subordination of business interests of the country to politics is the conservative expression for conforming business methods to the popular will.

Gary says Congress is the worst thing we have. That is his trouble—he has not Congress. Independent, it draws its judgments from the rule of reason and not from the rule of money or party. We would satisfy better some if we jumped when their whip cracks.

Vote for the "Mellon plan" was a crushing slogan, but the product does not analyze up to democratic standards.

Our judgments are compromises of contending opinions and so approximate fairness. No matter what his mirror reports, to us Gary is not "We, the people."

Very truly yours,

LORING M. BLACK, Jr.

### THE PROTECTIVE TARIFF BRINGS PROSPERITY

Mr. SMITH. Mr. Speaker, when addressing the House on March 2, 1923, I discussed at some length the benefits accruing to our country as a result of the operation of the Fordney tariff law, which had been then in force nearly six months. I said in closing:

And now, Mr. Speaker, I will conclude my remarks by declaring that, all things considered, having in mind the innumerable problems with which Congress had to wrestle, this Fordney tariff law, as a protective measure, a revenue raiser, and a stimulus to industry and agriculture is a splendid piece of work. The Republican Party can go to the country with it in the presidential campaign of 1924 in perfect confidence that it represents a duty well performed. It presents a defense which is impregnable to Democratic assault so long as the great majority of the people hold steadfast to the principles which they have supported for generations.

I am still of that opinion and believe that anyone who is unprejudiced must be convinced, in view of the actual proofs which are so evident that the protective policy represented by the Fordney law not only gives steady employment to labor but enriches our country by keeping our money within our own borders and at the same time brings ample revenues to the Government, thus resulting in the reduction of Federal taxes.

Through the protective tariff policy we discriminate in favor of our own people. Free trade really means giving preference to those not our own, those not of our own house, but to aliens and strangers in foreign lands. By refusing to protect our own we in fact protect our rivals. We create by our neglect a preference for the goods of the people of other nations; we in effect invite them to occupy our market and to supply our needs to the exclusion of the products of our own people. This causes the closing down of industrial plants. Thus our own are thrown out of employment. The more general the free trade, the more widespread our neglect of our own, the greater the distress and want due to unemployment. In the end free trade defeats itself, because the diminished purchasing power of the people, many of whom are unemployed, and others who are limited in their work only to part time, prevents them from making purchases with their usual liberality, and the demand for the foreign products finally becomes less than it would be under adequate protection and with employment general and at good wages.

#### HOW A FREE TRADE IMPORTER BECAME A PROTECTIONIST

In proof of this, I am told of a large importer who called upon a high official of our Government some months after the existing prosperity tariff went into effect to tell him that he had ceased to be a free trader and was now an avowed and ardent protectionist. This importer said that he had given both of his time and money to help defeat the Fordney tariff bill in the belief that it was a menace to the people and convinced that it would greatly restrict his own business. In both of these views this importer found he was mistaken. The enactment of the Fordney tariff not only proved to be a blessing to the people in that quickly it first stabilized, then stiffened, wages and in a number of cases led to increases. It led to the employment of four or five million idle Americans; it greatly stimulated home trade; it established general prosperity; and it enormously enhanced the purchasing power of the people. The result of these changed conditions, this importer said, actually had substantially and profitably increased his own business. With an abundance of money with which to buy, he found that the American market was better for his imports, the consumption of which increased, greatly to his profit and his prosperity.

The proof of this is to be found in our increased imports during the year and a half the prosperity tariff has been in effect when the latest statistics of the Government were issued in the Monthly Summary of Foreign Commerce, from which the following facts are tabulated:

*Imports during 18 months preceding October, 1922, and the 18 months ending with March, 1924, in millions of dollars*

| | Free of duty | Dutiable | Total |
|---|---|---|---|
| 1921—April | 150 | 104 | 254 |
| May | 120 | 85 | 205 |
| June | 118 | 67 | 186 |
| July | 114 | 64 | 178 |
| August | 121 | 74 | 195 |
| September | 113 | 66 | 179 |
| October | 112 | 76 | 188 |
| November | 133 | 78 | 211 |
| December | 158 | 79 | 237 |
| 1922—January | 136 | 81 | 217 |
| February | 133 | 83 | 216 |
| March | 145 | 112 | 256 |
| April | 125 | 92 | 217 |
| May | 149 | 104 | 253 |
| June | 160 | 101 | 260 |
| July | 151 | 101 | 252 |
| August | 169 | 112 | 281 |
| September [1] | 141 | 89 | 229 |
| | 2,448 | 1,568 | 4,014 |

[1] Figures of imports of merchandise cover period Sept. 21.

*Imports during 18 months preceding October, 1922, and the 18 months ending with March, 1924, in millions of dollars*—Continued

| | Free of duty | Dutiable | Total |
|---|---|---|---|
| 1922—October [1] | 213 | 132 | 345 |
| November | 172 | 119 | 292 |
| December | 178 | 115 | 294 |
| 1923—January | 193 | 136 | 329 |
| February | 170 | 133 | 303 |
| March | 211 | 187 | 398 |
| April | 190 | 174 | 364 |
| May | 201 | 172 | 373 |
| June | 178 | 142 | 320 |
| July | 168 | 120 | 287 |
| August | 165 | 112 | 275 |
| September | 143 | 111 | 254 |
| October | 172 | 136 | 308 |
| November | 169 | 122 | 291 |
| December | 176 | 112 | 288 |
| 1924—January | 176 | 119 | 296 |
| February | 186 | 149 | 335 |
| March | 164 | 157 | 321 |
| | 3,220 | 2,448 | 5,671 |

[1] Figures of imports of merchandise cover period from Sept. 22 to Oct. 31.

From this it will be seen that the imports during the 18 months ending with March this year, during all of which the prosperity tariff has been in effect, had a value in round numbers of $5,671,000,000, as compared with $4,014,000,000 during the 18 months preceding the enactment of the Fordney tariff, the increase totaling $1,657,000,000, or 41 per cent.

VAST INCREASE INSTEAD OF DECREASE IN IMPORTS

Our imports, therefore, under the prosperity tariff, instead of greatly decreasing as was so generally and so positively predicted by our free-trade Democratic friends, actually increased no less than 41 per cent. That is something for our Democratic friends to reflect upon. We would be unable to buy foreign goods, these same free-trade Democratic friends told us, because of their greatly increased price due to the increased duty; therefore we could not expect to sell our surpluses to people of other countries, and we would suffer a reduction in our exports, with all of the evil consequences that follow an accumulation of production, preceding a diminution of production, and a final abandonment of it. Of that I shall speak presently. But I am not ready to abandon as yet my study of the tremendous and utterly demoralizing increase in our imports—demoralizing from a free-trade Democratic point of view.

At this point I wish to digress for a moment to state that I have come into possession of a symposium of terse, clear-cut, more or less epigrammatic expressions on the tariff, gathered by the American Protective Tariff League, of New York, which for nearly 50 years has been unceasing in the distribution of tariff arguments and facts, all showing the necessity of maintaining at all times an adequately protective tariff; and it is my plan to interpolate from time to time, in what I have to say at this time on the prosperity tariff, quotations and excerpts culled from that symposium. I quote Senator McLEAN, of Connecticut, as follows:

I heartily approve of the effective work accomplished by the American Protective Tariff League, and if the American people are wise they will continue to give it their hearty support.

And Senator PHIPPS, of Colorado, says:

The protective tariff principle is one which stands at the base of our business and agricultural prosperity.

Of our imports free of duty the total during the 18 months preceding the enactment of the prosperity tariff, in round numbers, totaled $2,448,000,000, but during the 18 months of the present tariff our imports free of duty totaled in value no less than $3,220,000,000, an increase in imports free of duty of $772,000,000 or no less than 31 per cent.

Of our dutiable imports the increase, it will be noted, was from $1,568,000,000 in the 18 months preceding the enactment of the protective tariff to $2,448,000,000 during the 18 months that elapsed after the enactment of that instrument, an increase of $880,000,000, or 56 per cent more than during the 18 months of semifree trade. Notwithstanding the protective duty, therefore, the dutiable imports increased far more than did imports free of duty. I should like to have some of my free-trade Democratic friends explain what to them must be a most amazing protective-tariff phenomenon. It may help them to do so if they will accept as a basic fact a short statement from Senator SHORTRIDGE, of California, who has said:

It is no longer a matter of theory; experience proves that a tariff framed on protective principles is absolutely necessary to national and individual prosperity.

PURCHASING POWER OF THE PEOPLE

Democrats are wise enough to know that there is but one explanation for this phenomenon, and that is that the increased and very general employment of the people at higher wages than they have ever before known in peace times gives to them a purchasing power that in the aggregate pushes aside all barriers to purchases of the things they desire, be they dutiable imports or home products. The protective tariff substituted employment for unemployment, high wages for no earnings, prosperity for poverty, comfort and contentment for misery and deprivation—that is the reason!

Right here we get to the very essence of the difference between protection and free trade in the United States. The increased prosperity, that increased purchasing power of the money in the hands of the great majority of the people—110,000,000 of them, remember—was more favorable to imports than the hard times they endured previous to the enactment of the prosperity tariff.

I pause to quote my friend Representative FENN, of Connecticut, who says:

Despite the assertions of those who opposed its passage I believe the country is convinced now that the Fordney-McCumber tariff bill is the best tariff, taking the world conditions into consideration, ever passed by any Congress.

What a wonderful country this would become if such tariff truths were only acceptable to our Democratic friends.

WHY DO DEMOCRATS FAVOR FOREIGN PRODUCTS

Free traders themselves, therefore, must see, even if unwilling to admit, that conditions are infinitely more favorable to imports under a reasonably protective tariff than they are under a semifree-trade tariff. How are our free-trade Democratic friends to find a way out of their dilemma? If this purpose is to encourage the purchase of foreign goods, protection, not free trade, is the road to it. But if they desire to diminish American purchases of foreign goods, they must put free trade, or semifree trade, conditions in operation. When the great bulk of the people are prosperous they buy more freely, regardless of the cost of purchases, than they do when free-trade conditions make times hard, with employment uncertain and money hard to get.

It has seemed to me that our rates of duty on a great many competing foreign articles are too low; that they could be increased beneficially to everybody in the United States, producers and consumers alike. Which causes me to insert here a remark of my Illinois friend, Representative SPROUL, who said:

I believe that the past year has proven, if proof was necessary, the great good that has come to the country through our present tariff law. If I was to change it in any way, it would be to increase the rates of the various schedules.

Democrats are not likely to approve of that unless they happen to produce sugar, or wool, or rice, or even peanuts. But there is food for thought in the statement.

MINIMUM WAGE IS FREE TRADER'S CHIEF AIM

Of course, the real object of free traders is to force our workers to accept wages that are on a parity with those in less-favored countries, because it will always be found that under free-trade conditions the tendency is constantly to reduce wages, and it is easier to effect reductions in wages when there are more men seeking employment than there is employment offering. The effects of free trade in the United States or semifree trade have been, of course, to diminish the average wages paid to workers, but this diminution has not been anything like as great as free traders have wished; nothing like, for example, as great as would bring wages in this country to a parity with wages in countries whose goods seek to compete with our own in the home market. Instead of being willing to accept reductions that would establish such a parity of wages between American and foreign workers many American workers prefer to quit work until a return of the time when they shall be able to obtain what they regard as proper wages; that is to say, the American standard of wages.

AMERICAN FEDERATION OF LABOR'S VIEW

In my speech of March 2, 1923, on the tariff I quoted from a resolution adopted by the American Federation of Labor in convention at Buffalo in 1917, just as appropriate now as when that great body of workingmen adopted it. Listen to it.

*Resolved*, That this convention go on record in favor of a policy of industrial preparedness and the enactment of laws by Congress that will adequately protect all wage earners of our country against loss of employment through any invasion of the products of any other nation.

Democrats like to beguile themselves with the thought that theirs is the party of the people, the common people, but the

meaning of that resolution, adopted only after the most extended and careful consideration, should clarify such illusive Democratic pipe dreams. The party of protection is the people's party, which stands for the American standard of living with wages adequate to the maintenance of that standard.

DANGER OF FREE TRADE OR SEMIFREE TRADE

If free trade or semifree trade periods were longer in this country than they have been under tariffs for revenue only, such as have obtained during Democratic administrations, possibly the object of free traders in time might be attained; that is to say, workers might be forced, by their very necessities, to save themselves from actual starvation, to accept wages on a parity with those in effect in foreign countries. But the lower our standard of wages the smaller our purchasing power, and real free-trade wage standards would not yield revenue for purchases of foreign products to any considerable extent. As has been so well said by Representative GARBER, of Oklahoma:

The theories of free trade taught in a great many of our universities and the advantage taken by monopolistic corporations constantly require a watchman on the tower to safeguard our national defense of a protective tariff. During the last 60 years we have had but 12 years of free trade or a tariff for revenue only. Select the periods of greatest depression, when manufacturing plants and factories were idle, when laboring men were reduced to want and standing in line for jobs and bread—then you have the periods referred to.

The whole question resolves into whom should be given the employment—the American farmer and the American workingman, or the foreigners with cheap labor and cheap modes of living, who are able to successfully compete and capture our home markets unless prevented from doing so by a tariff high enough at least to more than equalize the difference in such conditions.

FREE TRADERS HIDE THEIR ULTIMATE AIM

Free traders do not like to admit frankly and bluntly that their ultimate object is to force workers to accept minimum wages or wages on a parity with the wages of their competitors in foreign countries. But that is, nevertheless, their prime object. The free trader seeks to establish world-wide conditions where the cheapest product in a given line should be left to the production of people who can produce it most cheaply—usually these are the people least paid. This would establish world conditions in which the great body of workers the world over would be working for starvation wages—barely enough to keep body and soul together—as was the case in Great Britain for so long after the repeal of the corn laws, in 1846. Protection of agriculturists at that time was definitely abandoned with the sole object of obtaining foodstuffs and raw materials from abroad at lower prices than they could be produced for at home. Acquiring these foodstuffs and raw materials at the minimum of cost and forcing labor employed in manufacturing to accept minimum wages, Great Britain was able to continue to be the world's workshop, so to speak. But it will be perceived that it was at the expense of the workers—workers in agriculture as well as in manufactures. The result was that the British home market was of but little value to foreigners, except such as sold Briton's foodstuffs and raw materials. Being the cheapest market in the world for manufactures, of course foreign manufactures had no opportunity to invade the British market. The gradual decline of home production of food products in Great Britain following the repeal of the British corn laws was greatly marked, many agriculturists abandoning agriculture rather than attempt to compete with food producers the world over, perhaps the least-paid laborers in the world.

Naturally, inevitably these workers drifted into manufacturing, practically the only line of general employment open to them. This had a tendency to keep wages in manufacturing always at the minimum—the level of starvation conditions. British propagandists preached free trade to the world in order to secure free access to the foreign markets, and naturally they and their abettors and dupes always were and still are radically opposed to protective measures of any kind.

The great and valuable home market of the United States, the market that all foreigners are so eager to enter, would cease to exist under general and prolonged free-trade conditions—something that we should always strive to prevent.

Representative FAIRCHILD, of New York, a sterling protectionist, clearly sees and thus warns his countrymen against this danger:

Protectionists should be ever on guard against an insidious foe. That is my watchword for everyone who believes in the American policy of protecting home industries. A protectionist should unceasingly and aggressively work to maintain the policy of protection. Free traders, importers, and also whitewashed foreigners among American citizens are constantly and aggressively at work to undermine the protective policy, and protectionists should never for one moment be weary in well-doing.

If American workers really desire to know what would happen to them under prolonged free-trade conditions, let them study the progress of events in Great Britain after the repeal of the corn laws nearly 80 years ago. The more such conditions are studied by American workmen the less inclined they will be to participate in bringing about free trade or semifree trade conditions in this country. Such evils as may arise through long-continued protection can be remedied from within far better than from without; and there are no evils possible under protection that are not infinitely more tolerable than such evils as exist under free trade. This brings me to a statement by Senator MOSES, of New Hampshire, that is most applicable:

While there are some features of the administrative portion of the act which provoke just criticism, the underlying principle of the measure, through which runs the constant forceful thread of maintaining an American scale of wages and American standard of living for American workingmen, is so apparent that even the critics of the bill are shamed into silence.

We have seen what the prosperity tariff has done during 18 months for imports—so much more than the Underwood "tariff for revenue only" accomplished. Let us glance for a moment at what this prosperity tariff has done for our home producers in the way of finding foreign markets for their surplus products.

Democratic prognostications regarding the effects of our protective tariff law at the time of its enactment have proven to be wholly wrong—absolutely and totally wrong. If Democrats believed what they then said, it is manifest now how ill-informed they were; and if, as in many instances was the case, their sole purpose was to mislead, what claim have they to serious consideration? They said our prosperity tariff would cut down imports, whereas they have increased 41 per cent; they said that this "robber tariff" would also curtail our exports—they were positive of that—some of them are positive of it yet.

Let us see therefore, what has happened to our exports during 18 months of this "unspeakable tariff," as compared with what happened to them during the 18 months that preceded the enactment of what is really a prosperity tariff. The following table is prepared from the monthly summary of foreign commerce issued by the Department of Commerce:

*Exports during the 18 months preceding October, 1922, and the 18 months ending with March, 1924, in millions of dollars*

| | Value of exports |
|---|---|
| 1921: | |
| April | 340 |
| May | 330 |
| June | 337 |
| July | 325 |
| August | 367 |
| September | 325 |
| October | 343 |
| November | 294 |
| December | 296 |
| 1922: | |
| January | 279 |
| February | 251 |
| March | 330 |
| April | 318 |
| May | 308 |
| June | 335 |
| July | 301 |
| August | 302 |
| September | 313 |
| | 5,694 |
| October | 371 |
| November | 380 |
| December | 344 |
| 1923: | |
| January | 335 |
| February | 307 |
| March | 341 |
| April | 325 |
| May | 316 |
| June | 320 |
| July | 302 |
| August | 311 |
| September | 381 |
| October | 399 |
| November | 401 |
| December | 427 |
| 1924: | |
| January | 395 |
| February | 366 |
| March | 340 |
| | 6,361 |

Here we find that Democratic forebodings and predictions went for naught. Even our exports have increased during the period of the operation of prosperity tariff, increased in the sum of $667,000,000, in round numbers, or 12 per cent. Democrats can not idly pass this off, any more than they can escape distrust because of their utterly wrong predictions that our prosperity tariff would greatly curtail imports. If they did not know, how dependable are they? If they did know, then, like Bret Hart's Ah Sin, they spoke with "intent to deceive." Which makes me think of what former Senator, now Postmaster General New, so well said:

Campaigns may come and go and new issues be from time to time injected into our politics, but the one principle that must not be and can not be forgotten, and upon which the two great parties are divided, is that of protection to American industry.

WILL FREE-TRADE DEMOCRATS ADMIT THEY WERE WRONG

Democrats may talk loudly and tell about the "issue" they propose making of the protective tariff, but theirs is the spirit in that matter which causes a timid youngster to whistle as he passes a graveyard at night. They will be glad when they get by. They do not want to be pinned down to specific questions, least of all to be asked to give specific data of the really objectionable features of this "robber tariff." They will generalize, but they are not apt to particularize. How can they and tell the truth? But dare they longer attempt to mislead? Note a remark by Representative FLEETWOOD, of Vermont:

The national distribution of Document No. 33, "Comparison of tariff acts of 1909, 1913, and 1922," published by the Ways and Means Committee, has been of much value, I think, in informing the public in regard to the benefit of the protective policy. I think the American Protective Tariff League in the distribution of this document has been of much value.

This document has been placed in public libraries, where whoever chooses may consult it and thus get first-hand official information regarding varying tariff schedules. And it has been sent to practically every newspaper editor in the country, close to whose elbow, if he is on his job, you will find it, well thumbed, its owner ready to "nail" tariff misstatements and at the same time furnish the truth. So anyone thinking of "getting away" with a campaign of untruths on the tariff would better watch out.

Really there is nothing for honest Democrats to say about the prosperity tariff except that it worked out very differently than their party leaders said it would, and that it did just the contrary to what Democratic leaders and newspapers said it would do. But we do not expect Democrats to admit such truths, not during a presidential campaign year; and all of this leads me to believe that Democrats, instead of making an issue of the tariff, will be found dodging such an issue; and they will be wise if they do dodge it, if they can dodge it.

DEPRESSION AMONG WHEAT GROWERS

Unquestionably Democrats and free traders—those who work so strenuously to substitute foreign for American products in the American market—will try to make the most of the depressed condition that affects our wheat growers of the Northwest. Already these producers have been told that they are the dupes, the victims of the tariff; they have been told that the tariff is of no benefit to them; that, on the contrary, it is a thing that increases the cost of everything they buy and has no power to help them. Everything they buy they must pay "high tariff rates" for, they are told, while what they sell must all be sold at world prices. These are deliberate falsehoods, and known to be such by those who utter them. But they are uttered in the belief—at least the hope—that the "ordinary man" does not know the truth and is unlikely to seek it, in respect to a tariff matter.

There is abundant proof that many wheat producers, and others within the area of large wheat production, who are in a state of financial and mental depression, are being told that it is all due to the "robber tariff." They are urged to do all they can to have the tariff repealed, to wipe protection off the American political slate. There is good reason to believe that these statements are all too readily believed by farmers who think they are "up against it," because it happened that the thing they produced in great abundance was in greater abundance the world over than it has been before the World War began. The protective tariff can not alter the law of supply and demand. It can, and it does, prevent competing foreign products from entering the American market without paying a good round duty on the product. The things the farmers have to sell never were so well protected as they are now; but the protection applies in the home market, it protects the farmers against foreign competition at home; it has never been pretended that it would prevent the producer who sells his product abroad from being obliged to accept the world's price for what he sells abroad.

On everything farmers are compelled to buy, especially such things as are peculiar to the needs and the uses of the farmers, there is no duty at all—all of them are on the free list, and tariff does not affect them. But Democrats will never tell you this. If you ask them they will either say this is not true, or they will hedge and evade the point. They think the lie helps them, and perhaps it does—for a time.

MISSTATEMENTS IN NEW YORK TIMES

The New York Times is a great American newspaper, perhaps one of the most prosperous and powerful newspapers in the world. But being a consistent free-trade newspaper, it is difficult for it to state accurately the facts respecting a protective tariff. Even such a newspaper as the New York Times does not hesitate to misstate and distort facts in order to malign and cast distrust upon the prosperity tariff. A case in point is before me in its issue of June 5, 1924, which contains an editorial captioned "Opening the eyes of farmers." It would, indeed, cause well-informed farmers to open their eyes very wide and to rub them, too, if they read it. "Farmers," declares this article, "have found out that the duties levied on agricultural products are wholly illusory." Farmers, in truth, have found no such thing. They have found that duties on agricultural products serve to keep competing foreign agricultural products out of the American market; that such duties preserve the American markets for American farmers. There is at present a duty of 42 cents a bushel on wheat, and every bushel of foreign wheat that seeks to enter the American market must first pay 42 cents to get in. With wheat selling at a little above a dollar this is a serious handicap to place upon foreign wheat that seeks to compete in the American market with American wheat, too serious a handicap for foreign wheat growers to care to try and overcome. Perhaps the worst misstatement in the New York Times article is this:

The tariff can not help the farmer, but hurts him by compelling him to pay high prices for all that he has to buy.

Politicians have not fooled farmers any more than the New York Times seeks to do. Such a statement as I have quoted from the New York Times is unworthy of the high position it occupies in the journalistic field.

The New York Times states that "one Representative proposes gravely to continue the process by asking the Tariff Commission to reduce the duties on farm implements." Every Representative in Congress knows, as the writer of the New York Times editorial under review does, that farm implements are all on the free list, and it convicts itself out of its own mouth when it admits that Canadians "import great quantities of implements used on the farms" and declares that "it is a fact that American manufacturers of farm implements dominate the industry and export to many foreign countries up to the value of $50,000,000 a year." Manifestly American makers of farm implements need no protection from the tariff and enjoy none.

Here the New York Times discloses its purpose in indulging in such wild and purposely misleading statements as are contained in the article quoted:

There is no hope that the American farmer can find a shelter behind a protective tariff. He ought to insist with might and main that others be deprived of it, especially when they enjoy it at his expense.

The New York Times taunts the farmers with their alleged desire to obtain subsidies, but it does not say that it and other newspapers like it enjoy the largest subsidies to-day paid by the United States Government; subsidies that run into tens of millions of dollars each year—aye, perhaps as high as a hundred million dollars—in the rates at which the Government transports their periodicals all over the country. It ill becomes any American newspaper that enjoys second-class mail privileges to inveigh against subsidies, because the general taxpayers of the country are obliged to contribute the great bulk of the money that the Government spends to carry and distribute American newspapers. Let the New York Times tell the farmers of the country how much it would have to pay to the Government if it merely paid the actual cost of having its journal carried and distributed by the Government. Subsidies, forsooth! The New York Times presents a pitiable picture in declaiming against special privileges and subsidies while it is a conspicuous beneficiary of them.

What can be expected of ordinary newspapers when they are set such an example by an American newspaper with the

prestige of the New York Times? The campaign of misrepresentation is on! The great, free-trade New York Times leads! It seems to hate the prosperity tariff even more than it hates the truth.

Farmers know that the tariff protection enjoyed by our manufactures, our mines, and our forests enable them to produce when profitable production would be impossible if competing foreign products were permitted freely to enter our markets. All of those so protected are consumers of American farm products, and they consume far more than they would if unemployed and with no money with which to buy, such as so often obtains when a Democratic revenue tariff is the law of the land.

Speaking on this floor on February 1, 1894, that brilliant American, the late Thomas B. Reed, discussed the tariff interestingly, illuminatingly, eloquently.

In the course of that speech he quoted at length from a published statement of a British editor who had but recently visited this country and who was amazed at the prosperity he found in the United States. Said Mr. Reed:

> I have given you already the glowing testimony of the Englishmen who have seen us with their own eyes. "Amazing prosperity," "Greatest market in the world," "Paradise of the workingman." These are strong words, but let us see if cold mathematics do not put to shame the fervor of adjectives.
>
> We are nominally 70,000,000 people. That is what we are in mere numbers. But as a market for manufactures and choice foods we are potentially 175,000,000 as compared with the next best nation on the globe.

Again, former Speaker Reed said:

> Mulhall gives certain statistics which will serve to make the comparison clear. On page 365 of his Dictionary of Statistics he says the total yearly product of the manufactures of the world are £4,474,000,000, of which the United States produces £1,443,000,000.
>
> I do not vouch, nor can anybody vouch, for these figures, but the proportion of one-third to two-thirds nobody can fairly dispute. We produce one-third and the rest of the world, England included, two-thirds.
>
> The population of the world is 1,500,000,000, of which we have 70,000,000, which leaves 1,430,000,000 for the rest of mankind. We use all our manufactures or the equivalent of them. Hence we are equal to one-half the whole globe outside of ourselves, England included, and compared as a market with the rest of the world our population is equal to 700,000,000. [Applause on the Republican side.]
>
> I repeat, as compared with England herself as a market, our people are equivalent to 175,000,000. As compared with the rest of the world, England included, we are equal as a market to 700,000,000. These figures more than justify the adjectives of the Englishman, and the cold facts of mathematics surpass the spasms of rhetoric.

And this is the market that free traders would turn over to the free competition of all the world! No wonder it is so eagerly sought by the rest of the world, considering what a wonderful consumer we are.

Said the beloved "Tom" Reed further:

> Who have these markets of the world now? There is hardly a spot on the globe where three generations of Englishmen, Frenchmen, or Germans have not been camped in possession of every avenue of trade. Do you suppose that machinery nearly as good as ours and wages at one-half these men are going to surrender to us the markets of the world? Why, the very duties you keep on show that you do not believe it. If we can not without duties hold our own markets, how shall we pay freight, the expense of introducing goods, and meet the foreigner where he lives?

And yet free traders would have us abandon to the foreigner the wonderful home market that we are at perfect liberty to enjoy for ourselves if we but protect ourselves against foreign competition and go roaming the world for other markets to exploit! Let us make the most of that which is ours and that lies all around us.

Our producers of wheat know that at home they possess a market equal to none to be found elsewhere in the world; they know that if tariff protection is withdrawn, if industries close down, factories and mills cease to operate, or operate only on part time, as was the case before the prosperity tariff came into effect, that the diminution of wheat consumption right here in our own market will be the very worst thing that can happen to them.

In the American Economist of June 6, 1924, on page 188, appears an illuminating editorial on "How the tariff favors the farmer." It is an article that the editorial writers on the New York Times and other free-trade newspapers should read and digest. It discusses a great variety of pertinent matters showing how the tariff benefits the farmer, and it shows how uninformed one Representative in Congress was in stating that articles were on the dutiable list of the tariff that are free of duty, proof of which the editor is able to furnish out of the mouth of a well-informed and honest Democratic Representative, Mr. RAINEY, of Illinois, who is quoted as saying that the protection given our farmers—

> is proportionately as large when reduced to equivalent ad valorems as is given to any other articles in the entire tariff schedules, including textiles. * * * In addition, the farmer was given protection on everything else he produces. * * * The protection he has received in terms does not differ in the least from the protection given anyone else, and it is just as high, perhaps higher.

Then the editorial in the American Economist, which, as no doubt you all know, is published by the American Protective Tariff League, discusses the freedom from duties of articles used by farmers. It says:

> As to the cost of farm machinery, it is probably due to the fact that there is no tariff on it that has increased the farmer's cost. Not a single farm implement is on the dutiable list of the Fordney-McCumber Act. And one would gain the impression from reading Mr. Wilson's statement that the farmer buys new machinery every year to harvest his crops. Nothing could be further from the truth. To say that the tariff is reflected in hats and shoes, so far as the farmer is concerned, is likewise somewhat at variance with the facts.
>
> There is a tariff on straw hats, the kind of harvest hats that the farmers use, and it is 25 per cent ad valorem if the hats are valued at $3 per dozen or less—that is, 25 cents each. When sewed straw hats of the type that the city chap wears are imported at 20 cents each to sell for $1.69 each, it can easily be seen that the farmer is rather the victim of the middleman than the tariff.
>
> As to shoes, where in the whole tariff law can Mr. Wilson find the shoes that the farmer wears paying a tariff duty? And where can he find a duty on the leather from which the shoes are made? There is none on either the shoes or the leather, and Mr. Wilson knows it.
>
> The farmer buys fence posts to keep his cattle in. Fence posts are on the free list. The farmer buys barbed wire to make the fence. Barbed wire is also free.
>
> The farmer buys plows, tooth or disk harrows, headers, harvesters, reapers, agricultural drills and planters, mowers, horse rakes, cultivators, threshing machines, wagons, carts, "and all other agricultural implements of any kind and description, not specially provided for in whole or in part, including repair parts," but both Mr. Wilson and Mr. Oliver apparently are unaware of the fact that they are on the free list. Binding twine is also free.
>
> The farmer also is a great bread eater. That is on the free list. He uses common brick and cement—that is, if he is modern—but he pays no duty on them if he brings them in from a foreign country. He must burn coal, wood, or crude oil. These are all on the free list.
>
> He uses cyanide and other chemicals for spraying his crops. These are on the free list. He uses hones and whetstones; he uses all kinds of fertilizers, natural or chemically made; oil cake and oil-cake meal as feed; pads for his horses; plaster rock or gypsum for building walls in his houses; and tea and coffee; but all of these are on the free list.
>
> The only necessities he buys that are taxed, therefore, must be certain cotton and wool clothing that he wears, and he asked for the duties on these things himself.
>
> The farmer knows that his prosperity and industrial prosperity in general are interdependent, because 90 per cent of his products are sold in the home market.

This philosophy was ably set forth by Stuart W. Cramer, of North Carolina, recently at the convention of the American Cotton Manufacturers' Association. In part he said:

> "The interdependence of industry and commerce, of factory and farm, and of all the various activities of life should be so obvious as not to require comment; yet so many think only in terms of agriculture, so many from industrial districts think only in terms of industry, and so many from commercial centers think only in terms of commerce and trade. Is it not true that agriculture prospers only when those engaged in industry and commerce prosper and have full buying power; is it not true that industry prospers only when the farmer and merchant prosper and their buying power is unimpaired; and can the merchant prosper unless the farmers prosper and those engaged in industry are employed and all have money with which to purchase his goods? Strike at one of these institutions and you hit all three. America is happy, contented, and prosperous only as a whole—no North, no South, no East, and no West; no farmer, no manufacturer, and no merchant—all American, pulling together."

The farmer knows that the Republican Party kept its pledge to him with respect to the tariff. He knows that what Mr. Cramer says is

the truth. And the farmer will not be misled by any plain, unadulterated bunk about the tariff and its effect on him, because it has benefited him in no small measure.

It is but fair to state that it never has been claimed by protectionists that the tariff would protect exports. To be sure, free traders and Democrats like to say, mistakenly, or untruthfully, that protectionists claim to be able to protect our farmers in the prices they obtain for the products they export. Protection applies only within the United States and against the importation of competing foreign products. When the products of our farms are so large as to create a surplus not within the ability of our own people to consume, and the surplus has to be exported, manifestly such surplus can not command more than the world price—free-trade price, if you will. How, then, can a protective tariff—applicable only to imports—help protect our exports or the producers of them? How foolish protectionists would be to claim that tariff protection can affect the price paid in the distant markets of the world for our surplus exports.

Again, if producers of wheat will limit its production to what is easily and naturally consumable in the United States, with our present protective duty of 42 cents a bushel on imported wheat, owners of foreign wheat would be obliged to suffer a loss equal to the amount of that protective wheat duty before such foreign wheat could compete in our own market with our own home-grown wheat. Say that the American price of wheat is $1 a bushel. With a duty of 42 cents a bushel on imported wheat—the present rate, recently increased from 30 cents a bushel by President Coolidge—the imported wheat would net the seller but 58 cents sold in our market. The value of foreign wheat, in short, would have to equal the value of our own wheat less the amount of our customs duty on wheat in order to enter our market. That is all that protectionists claim protection through the tariff can do. But if we have a surplus of wheat that must be sold abroad, how can tariff protection help the American seller of exported wheat to obtain the home price for what he sells abroad?

Then, how can the farmer's plight in respect to wheat be blamed against the tariff?

WHEAT EXPORTS DURING PAST SEVEN YEARS

From 1918 there was a tremendous rise in exports of wheat and prices received therefor in foreign markets, while since 1921 the decline has been abrupt, the prices received having so very greatly diminished. Here are the official figures:

*Exports of American wheat*

| Year | Bushels | Value |
|---|---|---|
| 1918 | 34,118,853 | $80,802,542 |
| 1919 | 178,582,673 | 424,543,010 |
| 1920 | 122,430,724 | 306,163,023 |
| 1921 | 293,267,637 | 689,843,094 |
| 1922 | 208,321,091 | 279,656,478 |
| 1923 | 154,950,971 | 192,015,328 |
| 1924 [1] | 67,260,473 | 74,808,474 |

[1] Nine months ending Mar. 31.

There is the record of foreign taking of our wheat. Our exports in 1922 dropped 30 per cent in quantity and 43 per cent in value as compared with the previous (peak) year. But it conveyed a warning that should have been heeded. The war was ended. Inevitably nations that had suspended wheat production would begin to produce wheat for themselves anew, so that the outlook for wheat markets and profitable wheat prices was forbidding. In short, our wheat producers had reason for curtailing production, and on a large scale, as compared with war and post-war production. But they continued to produce abnormal quantities and now they are suffering the consequences. The country sympathizes with them and Congress has sought to help them, if possible, to meet the temporary embarrassment confronting them, but the permanent remedy can only be found in decreased production.

In his report of November 30, 1923, to the President on the wheat situation, Secretary of Agriculture Wallace clearly shows how the demand for vast quantities of wheat began with the outbreak of the World War, how quickly production overtook demand, the drop in 1915–16, the renewed demand and again increased production, with price regulation in 1917, 1918, and 1919 crops. Mr. Wallace says:

Under continuous appeals for production of food the production of wheat rose from an average of 690,000,000 bushels in the period of 1909–1913 to 968,000,000 in 1919, an increase of 40 per cent, and the wheat area expanded from an average of 47,000,000 acres to 75,000,000 in 1919. * * *

When general deflation of prices began in the summer of 1920 wheat prices broke sharply and have continued to decline into the present season. As a result substantial reductions have taken place in both acreage and production of wheat. Nevertheless, the crop for 1923 is 781,000,000 bushels, or 13 per cent, greater than the average before the war, and the acreage is about 24 per cent larger. The corn acreage which was replaced by wheat has now recovered most of this loss, but still slightly under the pre-war average. While there has been some reduction in cultivated crops the total crop area of the country is still between 30,000,000 and 40,000,000 acres larger than before the war.

Secretary Wallace's recommendation to remedy the situation is, in part, as follows:

The increasing foreign competition in wheat production points to a relatively low level of prices for wheat and to the advisability of materially reducing the acreage. Our wheat production should be placed gradually on a domestic basis and then should keep pace with our growth in population and domestic demand. In those regions where wheat displaced other crops in response to war-time prices the acreage of wheat should be reduced as fast as profitable alternatives can be found.

Secretary Wallace says that the wheat surplus may be reduced materially by increased domestic consumption. "The per capita consumption of wheat flour and bread," he says, "has been lessened by the war-time campaign to save food coupled with the high prices for bread which have since been maintained." Statistics show that during the past two years the total wheat retained for consumption in the United States has aggregated about 550,000,000 bushels, which was the average retained for consumption in 1911, 1912, and 1913—in fact, the amount retained for consumption between 1906 and 1910 averaged no less than 560,577,241 bushels. As bearing on whether or not our tariff protects our wheat growers within the United States, note the margin of American No. 1 dark northern wheat prices over Canadian—Winnipeg No. 2 northern—prices during the first 10 months of 1923:

*American margins over Canadian prices, 1923*

| | Duluth | Minneapolis |
|---|---|---|
| | *Cents* | *Cents* |
| January | 16 | 18 |
| February | 15 | 18 |
| March | 14 | 16 |
| April | 11 | 12 |
| May | 12 | 12 |
| June | 3 | 4 |
| July | 5 | 6 |
| August | 10 | 10 |
| September | 24 | 19 |
| October | 30 | 32 |

This is a good place to interpolate a statement made by my friend Representative BEGG, of Ohio, in January, this year:

Our Democratic friends attack the tariff in general terms as it applies to the farmers, but on checking statistics for 1923 you will find that the farmers of the United States sold more than 711,000,000 bushels of wheat, and the average price in the United States as compared with the average price in Canada was near 30 cents a bushel to our advantage, or something like $210,000,000 in the pockets of American farmers.

A further study of statistics will show that under the Underwood tariff the differential in the wheat crop, comparing the United States with Canada, was as high as 7 cents per bushel. In other words, on 711,000,000 bushels of wheat the average sale over a period of five years showed a direct loss to the American farmer as compared with the Canadian farmer. If the tariff is no good, what is the explanation for this difference?

Again, if the tariff is no good, why is it that the 4,000,000 men who were out of work when the Harding administration took control are to-day all employed and there is a shortage of labor and the wages are the best ever known in peace times? If the protective tariff did not put those men to work, who did?

Representative SUMMERS of Washington made the following contribution on the subject of wheat in January last:

Please be advised that the Western wheat growers, all parties, are agreed for the first time in history that there should be a high tariff on wheat, not less than 50 cents a bushel and preferably 75 cents per bushel.

If all western wheat growers are agreed that there should be such a high duty on imported wheat, surely they all must agree that the protective tariff is helpful to American wheat growers. That being so, why imperil wheat growers by putting

in power the party that took the duty off of wheat and other cereal products during the period of the Underwood tariff?

The real, lasting, and effective remedy for the depression of the wheat producers is to curtail its production and keep it within the domestic requirements of the country, where it can be adequately protected against foreign competition.

In order graphically to contrast conditions affecting our imports and exports since the new tariff came into existence with a similar period preceding its enactment I have adopted the method of grouping our imports and exports in the same manner that they are expressed in the monthly summary of foreign commerce. The figures presented are in millions of dollars, as was done in the earlier part of my remarks.

*Value of imports and exports of the United States in 18-month periods preceding and following enactment of the Fordney tariff*

[The tariff went into effect on September 22, 1922]

| | For the 18 months ending with— | |
|---|---|---|
| | September, 1922 | March, 1924 |
| IMPORTS | | |
| Free of duty: | | |
| Crude materials for use in manufacturing | $1,196 | $1,647 |
| Foodstuffs in crude condition, and food animals | 363 | 427 |
| Foodstuffs partly or wholly manufactured | 74 | 72 |
| Manufactures for further use in manufacturing | 422 | 713 |
| Manufactures ready for consumption | 378 | 358 |
| Miscellaneous | 15 | 6 |
| Total | 2,448 | 3,223 |
| Dutiable: | | |
| Crude materials for use in manufacturing | 214 | 441 |
| Foodstuffs in crude condition, and food animals | 88 | 135 |
| Foodstuffs partly or wholly manufactured | 472 | 710 |
| Manufactures for further use in manufacturing | 206 | 367 |
| Manufactures ready for consumption | 575 | 769 |
| Miscellaneous | 13 | 26 |
| Total | 1,568 | 2,449 |
| Free and dutiable: | | |
| Crude materials for use in manufacturing | 1,410 | 2,088 |
| Foodstuffs in crude condition, and food animals | 451 | 562 |
| Foodstuffs partly or wholly manufactured | 546 | 781 |
| Manufactures for further use in manufacturing | 627 | 1,080 |
| Manufactures ready for consumption | 953 | 1,128 |
| Miscellaneous | 28 | 33 |
| Total | 4,016 | 5,672 |
| EXPORTS | | |
| Domestic: | | |
| Crude materials for use in manufacturing | 1,306 | 1,926 |
| Foodstuffs in crude condition, and food animals | 843 | 400 |
| Foodstuffs partly or wholly manufactured | 914 | 904 |
| Manufactures for further use in manufacturing | 623 | 822 |
| Manufactures ready for consumption | 1,879 | 2,198 |
| Miscellaneous | 10 | 11 |
| Total | 5,574 | 6,230 |
| Foreign | 112 | 92 |
| Grand total of exports | 5,686 | 6,342 |
| Duties collected from customs | 562 | 899 |
| Increase during protective tariff period | | 397 |

Percentage of increase, 52.8 per cent.

This presentation verifies the figures I presented earlier in my remarks in the tables, giving free and dutiable imports separately by months, and free and dutiable imports combined, as well as exports, also by months. But it goes much further and shows the character of our imports, free and dutiable, separately and combined, and the character of our exports. A study of this table will give students of the subject opportunity to satisfy themselves as to whether or not the country is better off because of the variations in the character of our imports and exports.

In the increase of imports free of duty, which increase amounts to $775,000,000, more than one-half represents crude materials for use in manufacturing, which should be pleasing both to protectionists and free traders. The other big increase was in manufactures for further use in manufacturing, which should also be pleasing to all shades of economists. Protectionists will be pleased to note a slight reduction during the period of the prosperity tariff in manufactures ready for consumption, as compared with the preceding period. Altogether the figures revealed of nondutiable imports should be satisfactory to protectionists.

As to the dutiable, substantially smaller in the aggregate, the doubling of crude materials for use in manufacturing is pleasing, as, in fact, are all of the increases, with the exception of manufactures ready for consumption, being nearly $200,000,000 more under protection than semifree trade. This proves, or should prove, that the duties are not burdensome. It will doubtless please free traders to note such a substantial increase in manufactures ready for consumption, since their interest is always keen in that particular feature of our import business.

It is noted, again, that the percentage of increase in nondutiable imports is 31 per cent and in our dutiable imports 56 per cent. This, again, should be most reassuring to free traders and should lead them to feel that a protective tariff that produces such pleasing results can not be the monstrous and unspeakable thing that they are wont to characterize it as being.

No wonder that Senator SMOOT of Utah is moved to remark:

> No American citizen who has any desire whatever to be honest can help but admit that the present tariff bill is accomplishing more than was ever promised for it. In my opinion it is the best tariff bill ever enacted into law. The longer it is in operation the greater will be the benefits to the people of the United States.

And Senator GREENE of Vermont:

> It does seem to me, however, that the United States has had experience enough with tariffs by now to recognize beyond all doubt not merely the wisdom but the economic necessity for maintaining the protective principle.

It should be equally gratifying to free traders that our total imports should increase no less than 41 per cent, whether the increase be due to a protective or a semifree trade tariff. The more we buy abroad the happier they are, and the mere detail that it is under a protective tariff that such increase should occur should not greatly displease them. Of course, it will not altogether delight them to find that a protective tariff is more conducive to large importations than is a semifree trade tariff for revenue only. Doubtless it will somewhat jar their sensibilities to be advised, as I can not refrain from advising them, that this really prodigious increase in imports is due to the tremendously increased purchasing power of the people, millions more of whom are employed in the United States because of the existence of the prosperity tariff than could find employment under the semifree trade tariff for revenue only. When four or five million idle people are able to find steady employment at an average of $5 a day—because wages have decreased but little since the war—of course the aggregate sum of money available for purchases of all kinds, including nondutiable as well as dutiable imports, becomes tremendous. And then, again, the quick employment of such a large army of unemployed Americans had a marked tendency both to stiffen wages paid to those who had been fortunate enough to find employment during the dull period of the semifree-trade tariff for revenue only and in many cases to increase them quite substantially.

Your out-and-out free trader never takes any real pleasure in learning that there has been an increase in wages; to such, increases seem abnormal, something to be corrected.

Protectionists are pleased that the prosperity tariff so completely refuted the predictions of the free traders, made in the heat of anger at the time of the enactment of the protective tariff. They see, but they do not like to dwell upon the fact, that instead of their vehemently predicted decrease in imports there has been a really phenomenal increase instead. If the astonishing, to them, fact should but lead them to study the economic situation with less bias and greater fairness, in time they might be reconciled if not won over to a protective tariff, since it accomplishes so amazingly what they so strenuously contend for—an increase in the consumption of imported articles rather than in the consumption of similar home productions.

But, of course, it is the dutiable feature of the imports that free traders regard as so outrageous, and to think that, once prosperity returned with the new tariff, the people should actually prefer to buy more dutiable than nondutiable articles, surely must seriously arouse them. It only goes to show, they will be apt to remark, how very much larger the consumption by Americans of foreign-made articles would have been had there been no duties at all. Perhaps, like in dear old England, they would have preferred to see the duties piled high on noncompetitive imports, and our desire for increased revenue satisfied in that way.

But then they would be forced back to the conclusion that it was only because these duties were imposed that employment became so general throughout the United States as to furnish the money for these tremendously increased foreign articles. In short, it is a case of not being able to have one's cake and eat it, too.

Protectionists can not study the vast increase in dutiable imports without becoming convinced that the rates of duty are too low; that they could be increased substantially in a manner that would not impair the revenue-producing qualities so much desired and at the same time give greater opportunity for home producers to meet the market demands for competing articles now so largely imported. The purpose of protectionists is to increase home production, not home consumption of competing foreign products; and it should be manifest to all that the new prosperity tariff does not give the full opportunity to our own home producers that protectionists would like to see them enjoy.

It will be noted, however, that, in the items of crude materials for use in manufacturing, foodstuffs in crude condition, and food animals, foodstuffs partly or wholly manufactured, and manufactures for further use in manufacturing, are to be found four-fifths of our imports, and that, after all, only one-fifth actually constitutes manufactures ready for consumption. Four-fifths of our imports contribute to further uses, at least part employment by our own people, before they become manufactures ready for consumption, and only one-fifth imports all ready for consumption. The more one analyzes the prosperity tariff the more one admires it.

As a matter of real fact, the existing prosperity tariff is one that should carry joy to both protectionists and free traders, because it has accomplished what each so strongly desires; that is to say, it has been the active cause of putting the idle in the United States to work at steady and high wages, with all of the material blessings that flow from such a condition; and it has so greatly increased our imports, even of competing foreign products, as to mollify all but the most rabid of free traders—but there are so many free traders who are rabid!

Senator JONES of Washington truly says:

> The need of protection is greater now than ever before.

And Representative FREE, of California, with equal truth declares:

> The recent tariff act, in my judgment, has been a great blessing to the country.

Representative LINEBERGER, also of California, thus epitomizes the situation:

> In order that the necessity of adequate tariff legislation may be kept before us as a people, a continuous and consistent educational campaign must be waged. The effect of the tariff of 1922 speaks for itself more eloquently than I or anyone else could speak for it. Prosperity reigns, and the American workman and the American producer and manufacturer, both equally codependent, are enjoying widespread employment and prosperity, both fundamental requirements for the social and economic well-being of the United States.

EXPORTS INCREASE UNDER PROTECTION

The important fact must not be overlooked that our exports increased 12 per cent during the 18 months as compared with the preceding 18 months of nonprotection. This, too, is an accomplishment that our free-trade Democratic friends predicted was an impossibility. Our protective tariff, they declared, was tantamount to an announcement to the world that we desired isolation; that we were enough unto ourselves; that our tariff duties would hereafter be too high to enable our people to buy abroad; and, as a consequence, we should find that we could not sell abroad if we did not buy. But, having increased our imports 41 per cent—having shown our free-trade Democratic friends how wrong they were in respect to imports—they are prepared, of course, for proof that they were wrong, too, in respect to our exports. Instead of these shrinking, as was predicted, they have expanded instead. What a sorry lot, to be sure, free-trade and semifree-trade Democrats are as forecasters of the consequences of the adoption of what has proved to be our prosperity tariff.

Democrats should sit in sackcloth and ashes in order to expiate the errors they committed in discussing the "robber tariff." But, blithely, notwithstanding they purpose, so it is said, to "make an issue of the tariff"! If that be so, I can only say that their hardihood is only equaled by their assurance. Plenty of Republicans will be around with the figures to refute their misstatements, besides which a splendid opportunity will thus be given to Republican protectionists to refute free-trade Democratic misstatements and to let the people know just how they have benefited, are now benefiting, and are sure to continue to benefit under our splendid prosperity tariff.

CUSTOMS REVENUE GAINS UNDER PROTECTIVE TARIFF

Even though I may be charged with repetition, I can not conclude my remarks on the prosperity tariff without again adverting to, with a view to emphasizing, the extremely important increase in customs duties during the first 18 months of the prosperity tariff as compared with the last 18 months of the semifree trade-blighting tariff of our Democratic friends. The study of these customs returns is something that people of all shades of economic thought should rejoice in, free traders as well as protectionists, because revenue is so badly needed just now in order to keep down taxes. So I ask our friends again to note that during the 18 months preceding the enactment of the tariff under which prosperity is so general, so widespread, and so deep-rooted we collected in round figures the tidy sum of $562,000,000 from customs duties while during the 18 months the prosperity tariff has been in effect we have collected no less than $859,000,000, an increase of 52.8 per cent. That is the crown, the capstone of the prosperity tariff. What on earth can our free-trade Democratic friends say about that? Can they, will they, dare they attack a measure that has yielded more than 50 per cent increase in needed revenue while at the same time prosperity has taken the place of adversity, and especially with employment offering for everyone who wishes to work, and at wages that outrank, individually and collectively, anything this country—or, for that matter, any country—has ever known?

I wholly agree with my friend Representative HICKEY, of Indiana, who says:

> I know of no organization or agency that has had more to do in stimulating interest in the protective system than your organization—the American Protective Tariff League. You should have the support of everyone interested in a protective tariff.

And my other friend, Representative FAIRFIELD, of Indiana, who says:

> No better evidence of the value of an adequate protective tariff could be given to the country than the prosperity which developed almost immediately all over the country upon the passage of the tariff act.

Never in the history of American tariffs—free-trade or protective—has there been such customs collections as have been known under the Fordney prosperity tariff of 1922. Put a pin in there. We all know how greatly revenue is needed in order to moderate the rigor of our war taxes. The people are to enjoy a cut of 25 per cent in their income taxes. What enabled the Government to make that reduction? The receipts—the increased receipts—from the new prosperity tariff.

So we have a prosperity-engendering, an employment-begetting, a revenue-producing, a tax-reducing Republican protective tariff to be thankful for and to hold fast to if we have good sense and proper appreciation of the benefits we enjoy.

Representative VESTAL, of Indiana, says it this way:

> To understand the tariff means to be in favor of the protective policy.

And Representative GREEN, of Iowa, says it like this:

> We begin the year 1924 with renewed assurances of the value of the new tariff. Under its influence the wheels of every factory are turning, there is employment for everybody at higher wages than ever before in peace times, the railroads never carried so much freight, our exports and imports are about double what they were before the war, and the revenue received from our customs duties are twice as much as any Democratic tariff bill ever produced in normal times. All this has been done notwithstanding the free list has been greatly increased over that of any tariff bill, as the average rate of the Fordney bill on all goods imported is only a little over 15 per cent, while under the Payne bill they were 20.61 per cent and under the Dingley bill 25.45 per cent. The new tariff is a phenomenal success.

Representative FROTHINGHAM, of Massachusetts, says:

> If there was ever a time when a tariff act was necessary for this country it was after the World War, when without such a measure this country would have been flooded with cheap goods. The revenues received from this measure exceed the predictions of its fondest admirers.

Former Representative Fordney, of Michigan, author of the prosperity tariff, says:

> The need of an adequate tariff is imperative. Its operation has proved its necessity. Upon its maintenance depends the success of the farm, the factory, and labor employed therein.

Representative PAIGE, of Massachusetts, makes this timely remark:

> The textile industries in Massachusetts are suffering to-day from the high price of cotton, which makes it impossible for manufacturers to produce goods at the price they are being sold. This is not the result of the tariff, but is the result of a short crop of cotton and one of those things that occur frequently. Generally speaking, the

industrial conditions of the country are highly prosperous. The price of cotton and the mild season we have had has prevented a free movement of merchandise, which the enemies of protection will claim is the result of a protective tariff. This is all nonsense. Without the protective tariff our industries would be stagnant, and with the present tariff foreign goods are coming into this country in vast quantities, and I think in many instances the rates should be raised instead of lowered, if we desire to protect the industries all over the country.

Things are not all they should be in the cotton-manufacturing business, especially in Massachusetts, but I am convinced that the tariff is not to blame, as so many of our free-trade Democratic friends, looking around for bricks to throw at the prosperity tariff, would be too ready to say. For example, during the 18 months preceding the adoption of the present protective tariff we imported cotton manufactures totaling $179,652,879, and during the 18 months the prosperity tariff has been in effect our imports of cotton manufactures totaled in value $202,835,045, an increase under the protective tariff of $23,182,166, or not quite 13 per cent, and it should be remembered that the increase in all dutiable imports, of which manufactures of cotton are a part, was 56 per cent. Again, during the 18 months that immediately preceded the enactment of the prosperity tariff we exported cotton manufactures valued at $133,525,843, while during the 18 months immediately succeeding the enactment of the protective tariff our exports of cotton manufactures totaled in value $184,810,500, an increase of $51,284,657, or more than 36 per cent, although, it should be remembered, our total exports increased but 12 per cent during the same period last named.

Representative BACHARACH, of New Jersey, sees it in this way:

The splendid results in our foreign commerce, our increased customs receipts, and in general prosperity of American industry clearly justify all that was claimed for the Fordney-McCumber tariff law, and demonstrates the wisdom of the Republican Party in its policy of an adequate protective law.

And Representative LEHLBACH, from the same State, gives this well-deserved testimonial to an organization that constantly works for an adequate protective tariff:

The American Protective Tariff League is performing a splendid service in disseminating information regarding the workings of the present tariff law, and in correcting the distortions and misrepresentations of its opponents. In so doing it is not only strengthening the Republican Party, the champion of protection, but it is to this extent insuring the prosperity and well-being of the country.

Representative MACGREGOR, of Buffalo, N. Y., also pays this tribute:

There never was a time in the history of the country when a protective tariff was more necessary than at the present time, and I congratulate the league on its willing patriotism and efficient work in bringing tariff truths to the attention of the voters.

If I have not already given convincing proof of the great contribution to the national welfare in the enactment of the prosperity tariff, then I have failed completely in what I have undertaken. But how can that be possible, when the effect of that tariff during the first 18 months of its operation—the whole period of which we have record of its operation—has been to increase our nondutiable imports 31 per cent, our dutiable imports 56 per cent, and our combined free and dutiable imports 41 per cent; and during the same period this same prosperity tariff has increased our exports 12 per cent, and the collections from customs duties more than 52 per cent, as compared with the 18 months immediately preceding the enactment of this prosperity tariff.

Perhaps what I have said will not change free traders into protectionists, but it should stay the hand of any protectionist when he comes to vote next November from helping by his vote to return to power the party that would restore a semifree-trade tariff, such as was in partial effect during the 18 months preceding the enactment of the existing prosperity tariff. No protectionist who claims a valid right to the title will be justified in voting against any representative of the party of protection at the coming election. And this I feel sure of: Whoever does, by his vote, help to restore to control of the Government those who stand for free trade, or as near to free trade as they dare make a tariff for revenue only, will bitterly regret their action, if the total result thereof actually does restore to power the party of free trade, because they and the country as a whole will suffer as a consequence of such restoration.

The Lone Star State does not send a great many protectionist Representatives to Congress, but it does so occasionally, and when it does it generally sends one who is a credit to his State, to his party, and to himself. Such a Representative is in this body now from the Lone-Star State, who has sound views on a protective tariff, a sample of which it is my pleasure to present from the lone protectionist (Republican), Mr. WURZBACH, of Texas:

I have the very strong impression that during recent years protective-tariff advocates, and the Republican Party in particular, are not making an appeal to the wage earners on the merits of the protective policy and who are the greatest beneficiaries of that policy. This was not so in the days of President McKinley. It seems to me that we are losing touch with that great class of American producers. The "full dinner pail" argument could be made just as effective now as it was not so many years ago.

The wage earners of the country are strong for a restrictive immigration policy, and the same arguments they make against immigration on economic grounds and as affecting their wage scale and standard of living can be effectively made against the nonprotective policy of the Democratic Party.

Representative COLTON, of Utah, has this to say:

More than any other factor, in my opinion, the tariff has been the means of restoring the West to normalcy. Our stockmen were nearly all broke and our farmers thoroughly discouraged. While there is still a bad situation in agricultural lines, yet matters are improving every day. The sheep industry has been saved, the alfalfa seed has become one of our great products, and the mines are nearly all running at full capacity. This condition in a large measure can be traced directly to the enactment of the tariff law.

Representative WINTER, of Wyoming, contributes the following:

There is great necessity of special continuous effort from this moment on in order to prevent a reaction to Democratic low tariff or free trade in the next election. There will be a vicious attack made on the party of the protective tariff in the coming campaign. We must remind and reeducate and instruct the people and the new voters from this time on.

I wish to close what I have to say just now on the subject of the existing prosperity tariff with a quotation from a statement made by John T. Adams, of Iowa, the retiring chairman of the Republican National Committee, a splendid protectionist and a Republican to be proud of. He said:

The Fordney-McCumber tariff act in its first year's operation demonstrated that it protected American production and at the same time brought more revenue into the Treasury than was ever before realized from customs taxation. The report of the Secretary of the Treasury shows that the customs receipts for the fiscal year 1923 were $562,189,039, exceeding the receipts of the previous year by $204,644,327, under the Democratic policy of "a tariff for revenue only."

The import and export figures presented in the Secretary's report show that while giving protection to our own producers the new tariff law did not restrict our foreign trade. The imports during the fiscal year 1923 were valued at a billion and a quarter more than those of the preceding year and the exports at nearly $4,000,000,000, and an increase of $185,896,336 over the fiscal year of 1922. The balance of trade in favor of the United States was reduced from $1,163,172,589 in 1922 to $175,818,789 in 1923.

All lines of business and industry in this country have grown under the operation of the new law with a steady increase of employment at the highest wage ever known, and the revival of manufactures with the great volume of earnings has increased the home market for the products of agriculture so as to spread prosperity over the whole country.

The friends of the principle of protection should be vigilant during the next year with the demonstration of the great effect of that principle brought vividly and effectively to the minds of all the people.

Former protective tariffs have been repealed not because they failed to do that which was promised but because after exerting themselves to put it on the statute books the friends of protection ceased their activity. This is the time when all believers in protection should redouble their efforts to sustain the party that has always stood for that principle, so retaining the present tariff laws and maintaining the present prosperity in industry, agriculture, and business.

## THE REVENUE ACT OF 1924

Mr. GREENWOOD. Mr. Speaker, the revenue act is probably the most important legislation that has been passed by the Sixty-eighth Congress, because it reduces the tax burdens of almost 4,000,000 citizens who pay income taxes and many more who pay excise taxes. When Congress assembled in December, 1923, we found a cash surplus in the Treasury of the United States of about $360,000,000, and knowing the people needed relief from the tax burden that had prevailed since the World War, practically all Members of Congress wanted sweeping reductions, and the only question in their

minds was the adjustment of the rates and where the substantial cuts should be made.

The Federal Constitution confers on the House of Representatives the authority to propose revenue measures, but much to the surprise of the Congress when they assembled it was found that the Secretary of the Treasury had proposed a bill commonly called the Mellon plan, and with the help of the metropolitan newspapers and the moving picture shows had proceeded to sell this plan to the country as the only model plan under which the people could have substantial tax reductions. Many people not understanding the details of a tax law fell for this selfish propaganda, but Congress was courageous enough to stand between Mr. Mellon, his cohorts, and the people and have proceeded to give the people a better tax reduction law than the Mellon plan. The metropolitan newspapers, like Mr. Mellon, pay incomes in the higher brackets, and Mr. Mellon with fine political strategy proposed the elimination of the excise tax on admissions to the movies and thereby received their educational influence, but forgot many classes who had equal claims for reductions of excise taxes.

The boldest and most unjust suggestion of Mr. Mellon was that the surtaxes in the higher brackets should be reduced one-half, viz, from 50 per cent down to 25 per cent, and this proved the bone of contention against which many of the Republicans entered their protests the same as the progressives and Democrats, so that at no time could the Mellon plan muster in its support more than one-fourth of the total vote of the House, and upon final passage of the present law only 9 votes in the House and 6 in the Senate were the total that could be found against the present bill. Mr. Mellon had the support of President Coolidge until after passage of the present law, and by a veto the President could have tested the strength of the Mellon plan, but decided not to stand pat on the Mellon plan.

While Mr. Mellon proposed to reduce surtaxes 50 per cent, at the same time he advocated a reduction of only 25 per cent on the normal taxes of the large numbers of the smaller taxpayers. Taking the total taxpayers under the former law for the year 1921, which was 6,662,176, there would have been benefited under the Mellon plan a total of 6,109 more compared to the old law, while under the present Simmons law there will be greater benefits accruing to 6,656,067. Should a Congressman represent the 6,000 or the 6,000,000? In Indiana on the same basis of 1921 taxpayers, totaling 150,300, 52 would have been benefited more by the Mellon plan, while 150,248 will be benefited more by the law that Congress passed. As an Indiana Congressman I preferred to vote for the law that would benefit the 150,248 rather than the 52, none of whom, so far as I know, live in my district. Lincoln once said:

> God must have loved the common people the most, as he made so many more of them.

Congress has withstood the severe denunciation of the large newspapers, the ridicule and characterization of the cartoonist, and the misguided criticism of chambers of commerce and others pulling for the classes, and has stood by the masses and enacted into law a revenue bill constructive in character and much superior to the Mellon plan. Although this bill was framed by men like WILLIAM GREEN, of Iowa, JOHN N. GARNER, of Texas, JAMES A. FREAR, of Wisconsin, and others who have served on the Ways and Means Committee of the House for 20 years and more, even before Mr. Mellon and Mr. Coolidge were known in American politics, yet the newspapers have continued to picture the executive department as the council of wise men and Congress as an aggregation of dishonest politicians. The credit for this legislation should be credited to courageous individuals in both Houses of Congress and not to a political party. Party lines broke down and the best law was enacted, and I propose now to analyze some of the merits of the new revenue law.

They say the present bill is not scientific, yet the administrative features of the law desired by the Treasury Department have been incorporated into the new law, thereby making many improvements. The plan proposed by Mr. Mellon did not give the 25 per cent reduction on the current taxes for 1923 payable this year. Mr. Taxpayer, when you receive this rebate this year you can thank Congress for that, as Mr. Mellon was thinking about surtaxes. The exemption for each dependent in the new law still remains at $400 per capita, and if your income runs over $5,000 you will not be held down to a married person's exemption of $2,000, but will be allowed the same as the person with income under $5,000, namely, $2,500. Is not this scientific, to place both upon an equality? And you can thank Congress for that equality of treatment. Instead of your normal taxes being 3 per cent on net income under $4,000, as proposed by Mr. Mellon, your rate will be 2 per cent; and instead of it being 6 per cent on net incomes between $4,000 and $8,000, as proposed by the Mellon plan, it will be 4 per cent under the present law, and Congress, instead of Mellon and Coolidge, should be thanked for this reduction.

In appraising the present tax law keep in mind the reductions in excise taxes, as follows: That all tax is removed on telegraph and telephone messages, admission to the moving-picture shows up to 50 cents, on soft drinks, candy, theater, and circus tickets, hunting and sporting goods, jewelry in value under $30, watches under $60, ordinary priced carpets, rugs, and traveling luggage, license fees of produce brokers, stamps on notes and bills; and the tax on automobiles, trucks, and wagons under $1,000 entirely exempt, and a cut of 50 per cent on auto parts; likewise all gifts and estates under $50,000 are entirely exempt. The cuts and exemptions are all just and accrue to a great number of people upon whom the tax burden was keenly felt.

The present bill provides for publicity of returns, for examination of returns by committees of Congress and taxing officers of the States, and this feature was strongly opposed by the Treasury Department. Congress believed that since the taxpayer in the States had to list and make oath to his assessment, and the same was made a part of the public records, that a similar provision was equally just as to Federal taxation.

The Secretary of the Treasury, supported by those who possess large estates, opposed the gift and inheritance provisions of the present law. These estates arose from monopoly, exploitation of natural resources, increased value of vested holdings in property created by the growth of communities, with organization and centralization of business, all under the beneficent protection of a stable government; and it seems most just that when death comes to the possessors of these vast fortunes the Government should be entitled to its toll to perpetuate its peace, progress, and safety of the whole society. This policy dissipates these large holdings and estates and takes them back to society without taking the taxes from the current year's operating expenses of the particular business and thereby crippling the business. The death of the possessor becomes the adjusting and distributing period, and carries a portion of these vast estates and wealth back to the people. These taxes begin at $50,000 and are graduated upward.

Now, Mr. Taxpayer, as to some of the details of this new revenue law. Under the old law your surtaxes began at $6,000, whereas under the present law surtaxes begin at $10,000 with 1 per cent and are graduated upward to a maximum of 40 per cent on incomes over $500,000. Here was the bone of contention, and if Mr. Mellon and his colleagues could have dictated this particular schedule all would have been well, as they wanted a flat reduction of 50 per cent from the present rate of 50 per cent down to 25 per cent as the maximum rate on incomes of $500,000 and upward.

In addition to the other advantages of the present law in favor of the small taxpayer, there is allowed a deduction of 25 per cent on earned net incomes up to $10,000, being on items of compensation for personal services, such as wages, salary, fees, and earnings from the store, shop, and farm, and all net incomes under $5,000 are defined by the law as earned incomes. This favors incomes from personal services actually earned as distinguished from interest, rents, dividends, and similar items, allowing an advantage of 25 per cent on the normal tax to the business man, professional man, farmer, storekeeper, and others whose earned incomes are under $10,000. Let the smaller taxpayer study this little table for a comparison of income taxes calculated upon earned incomes of a married person without other dependents than wife or husband and observe the relative taxes to be paid under the old law, the Mellon plan, and the present law, to wit:

| Net income | Tax under the old law | Tax under the Mellon plan | Tax under law of 1924 |
|---|---|---|---|
| $3,000 | $20.00 | $15.00 | $7.50 |
| $4,000 | 60.00 | 45.00 | 22.50 |
| $5,000 | 100.00 | 75.00 | 37.50 |
| $6,000 | 160.00 | 120.00 | 57.50 |
| $7,000 | 240.00 | 180.00 | 87.50 |
| $8,000 | 320.00 | 240.00 | 127.50 |
| $9,000 | 400.00 | 300.00 | 167.50 |
| $10,000 | 480.00 | 360.00 | 207.50 |

Will you in conclusion bear in mind that there are 3,417,626 taxpayers, according to the 1922 returns, whose incomes are under the $10,000, while there are incomes of only 172,350 taxpayers whose incomes exceed $10,000.

Some honestly, no doubt, contend that lower surtaxes will bring money invested in nontaxable securities out into the channels of active business. I ask, who will buy these securities? The money of other American taxpayers; and this is taking out of one pocket and placing it in another. Have you ever considered that the large savings of taxes under the new law, which affects so many, leaves these earnings among the people in the local communities, where it will be used to promote local prosperity? There is but one just conclusion, and Congress should be given the benefit of that conclusion—that the revenue law of 1924 is a great piece of constructive legislation, made in the interest of all, while favoring the smaller taxpayer, while the plan proposed by Mr. Mellow was intended to specially favor the rich. The final observation concerning this legislation is that Congress did not surrender its authority and constitutional duty to propose and enact a revenue law and did not succumb to a gigantic false propaganda, but gave the whole people a superior law to the one proposed by the Secretary of the Treasury, and the actuaries of the Treasury Department have made calculations and reported that the new law will raise the revenue necessary to operate the activities of our Government, will pay the soldiers' compensation, and leave a surplus in the Treasury. Congress has kept the faith with the people.

FLAG DAY

Mr. PHILLIPS. Mr. Speaker, under the leave granted to extend my remarks in the RECORD I include the following:

FLAG DAY ADDRESS BY THOMAS W. PHILLIPS, JR., JUNE 14, 1924, BEFORE THE RICHARD BUTLER CHAPTER, D. A. R., OF BUTLER, PA.

On July 2, 1776, the Continental Congress "resolved that these United Colonies are, and of a right ought to be, free and independent States."

On July 4, 1776, the Declaration of Independence was adopted by the Congress.

On June 14, 1777, 147 years ago to-day, Congress resolved "that the flag of the thirteen United States be 13 stripes, alternate red and white; that the Union be 13 stars, white in a blue field, representing a new constellation."

In 1791 Vermont was admitted to the Union and in 1792 Kentucky became a State, and in 1794 Congress ordered "that from and after the 1st day of May, 1795, the flag of the United States be 15 stripes, alternate red and white, and that the Union be 15 stars, white in a blue field."

From 1796 to 1818 five additional States were admitted, but no official change was made in the flag. It became evident that each new State could not be represented by a stripe so the final act to establish the flag of the United States was approved April 4, 1818, as follows:

> "SECTION 1. *Be it enacted, etc.*, That from and after the 4th of July next, the flag of the United States be 13 horizontal stripes, alternate red and white; that the Union have 20 stars, white in a blue field.
>
> "SEC. 2. *And be it further enacted*, That on the admission of every new State into the Union one star be added to the union of the flag, and that such addition shall take effect on the 4th of July next succeeding such admission."

In these few paragraphs is contained the skeleton, the outline, the chronology of our flag. But our flag is more than an inanimate or inarticulate skeleton; for, as a symbol of unity, liberty, equality, fraternity, it speaks to us as one having flesh and blood and mind and heart and soul. It is the embodiment of valor and virtue, of hope and happiness, of justice and judgment. It is the fulfillment of the visions of the patriarchs and prophets of the ancient world. It is the outgrowth of ethical teaching proclaimed in Palestine long centuries ago. It is the consummation of principles for which the patriots in all ages have fought.

That for which Old Glory stands can not be appraised or appreciated; it can not be painted by word or portrayed by brush; neither can it be woven of threads of wool and silk or of silver and gold, for it is an ideal, an emotion, an inspiration.

We revere it because it wintered with Washington at Valley Forge. We honor it because it protects our homes. We cherish it with loving devotion, because it is our hope for future years.

As Daughters of the American Revolution you are familiar with the trials and triumphs of our ancestors. You know the American flag is to-day flying over a united country, a country which can best be described as a land of opportunity because a noble race counted not the cost but paid the price. Bleeding men, weeping women, and crying children paid that price through sacrifice, sorrow, and suffering. Theirs was the glory, ours the gain; but duty did not die, disintegrate, and disappear with their dust. If liberty is to live, each succeeding generation must give the spirit of liberty a new birth, a new baptism—if need be, a baptism of blood.

"Eternal vigilance is the price of liberty," for liberty may be lost in time of peace as well as in time of war and must be defended by brain as well as by blood. Our Government has drifted into troubled waters and toward uncharted seas. Our flag, with its stars and stripes, signifies a union of sovereign States; but sovereign State to-day has little more than historical significance. Ours was a government of laws, which bureaucracy is turning into a government of men. Our fathers detested tyranny, but we are placing irritating restrictions on private business and private affairs. Our ancestors fought to be free from unjust taxation, but no enlightened nation has ever subjected its citizens to the unnecessary, unjust, and inequitable taxation which is imposed upon us. Formerly we followed the precept that "the best-governed people are the least governed." Our present policy is to enact laws so numerous and nonsensical that soon all, not through choice but of necessity, must become lawbreakers, thereby merging into a new, a common democracy, a single class, a criminal class. By condoning these innovations or conniving at further alterations in the basic principles of our Government we encourage those who seek to stamp out the tricolor and replace it with one color, the red of riot, revolution, and ruin.

It requires initiative, ingenuity, energy, and industry to construct, but only indifference to corrupt. Popular rule, upon which our principles of Government rest, implies popular interest and intelligent participation, but not so much for the purpose of expanding the activities and increasing the burdens of the State as to restrain those who would use the people to serve the State rather than utilize the State to serve and protect the people. Laws should serve to mark out the pathway to a life broad and abundant, rich, and replete in good will and in all good works rather than seek to restrict, restrain, and repress the God-given desire for individual independent expression and development. Paul spoke in the light of history and with a marvelously intimate understanding of human nature when he said "The letter killeth, but the spirit giveth life."

It is right, it is fitting for the Daughters of the American Revolution and other patriotic organizations to erect historic monuments, to keep alive the traditions of the past, to elevate the standard of citizenship by commemorating the praiseworthy deeds of former generations, and to keep green their memory by song and story, but the best tribute that can be paid to our worthy ancestors is to preserve the form of government which their flag and our flag typifies and to perpetuate their noble qualities through a lineal upright posterity. The Colonial and Revolutionary stock is disappearing because unworthy descendants will not pay the price necessary for its preservation. If our respect for ancestry exceeds our love for posterity, the future belongs to others.

You are to be congratulated, not because your accidental or providential birth has made you eligible to become a member of this honorable body, but you and I and all those now living and all those who are to come after us are to be congratulated because you have been willing to assume and discharge a most sacred obligation. In a word, it is your duty and your obligation to teach the children, who will soon take up the tools with which we work and the tasks which we must now perform that all we hold most dear, all that makes life worth while, all our civil and religious liberties were blood bought, were purchased for a great price, and that even as it is our duty now it will in time be their duty to not only love our institutions, not only cherish our institutions, but to preserve our institutions in their perfect symmetry.

"As he thinketh in his heart, so is he." The coming generations must be taught to think right if they are to do right. Doctrine must precede duty; but instruction is imparted by demonstrations, not by declarations; by performances, not by professions; by results, not by resolutions.

The flag typifies American patriotism, American performance, American progress. Flag Day lends itself most appropriately to the teaching of those traditions and the implanting of those ideals of which you Daughters of the American Revolution, are natural guardians—foster mothers.

SIX MONTHS AND THREE DAYS IN CONGRESS

Mr. WATKINS. Mr. Speaker, there is an unwritten rule of Congress to the effect that new Members "should be seen and not heard." From the manner in which Congressmen absent themselves one would conclude that another rule obtains to the effect that old Members "should be neither seen nor heard." Both are wrong, and that Member who subscribes to them is false to his constituency and unfit to be a Congressman.

During my campaign for Congress my enemies stated that I would not be able to accomplish anything, that I would be unknown and unheard of in Congress, and that I would not get a single committee assignment of any value; whereas I promised results and advocated, among other things, selective and restrictive immigration, adjusted compensation, tax reduction, child-labor prohibition, hospitalization for all veterans, increase

and readjustment of pay for postal employees, and adequate pensions for veterans of the Civil War, Indian wars, and the Spanish-American War.

On taking my seat six months ago, after a strenuous fight a place on the Immigration Committee was won, destined to be the most important committee in Congress and at that time the most sought for in the House of Representatives. By virtue of that assignment the opportunity was afforded me to help write and pass the very measure urged in my campaign, namely, a selective and restrictive immigration law, which for its constructiveness and comprehensiveness is unequaled. In the fight for this legislation I made several speeches and also took a leading part in guiding the measure through the committee and the House, incurring by my aggressiveness the hatred of every enemy of America and those alien to our institutions.

Pending before this same committee are several bills introduced by me which, when enacted into law, will solve our naturalization difficulties as well as cause the deportation of every criminal alien within our borders. I shall battle for these measures until they are enacted into law.

My second accomplishment is rooted in soldiers' legislation. I introduced the first adjusted compensation measure in this Congress; appeared before the committee in support of this legislation; made speeches on the floor of the House; voted for its passage and finally helped to pass it over the veto of the President. Furthermore, my bill for general hospitalization for veterans of all wars and for the decentralization of the Veterans' Bureau became and is a part of the omnibus bill passed by Congress this very week.

In pension matters for Spanish-American War and Civil War veterans and increased compensation and better hospitalization for World War veterans much time and effort have been given to the general satisfaction of claimants.

My third campaign pledge was fulfilled when with the help of the progressives of both parties the resolution to amend the Constitution so as to prohibit child labor was reported out. In support of this measure I made a speech and actively assisted in its passage.

Everything within my power was done toward relieving Oregon taxpayers. I actively and substantially helped in securing repeal of the nuisance taxes on telephone messages, telegrams, and candy, and farmers selling their own produce in public markets; total elimination of excise taxes on all surgical instruments, eyeglasses, musical instruments, silver-plated flat tableware, and watches under $60; a partial reduction of excise taxes on automobiles, automobile parts, tires, tubes, and accessories, and admissions to theaters.

I believe that further reduction of income taxes is possible and that all excise taxes should be repealed. These things can be accomplished by rigid economy in governmental expenditures, which I shall continue to advocate.

The Howell-Barkley bill was taken from the Interstate and Foreign Commerce Committee by the petition of 150 progressive Republicans and Democrats. I was the only Member from Oregon on the petition and thereafter the only one from my State favoring and voting for this measure. This is the bill the late President Harding advocated and favored.

A veterans' hospital for Portland is practically assured. General Hines stated that if the general hospitalization bill passed—and it did—there would be a need in Portland for a hospital. Hon. MARTIN MADDEN, chairman of the Appropriations Committee, and the most powerful and influential man in Congress, has promised me to look into the matter and do what he could for Portland. Knowing that a hospital is justified, with the assurances already given, I am certain that the next Congress will authorize a hospital in Portland.

In addition to the accomplishments delineated heretofore, I have actively participated in the general debates on the floor of the House on matters in general, and the following in particular: Alaskan fisheries bill; Crater Lake appropriation, securing $238,000 therefor; securing a $25,000 appropriation for widening and deepening the channel in the Columbia River from the mouth of the Willamette to Vancouver; fixing auctioneers' fees in sale of Army goods not to exceed $100 a day, thereby preventing huge graft heretofore prevailing; secured promise of Major Putnam, of the Lighthouse Service, to include in the next budget the sum of $100,000 for improving the aids to navigation in the Columbia River; made speech condemning excessive and exorbitant profits; aided in adopting measure to create prohibition bureau, thereby insuring better law enforcement; testified in favor of and urged the passage of the Dill bill in the interest of radio broadcasting and musical concerts; aided in passage of Clarke reforestation bill and the Federal aid road bill; active in support of McNary-Haugen bill and much time spent in departmental matters on private claims, pensions, and the like; helped to secure increased appropriation for proper enforcement of immigration laws; and actively aided in passing war minerals relief act.

Finally, I voted against adjournment until relief for agriculture and other equally important legislation had been placed on the statute book.

I now have pending in Congress the following bills: The Columbia River power act, which provides for the development of water power, irrigation, and reclamation and fixation of nitrogen, with dams to be constructed at Celilo Falls and at Umatilla Rapids; a bill to create a department of education along the lines of the Sterling-Reed bill, but without its objectionable features; a bill for the deportation of all criminal aliens; a bill for the convening of Congress immediately after election; a bill to erect a 12-story Federal building in Portland; and a bill for a veterans' hospital in Portland. If Oregon will get behind these measures, their enactment into law is assured.

I have labored night and day in the interests of the people of my district, my State, and my country and without question have fulfilled my promises and kept the trust given me. I challenge anyone to show wherein I voted contrary to the interests of the people of my district; not only that, but I challenge anyone to show wherein I voted wrong.

I came to Congress dedicated to the proposition of voting and working not as a party man but as an American; I shall continue this course as long as I am in public office.

EVERYBODY PROSPERS BUT THE FARMER—WHY?

Mr. THOMAS of Oklahoma. Mr. Speaker, we are now in the closing hours of this the first session of the Sixty-eighth Congress. We have been in continuous session for over six months; and now that the adjournment hour is approaching it may be of interest to make a brief survey of the conditions confronting the country, of what has been accomplished by this Congress, and what, if anything, can be done to bring relief to agriculture, the one great basic industry now suffering as never before in the history of the country. We have in the United States some six major or basic industries, as follows: Finance, manufacturing, transportation, commerce, labor, and agriculture.

A survey, based upon official and authentic reports, shows that a number of these great industries have and are enjoying unprecedented prosperity, while agriculture languishes and bankruptcy and ruin, like a hideous monster, stares millions of our citizens in the face.

Industries which are organized, without exception, are prosperous. Finance, represented by the big banks of the larger cities; manufacturing, represented by the great industrial combinations; and transportation, represented by the great railway systems, have no cause for complaint and are demanding that "well enough" should be let alone.

Without elaboration, let me call attention to the present condition of organized industry as reported by the Wall Street Journal, a New York City publication, reflecting the condition of the Nation's business. The following headlines tell in brief the story:

February 2, 1924: New Haven shows its earning ability—Reduces operating ratio to 75 per cent—Best net in 63 months—Repaid management's efforts.

February 2, 1924: Southern had its best year in 1923.

January 25, 1924: Shareholders had a profitable year.

August 6, 1922: Rail income high first half year—Nearly all carriers indicate better results for 1923 than obtained in 1922.

January 15, 1924: North American does well in 1923—Gross increase $19,000,000—New properties acquired 77 per cent of net derived from electric sales—North American has just completed one of the most successful years in its history. * * *

August 1, 1923: Big increase in Steel's earnings—Net profit reported for second quarter is $47,858,181, against $34,780,069 in previous quarter.

August 2, 1924: Prosperity shown by big earnings—Many concerns reporting show full year's dividend earned in six months, some in quarter.

On April 21, 1924, the Associated Press carried a story under the following headlines:

Railway lines show increase in net profits—Santa Fe, Rock Island, both realize bigger earnings in 1923 over 1922.

Wall Street Journal, March 14, 1924: Why George Baker's bank pays 30 per cent—First National Bank, New York, has many hidden assets—Big investor in securities—Stock scarce.

"Well, I see George Baker has gone and done it again." This was the comment in financial circles when it was made known on Tuesday that First National had declared a quarterly dividend of $15, placing the stock on a 60 per cent annual basis.

During the past few years the larger banks have prospered as never before. Since 1914 the number of banks has increased from 26,800 to more than 30,100, and their combined deposits have increased from some $19,000,000,000 to more than $40,000,000,000.

The larger banks are the ones prospering most in proportion. The 25 larger banks in 1914 had combined deposits of $2,620,100,000, and now their combined deposits are $6,785,400,000.

The following table shows the growth and prosperity of a few of the great banks of the United States during the past 10 years:

| | Deposits | |
|---|---|---|
| | 1914 | 1923 |
| National City Bank, New York | $260,700,000 | $756,700,000 |
| Guaranty Trust Co., New York | 211,100,000 | 491,900,000 |
| Continental and Commercial National Bank, Chicago | 155,700,000 | 379,800,000 |
| Bankers' Trust Co., New York | 140,400,000 | 312,100,000 |
| National Bank of Commerce, New York | 134,100,000 | 426,600,000 |
| Chase National Bank of New York | 126,200,000 | 466,300,000 |
| First National Bank, New York | 108,800,000 | 325,200,000 |
| National Park Bank, New York | 102,700,000 | 167,800,000 |
| Hanover National Bank, New York | 98,400,000 | 170,100,000 |
| Mechanics and Metals National Bank, New York | 89,200,000 | 252,200,000 |
| National Shawmut Bank, Boston | 56,900,000 | 137,400,000 |
| Corn Exchange Bank, New York | 82,200,000 | 214,100,000 |
| Equitable Trust Co., New York | 75,500,000 | 270,500,000 |
| First National Bank, Boston | 75,500,000 | 175,500,000 |
| American Exchange National Bank, New York | 63,400,000 | 153,600,000 |

On February 27, 1924, the Wall Street Journal gave some reasons for this great prosperity; and among others set forth the following:

Easy money with Federal reserve banks showing ratios of 81.4 per cent against 75.8 per cent a year ago, and New York Federal Reserve Bank 87.8 per cent against 79 per cent a year ago.

Record gold holdings which could be employed when the right time comes for placing European countries on a sounder business and financial foundation.

Steel corporation operating ingot mills at 94 per cent of capacity.

Railroads prosperous and taking 30 per cent of all the steel produced.

Unusually large cash holdings of the important industrial corporations.

Generally, mills, factories, and furnaces are active.

This prosperity that has been so widely advertised and which we have heard so much about is the prosperity of the larger banks, the prosperity of the railways, and the prosperity of the organized and protected manufacturing concerns.

Now, permit me to call your attention to another picture; the picture of agriculture; the picture of the American farm and its proprietor, the American farmer.

The Congress has just adopted a resolution declaring agriculture a basic industry, thinking, or perhaps hoping, that this recognition of the great industry would satisfy the millions of our citizens who live and have their being upon the farms of the Nation.

Among all our great industries farming or agriculture, judged from any standpoint, should be the "biggest business" in America.

Agriculture embraces some 6,500,000 farms and practically the total area of our country; claims 33,500,000 of our population as residents of the farm; and values its possessions at over $85,000,000,000, or almost one-third of our national wealth.

Railway managers claim that their business is the "big business" of the country, but railway valuations are less than 25 per cent of the valuation of the farms.

Bankers point with pride to their industry, and claim for it first rank and importance. There are some 30,170 banks, State and National, in the United States, having aggregate resources in the sum of $54,034,911,000, yet agriculture can and does claim almost double aggregate resources.

In 1920 we had 130,344 farmers making income-tax returns and reporting a total net income of $229,193,235. In that year agriculture stood among the first of the major industries in the number of returns submitted and in the amount of income reported.

But what of the conditions to-day? Recently Roger Babson, the business analyst and statistical expert, reported the farm outlook to be critical. To-day reports show that hundreds of thousands of farmers have lost their land through foreclosure, and that other thousands are under suspended sentences through leniency of their creditors. Reports show that farmers are forced to leave their homes and seek work elsewhere at the rate of a million per year. Agriculture in 15 States is reported bankrupt. In South Dakota the Secretary of Agriculture reports 40 per cent of the farmers virtually bankrupt; Colorado, 42 per cent; North Dakota, 50 per cent; Wyoming, 51 per cent; and Montana, 62 per cent.

The failure of agriculture has carried death and destruction in its path. Both banks and business patronized by farmers have been swept away. Since 1920 over 1,600 banks, both State and National, have failed, causing additional losses of over $800,000,000.

Within the past year more than 1,000 banks have failed, and banks are now failing at a constantly increasing ratio.

Agriculture, in failing, has not only carried down many of the smaller banks but has also left its mark on the retail and wholesale trade of the country. On April 2, 1924, the Wall Street Journal printed the following story:

FIRST QUARTER'S FAILURES

R. G. Dun & Co. report 5,655 commercial failures in United States in first quarter of current year, with $184,865,571 liabilities, compared with 5,316 defaults involving $138,231,574 in the 1923 period. The heavy total of liabilities in March of $97,651,026 has never been exceeded in any previous month, and the aggregate for the first quarter of $184,865,571 has only twice been equaled in any quarterly period—by the $218,000,000 of the first quarter of 1922 and the $194,000,000 of the fourth quarter of 1921.

This storm, starting in the producing sections of the West, is moving eastward, is gathering momentum as it approaches, and already the threatening clouds are hanging low over the heretofore prosperous East. Unless the clouds recede and the storm soon spends its force, this cyclone of depression, bankruptcy, and ruin will reach the East; and if it does, the devastated areas of the West will be duplicated in an intensified degree among a people in no sense prepared for such a storm.

How long can this condition last?

How is it possible that at the same time some groups of our people may enjoy unprecedented prosperity while others equally energetic and deserving suffer depression, hardships, and bankruptcy?

What is the cause?

What is the remedy?

What did Congress do to appease the storm and to check its course? After six months of daily sessions and in the closing hours the Congress, dominated by the representatives of the prosperous groups, discovered that agriculture is in a depressed condition and, as a remedy, passed a resolution declaring agriculture to be one of the basic industries.

Why are other industries prosperous? Take the big financial institutions, for example. Is their prosperity due to the fact that they have the Federal reserve system managed by a friendly Federal Reserve Board to serve their special interests?

At the meeting of the American Bankers' Association held at Atlantic City recently Mr. Craig B. Hazlewood, vice president of the Union Trust Co., of Chicago, in addressing the association, said:

I doubt that even as bankers we fully realize what a magnificent financial structure we have in the Federal reserve system. No central banking system now or in the history of the world compares with this in point of resources, in currency-issuing power, or in ability to control business activity that needs restraint, or inactivity that needs stimulation.

Why are the railroads prosperous? Can their prosperity be due to the fact that they have the Esch-Cummins transportation law, with a guaranty of earnings provision, and have a friendly Interstate Commerce Commission to protect their interests as to both rates and competition?

Why are the organized manufacturing concerns prosperous? Can their prosperity be due to the fact that they have the Fordney-McCumber Tariff Act, giving them a high wall of protection, and the further fact that they also have a friendly Tariff Commission to protect their schedules and to serve their interests?

Finance, transportation, and industry are organized. They know exactly what they want and evidently have been extremely successful in getting just what they applied for. Each of the former groups has and is using the powers of government, administered by a friendly Federal board, for its own special and private interest. Federal laws have been passed which, administered by a bankers' board, have given the financial group control of both circulation and credit. Other laws have been passed and are now being administered in the interest of transportation and industry, and this condition—favorable to the big interests and detrimental to the masses—

is due in whole to the fact that such interests are organized and are thereby able to exercise monopolistic control of the businesses in which they are engaged.

Agriculture is not organized. Agriculture neither knows what it needs nor how to get results through legislation. During the past three years demands for relief have been made, and instead of granting aid Congress has passed laws making it easier for the farmers to get deeper into debt. Farmers do not need credit so much as they need conditions whereunder they can sell their products for a price which will cover overhead, cost of production, plus a reasonable profit. To-day they are not getting costs for their products, and until they can get a profit they are and will be helpless.

Agriculture in its unorganized state has just made a feeble effort to have Congress pass a law giving it a privileged status, similar to finance, transportation, and manufacturing. During this Congress there has been presented and briefly considered a bill having for its purpose relief of the farmer, the measure being known as the McNary-Haugen bill. The report submitted by the committee recommending favorable action on this bill set forth the following:

1. That half as many banks had failed between 1920 and 1923 as during the whole period from 1902 to 1923.

2. That four-sevenths of the total farm income is taken to pay taxes and interest on mortgages and debts.

3. That farm labor has become so costly the average farmer can not afford to hire.

4. That more than 1,120,000 farmers and hired men deserted the farm in 1922 to seek industrial employment.

5. That one-quarter of the farm owners in the corn and wheat States are bankrupt.

6. Above all, that the purchasing value of farm products is less than half what it was before the war.

The report advised the House that the McNary-Haugen bill was scientifically devised to cope with this situation.

As described in the report, the bill would—

1. Declare a general emergency exists in agriculture.

2. Create a $200,000,000 corporation, the capital to be furnished by the Government, with a board of directors consisting of the Secretary of Agriculture and four members appointed by the President.

3. Empower the corporation to buy and sell wheat, flour, rice, corn, wool, cattle, sheep, swine, and food products of cattle, sheep, and swine whenever a special emergency is declared.

When the market price falls below the ratio price the corporation will buy sufficient of the commodity for export to restore the domestic price. The ratio price is one which shall bear the same relation to the pre-war price that current average price of all commodities bears to the average pre-war price of all commodities.

To protect the ratio price from foreign competition the Secretary of Agriculture may declare prohibitive or embargo tariff rates.

To maintain the capital of the corporation an equalization fee is withheld from the producer on every purchase made by any buyer, and this fee is deposited with the corporation. If, after selling the surplus abroad, anything remains, this will be restored proportionately to every producer.

In order to operate, the corporation is given broad administrative powers and may, if necessary, construct elevators or any other necessary facilities. The committee's report asserted that once in operation the plan would bring up the price of farm products to levels comparative to other commodities.

The one stock argument used against this legislation was that it would raise the price of the farmer's products and force the public to pay tribute to the farmer. Answering this argument, it is sufficient to say that the farmer is only proposing to do for his business the same things which other groups are doing for their business.

The Government under law makes the people's credit in the form of note issues available to the larger banks, and these banks in turn use this credit for private gain, and in order to make these banks prosperous the borrowing public pays the bills.

The Government permits the railroads to lay such rates and tariffs as will guarantee the cost of overhead, cost of operation, and in addition a reasonable dividend, and in order to make the railways prosperous the passenger and freight paying public pays the bills.

The Government protects our manufacturing institutions by imposing tariff duties on competitive imports and the public is forced to pay the increased price, and in order to make these manufacturing trusts prosperous the buying public pays the bills.

If the other great industries, organized as they are, can not live and thrive without favorable legislation and the use of the powers of Government administered by friendly agencies, how can we expect agriculture, disorganized as it is, to live and exist without the assistance of similar favorable legislation?

If it is for the best interest of the country that the other great interests have special legislation for their private benefit, why not legislate for agriculture, giving it a similar favorable status?

As compared to agriculture—the production of food and clothing—finance, transportation, and manufacturing are luxuries; and if luxuries are entitled to enjoy privileges, why not show the same favor to the one great and necessary industry, that of agriculture?

So long as the Government farms out its money and credit to private interests; so long as transportation is guaranteed prosperity; and so long as manufacturing concerns are protected by tariff walls, just that long will agriculture demand and soon will receive some recognition at the hands of the Government.

While at present agriculture is not organized, and by the very nature of the business can never be successfully organized, yet we do have a number of farm organizations interested in class production, such as wheat, cotton, and livestock, which could be benefited by governmental assistance. These organizations, already in existence, could and should get together in an agricultural conference. The conference should follow the example of the other great groups of industry, employ the best brains obtainable, and such conference with its experts, agents, and assistants, should remain in session long enough to make a complete survey of the economic conditions influencing and controlling each of the other great groups or industries, and then, with this information in hand, such conference should proceed to frame a measure for the benefit of the farmer and for presentation to the Congress which meets in December, and then the conference should remain "on the job" and see that this measure is speedily enacted into law.

If law can make finance, transportation, industry, and commerce prosperous, surely law can help agriculture, and the suggestion made is the one practical way for agriculture to secure early relief at the hands of our National Government.

It is conceded and agreed that we can not have a prosperous Nation unless agriculture is likewise prosperous.

It is conceded and agreed that a number of our major industries have been and are now enjoying unprecedented prosperity.

It is likewise conceded and agreed that at this time agriculture is in an unprosperous, depressed, if not a bankrupt condition.

Therefore it must be conceded that the present prosperity is not evenly prorated and distributed over the country.

The problem, then, confronting those in authority is to so adjust our economic system as to secure a more even distribution of the prosperity now enjoyed by some and denied to others.

Agriculture, through its importance as the supplier of the Nation's daily food and through its dominance in numbers, has the latent power to completely dominate the action of this Congress as well as the administration of the Government. If an agricultural conference made up of delegates of agriculture's own selection could be assembled, and if such conference, after making a complete survey of the economic conditions of the country, should find that some of the major groups or industries are enjoying unwarranted governmental subsidies and privileges, it would be in order for such conference to recommend and demand the repeal or modification of such special privilege granting laws.

As I analyze the situation, three courses of action are open to agriculture, as follows:

1. Action looking to the withdrawal of special privileges to the favored, prosperous groups or industries.

2. Action looking toward giving agriculture a privileged status—a status on a par with the other favored basic industries.

3. Action looking toward modification of the unwarranted privileges being accorded the prosperous groups and at the same time a reasonable recognition of agriculture to the end that all our people shall prosper alike in prosperous times, and all suffer alike in times of depression.

The United States Constitution was prepared and adopted in order to "establish justice * * * promote the general welfare, and to secure the blessings of liberty to ourselves and our posterity."

These great ideals of government have been lost sight of during the present administration at Washington. The Govern-

ment as now organized and administered is of the privileged few, by the privileged few, and for the privileged few.

I hold that laws should be passed, interpreted, and administered on the principle of helping all the most and injuring the fewest the least.

The purposes of our Constitution and the teachings of Thomas Jefferson should be the guiding influences in the impending political conflict, and if those interested in agriculture will get together and apply these principles to their problems, relief will be secured and the forward march of our people will go forth over broad and safe roads mapped out by the fathers of the Republic.

LONGWORTH TAX PLAN JUST TO ALL

Mr. ROBSION of Kentucky. Mr. Speaker, under permission granted to me by the House, I am submitting some tables and facts relative to the revenue measure recently passed by Congress and signed by the President. Until the Republican Party came into power in 1921 we still had the oppressive war taxes. The Republican administration promptly passed a revenue bill which lifted the tax burden of the people of the Nation about $1,000,000,000 annually. The national debt has been reduced from $27,000,000,000 to less than $22,000,000,000, and yet we had a surplus in the Treasury which enabled us to again reduce Federal taxes. It is most remarkable we had two great tax reductions during the present administration. The new revenue act of 1924 reduces the income taxes for the present year 25 per cent and reduces or cuts out many other taxes amounting to hundreds of millions of dollars. Secretary Mellon submitted a revenue plan to Congress. It is known as the Mellon plan. It covered about 200 printed pages. There was not much controversy about any part of it except the question of income taxes, inheritance taxes, and gift taxes. Congressman GARNER of Texas also submitted a plan. The plan that was finally adopted with few minor changes was that of Congressman LONGWORTH, of Ohio, who is the Republican leader of the House. The House adopted the bill with the Longworth plan by a vote of 408 to 8. The bill received almost as impressive vote in the Senate. The Senate made some slight changes and it was necessary to send the bill to conference. This was made up of five Members of the House and five Members of the Senate—four Democrats and six Republicans. These conferees agreed on the revenue measure as it now is. There was a unanimous report. These conferees' report was adopted by the House by a vote of 376 to 9 and by the Senate by a vote of 60 to 6. Some of the nine in the House who voted against the bill were Democrats and some were Republicans. The six persons voting against the bill in the Senate were all Republicans; two of them were what are known as the "stand-pat" or regular Republicans and the other four were what are known as the progressive Republicans. I shall briefly undertake to show why the House and the Senate almost unanimously adopted the Longworth plan. I desire to first call your attention to some tables and statistics. The following table gives the number of income-tax payers and the amount of income in the 15 counties of the eleventh congressional district of Kentucky:

| Counties | Total number | Under $5,000 | $5,000 to $10,000 | $10,000 and over |
|---|---|---|---|---|
| Bell | 976 | 910 | 50 | 16 |
| Clay | 12 | 12 | | |
| Clinton | 3 | 3 | | |
| Cumberland | 17 | 17 | | |
| Harlan | 1,228 | 1,159 | 43 | 26 |
| Knox | 134 | 123 | 8 | 3 |
| Laurel | 62 | 55 | 6 | 1 |
| Leslie | 3 | 2 | 1 | |
| McCreary | 117 | 109 | 4 | 4 |
| Monroe | 23 | 23 | | |
| Pulaski | 391 | 379 | 9 | 3 |
| Rockcastle | 87 | 86 | | 1 |
| Russell | 4 | 3 | 1 | |
| Wayne | 58 | 56 | 2 | |
| Whitley | 653 | 634 | 7 | 12 |
| Total | 3,768 | 3,571 | 131 | 66 |

You will observe there is a total of 3,768 income-tax payers in the eleventh congressional district. The incomes of 3,571 of these are less than $5,000 each. The incomes of 131 others are between $5,000 and $10,000, and there are only 66 persons in this district whose incomes are $10,000 or over. No persons in this district for that year had a taxable income for as much as $50,000, and I doubt if as many as two persons had a taxable income for as much as $25,000.

69,540 INCOME-TAX PAYERS IN KENTUCKY

The records show that there were in the year 1922 69,540 income-tax payers in the State of Kentucky. The income of 64,289 of these was $5,000 or less, the income of 3,732 was between $5,000 and $10,000, only 152 persons had an income between $20,000 and $25,000, 78 persons had an income between $30,000 and $40,000. According to the records only 54 persons had an income of $50,000 or more, only 2 persons had an income of between $150,000 and $200,000. No person in Kentucky had an income of more than $200,000.

3,589,985 INCOME-TAX PAYERS IN THE NATION

The records show that there were 3,589,985 persons in the Nation who paid an income tax in the year 1922. The incomes of 3,417,626 were less than $5,000. There were only 114,244 persons whose incomes reached $15,000. There were less than 6,000 persons whose incomes reached $50,000. There were only 1,367 persons whose incomes reached $100,000. Sixty-four persons' incomes reached $500,000. Only 21 persons whose incomes were over $1,000,000. A study of these figures and facts will give you an idea as to why Congress by a vote of 408 to 8 passed the present tax bill, and why the conferees, made up of Democrats and Republicans, unanimously agreed upon it, and why this report was adopted by the House by a vote of 376 to 9 and by a vote of the Senate of 60 to 6.

MELLON, LONGWORTH, AND GARNER PLANS

The Mellon plan proposed to reduce the taxes of persons of very large incomes and wealth 50 per cent and reduce the income taxes of the persons of moderate incomes about 25 per cent. This was to take effect in the year 1925. It made no mention of the 25 per cent reduction in the present year. Under the act of 1921 the income taxes of persons of large incomes is 50 per cent. Mr. Mellon proposed to reduce this to 25 per cent. This made a cut of one-half in the big income taxes. He proposed a reduction of the income taxes of the smaller incomes of only one-fourth. The Garner (Democrat) plan was to reduce the surtax on the largest incomes from 50 to 44 per cent. Mr. LONGWORTH offered his compromise plan, which reduced the high incomes from 50 to 37½ per cent. This was later on raised to 40 per cent in the Senate. But this 40 per cent only applies to persons whose incomes are $500,000 or more. Comparing the Longworth plan with the 1921 law, Mr. LONGWORTH reduced the income taxes of the incomes of $5,000 and less nearly 64 per cent; on incomes of $6,000, 63 per cent; on incomes of $8,000, 62½ per cent; on incomes of $9,000, 61 per cent; on incomes of $10,000, 60 per cent; on incomes of $11,000, nearly 57 per cent; on incomes of $12,000, 53 per cent; on incomes of $13,000, 50 per cent; and even incomes as high as $25,000 were reduced 37½ per cent; incomes as high as $50,000 were reduced 28¾ per cent; incomes of $500,000 were reduced 23½ per cent. Incomes of more than $1,000,000 are reduced 21 per cent. It will be observed that the bill passed by Congress reduced the income tax one-half or more for all incomes up to and including $13,000, and this embraces 3,474,672 of the 3,589,985 income-tax payers of the Nation. The income of 3,578,816 income-tax payers of the Nation are less than $50,000. We have only 11,169 income-tax payers whose incomes are $50,000 or more. You will readily see that under the Mellon plan 11,169 of the very big taxpayers would get a much greater rate of reduction in their taxes than was given to the 3,578,816 income-tax payers whose incomes were less than $50,000. Under the Longworth plan the 3,578,816 taxpayers received a much greater rate of reduction than did the 11,169. The question is, Could any Member of Congress—unless he represented one of the congressional districts of great wealth, like Wall Street—justify his vote to favor the 11,169 against the 3,578,816? It is not a matter of politics; it is a matter of common justice. Taxes should be laid according to the ability of the person to pay.

LONGWORTH PLAN BEST FOR THE COUNTRY, KENTUCKY, AND THE ELEVENTH CONGRESSIONAL DISTRICT

We have pointed out that the Longworth plan is most reasonable and just to the people of the Nation generally. Now, let us come closer home, to the eleventh congressional district, and to my own State. There are 3,768 income-tax payers in my district. The income of no one of them reaches $50,000. The incomes of all of these 3,768 is less than $13,000, with the possible exception of a dozen persons, and perhaps not more than two of them go as high as $25,000. The incomes of 3,571 of them are less than $5,000 each. Under the Longworth plan their taxes will be reduced 64 per cent. The incomes of 131 of these are between $5,000 and $10,000, and under the Longworth plan their taxes would be reduced anywhere from 60 per cent to 63 per cent, and under the Longworth plan the in-

come taxes of every income-tax payer of my district would be reduced 50 per cent or more, with the exception of perhaps a dozen persons, and under the Longworth plan no income-tax payer in my district would receive a reduction of less than about 40 per cent over the revenue act of 1921. But under the Mellon plan the income taxes of each and all of the income-tax payers of my district would be reduced only 25 per cent, while the income taxes of Henry Ford, John D. Rockefeller, J. P. Morgan, and other men of like wealth would be reduced 50 per cent. While I have very great respect for Mr. Secretary Mellon, yet I could not see my way clear to make such a discrimination as this between the millionaires of the country and the moderate taxpayers of my own district and State.

LONGWORTH PLAN JUST FOR KENTUCKY

As we have pointed out before there are 69,540 income-tax payers in the State of Kentucky. The income of 64,289 of these was $5,000 or less; 68,021 of these had incomes of $10,000 or less. Under the Longworth plan these income taxes will be reduced 60 per cent or more. Under the Mellon plan they would be reduced only 25 per cent. There are only about 54 persons in the whole State of Kentucky who would be benefited more by the Mellon plan than the Longworth plan. How can anyone expect a Kentucky Congressman to vote to give the preference in tax reduction to 54 of the richest taxpayers in the State at the expense of 69,460 less fortunate taxpayers?

TAX-EXEMPT SECURITIES

I know that some claim that billions have been invested in tax-exempt securities. No law could relieve this situation now. If these tax-exempt securities were sold, as some claim would be done if we reduced the taxes of the very rich, I am sure the holders of these securities would have to sell them to somebody. It would merely change ownership of the securities and of the money. This would absorb other people's money. To relieve the situation we should require the holders of all bonds and securities to pay taxes. Congress attempted to submit a constitutional amendment to this effect, but most of the Democrats voted against it, and thereby defeated it. I voted to submit this constitutional amendment. For the further information of those who may be interested I submit a table showing the number of persons who paid income taxes in 1922 and the amount of taxes that a man who is married will pay. If he has one or more children under 18, his taxes will be less. These tables also show the amount of tax that he would pay under the act of 1921 and what he will pay under the new act of 1924.

COMBINED NORMAL TAX AND SURTAX, COMPARING THE REVENUE ACT OF 1924 WITH THE REVENUE ACT OF 1921, AND SHOWING THE AMOUNTS BY WHICH TAXES ARE REDUCED IN EACH BRACKET, WITH THE PER CENT OF REDUCTION

*Comparison of the revenue act of 1924 with the present law (married person without dependents), the first $5,000 of all income to be deemed to be earned; balance unearned*

| Number of persons making returns in each class in 1922 who paid income tax | Net income | Amount of normal tax under— | | Amount of surtax under— | | Amount of total tax under— | | Amount of reduction of total tax under act of 1924 | Percentage of reduction of total tax |
|---|---|---|---|---|---|---|---|---|---|
| | | Act of 1921 | Act of 1924 | Act of 1921 | Act of 1924 | Act of 1921 | Act of 1924 | | |
| | $1,000.00 | | | | | | | | |
| | 2,000.00 | | | | | | | | |
| | 3,000.00 | $20.00 | $7.50 | | | $20.00 | $7.50 | $12.50 | 62.50 |
| | 4,000.00 | 60.00 | 22.50 | | | 60.00 | 22.50 | 37.50 | 62.50 |
| | 5,000.00 | 100.00 | 37.50 | | | 100.00 | 37.50 | 62.50 | 62.50 |
| 3,417,626 | 6,000.00 | 160.00 | 57.50 | | | 160.00 | 57.50 | 102.50 | 64.06 |
| | 7,000.00 | 240.00 | 87.50 | $10.00 | | 250.00 | 87.50 | 162.50 | 65.00 |
| | 8,000.00 | 320.00 | 127.50 | 20.00 | | 340.00 | 127.50 | 212.50 | 62.50 |
| | 9,000.00 | 400.00 | 167.50 | 30.00 | | 430.00 | 167.50 | 262.50 | 61.05 |
| | 10,000.00 | 480.00 | 207.50 | 40.00 | | 520.00 | 207.50 | 312.50 | 60.10 |
| | 11,000.00 | 560.00 | 237.50 | 60.00 | $10.00 | 620.00 | 247.50 | 352.50 | 56.85 |
| | 12,000.00 | 640.00 | 317.50 | 80.00 | 20.00 | 720.00 | 337.50 | 382.50 | 53.13 |
| | 13,000.00 | 720.00 | 377.50 | 110.00 | 30.00 | 830.00 | 407.50 | 422.50 | 50.99 |
| | 14,000.00 | 800.00 | 437.50 | 140.00 | 40.00 | 940.00 | 477.50 | 462.50 | 49.20 |
| 114,244 | 15,000.00 | 880.00 | 497.50 | 180.00 | 60.00 | 1,060.00 | 557.50 | 502.50 | 47.41 |
| | 16,000.00 | 960.00 | 557.50 | 220.00 | 80.00 | 1,180.00 | 637.50 | 542.50 | 45.97 |
| | 17,000.00 | 1,040.00 | 617.50 | 270.00 | 110.00 | 1,310.00 | 727.50 | 582.50 | 44.47 |
| | 18,000.00 | 1,120.00 | 677.50 | 320.00 | 140.00 | 1,440.00 | 817.50 | 622.50 | 43.22 |
| | 19,000.00 | 1,200.00 | 737.50 | 380.00 | 180.00 | 1,580.00 | 917.50 | 662.50 | 41.93 |
| | 20,000.00 | 1,280.00 | 797.50 | 440.00 | 220.00 | 1,720.00 | 1,017.50 | 702.50 | 40.84 |
| | 21,000.00 | 1,360.00 | 857.50 | 520.00 | 270.00 | 1,880.00 | 1,127.50 | 752.50 | 40.00 |
| | 22,000.00 | 1,440.00 | 917.50 | 600.00 | 320.00 | 2,040.00 | 1,237.50 | 802.50 | 39.34 |
| | 23,000.00 | 1,520.00 | 977.50 | 690.00 | 380.00 | 2,210.00 | 1,357.50 | 852.50 | 38.57 |
| | 24,000.00 | 1,600.00 | 1,037.50 | 780.00 | 440.00 | 2,380.00 | 1,477.50 | 902.50 | 37.92 |
| 28,948 | 25,000.00 | 1,680.00 | 1,097.50 | 880.00 | 510.00 | 2,560.00 | 1,607.50 | 952.50 | 37.21 |
| | 26,000.00 | 1,760.00 | 1,157.50 | 980.00 | 580.00 | 2,740.00 | 1,737.50 | 1,002.50 | 36.59 |
| | 27,000.00 | 1,840.00 | 1,217.50 | 1,090.00 | 660.00 | 2,930.00 | 1,877.50 | 1,052.50 | 35.92 |
| | 28,000.00 | 1,920.00 | 1,277.50 | 1,200.00 | 740.00 | 3,120.00 | 2,017.50 | 1,102.50 | 35.34 |
| | 29,000.00 | 2,000.00 | 1,337.50 | 1,320.00 | 830.00 | 3,320.00 | 2,167.50 | 1,152.50 | 34.71 |
| | 30,000.00 | 2,080.00 | 1,397.50 | 1,440.00 | 920.00 | 3,520.00 | 2,317.50 | 1,202.50 | 34.16 |
| | 31,000.00 | 2,160.00 | 1,457.50 | 1,570.00 | 1,020.00 | 3,730.00 | 2,477.50 | 1,252.50 | 33.58 |
| | 32,000.00 | 2,240.00 | 1,517.50 | 1,700.00 | 1,120.00 | 3,940.00 | 2,637.50 | 1,302.50 | 33.06 |
| | 33,000.00 | 2,320.00 | 1,577.50 | 1,850.00 | 1,220.00 | 4,170.00 | 2,797.50 | 1,372.50 | 32.91 |
| | 34,000.00 | 2,400.00 | 1,637.50 | 2,000.00 | 1,320.00 | 4,400.00 | 2,957.50 | 1,442.50 | 32.79 |
| 12,047 | 35,000.00 | 2,480.00 | 1,697.50 | 2,150.00 | 1,430.00 | 4,630.00 | 3,127.50 | 1,502.50 | 32.45 |
| | 36,000.00 | 2,560.00 | 1,757.50 | 2,300.00 | 1,540.00 | 4,860.00 | 3,297.50 | 1,562.50 | 32.16 |
| | 37,000.00 | 2,640.00 | 1,817.50 | 2,460.00 | 1,660.00 | 5,100.00 | 3,477.50 | 1,622.50 | 31.81 |
| | 38,000.00 | 2,720.00 | 1,877.50 | 2,620.00 | 1,780.00 | 5,340.00 | 3,657.50 | 1,682.50 | 31.51 |
| | 39,000.00 | 2,800.00 | 1,937.50 | 2,790.00 | 1,910.00 | 5,590.00 | 3,847.50 | 1,742.50 | 31.17 |
| | 40,000.00 | 2,880.00 | 1,997.50 | 2,960.00 | 2,040.00 | 5,840.00 | 4,037.50 | 1,802.50 | 30.86 |
| | 41,000.00 | 2,960.00 | 2,057.50 | 3,140.00 | 2,170.00 | 6,100.00 | 4,227.50 | 1,872.50 | 30.70 |
| | 42,000.00 | 3,040.00 | 2,117.50 | 3,320.00 | 2,300.00 | 6,360.00 | 4,417.50 | 1,942.50 | 30.54 |
| | 43,000.00 | 3,120.00 | 2,177.50 | 3,510.00 | 2,440.00 | 6,630.00 | 4,617.50 | 2,012.50 | 30.35 |
| | 44,000.00 | 3,200.00 | 2,237.50 | 3,700.00 | 2,580.00 | 6,900.00 | 4,817.50 | 2,082.50 | 30.18 |
| 6,051 | 45,000.00 | 3,280.00 | 2,297.50 | 3,900.00 | 2,730.00 | 7,180.00 | 5,027.50 | 2,152.50 | 29.98 |
| | 46,000.00 | 3,360.00 | 2,357.50 | 4,100.00 | 2,880.00 | 7,460.00 | 5,237.50 | 2,222.50 | 29.79 |
| | 47,000.00 | 3,440.00 | 2,417.50 | 4,310.00 | 3,040.00 | 7,750.00 | 5,457.50 | 2,292.50 | 29.58 |
| | 48,000.00 | 3,520.00 | 2,477.50 | 4,520.00 | 3,200.00 | 8,040.00 | 5,677.50 | 2,292.50 | 29.33 |
| | 49,000.00 | 3,600.00 | 2,537.50 | 4,740.00 | 3,370.00 | 8,340.00 | 5,907.50 | 2,432.50 | 29.13 |
| | 50,000.00 | 3,680.00 | 2,597.50 | 4,960.00 | 3,540.00 | 8,640.00 | 6,137.50 | 2,502.50 | 28.97 |
| | 51,000.00 | 3,760.00 | 2,657.50 | 5,190.00 | 3,720.00 | 8,950.00 | 6,377.50 | 2,572.50 | 28.74 |
| | 52,000.00 | 3,840.00 | 2,717.50 | 5,420.00 | 3,900.00 | 9,260.00 | 6,617.50 | 2,642.50 | 28.54 |
| | 53,000.00 | 3,920.00 | 2,777.50 | 5,660.00 | 4,090.00 | 9,580.00 | 6,867.50 | 2,712.50 | 28.31 |
| | 54,000.00 | 4,000.00 | 2,837.50 | 5,900.00 | 4,280.00 | 9,900.00 | 7,117.50 | 2,782.50 | 28.11 |
| 3,431 | 55,000.00 | 4,080.00 | 2,897.50 | 6,150.00 | 4,470.00 | 10,230.00 | 7,367.50 | 2,862.50 | 27.98 |
| | 56,000.00 | 4,160.00 | 2,957.50 | 6,400.00 | 4,660.00 | 10,560.00 | 7,617.50 | 2,942.50 | 27.86 |
| | 57,000.00 | 4,240.00 | 3,017.50 | 6,660.00 | 4,860.00 | 10,900.00 | 7,877.50 | 3,022.50 | 27.73 |
| | 58,000.00 | 4,320.00 | 3,077.50 | 6,920.00 | 5,060.00 | 11,240.00 | 8,137.50 | 3,102.50 | 27.60 |
| | 59,000.00 | 4,400.00 | 3,137.50 | 7,190.00 | 5,270.00 | 11,590.00 | 8,407.50 | 3,182.50 | 27.46 |
| | 60,000.00 | 4,480.00 | 3,197.50 | 7,460.00 | 5,480.00 | 11,940.00 | 8,677.50 | 3,262.50 | 27.32 |
| | 61,000.00 | 4,560.00 | 3,257.50 | 7,740.00 | 5,690.00 | 12,300.00 | 8,947.50 | 3,352.50 | 27.26 |
| | 62,000.00 | 4,640.00 | 3,317.50 | 8,020.00 | 5,900.00 | 12,660.00 | 9,217.50 | 3,442.50 | 27.19 |
| | 63,000.00 | 4,720.00 | 3,377.50 | 8,310.00 | 6,120.00 | 13,030.00 | 9,497.50 | 3,532.50 | 27.11 |
| | 64,000.00 | 4,800.00 | 3,437.50 | 8,600.00 | 6,340.00 | 13,400.00 | 9,777.50 | 3,622.50 | 27.04 |
| 2,240 | 65,000.00 | 4,880.00 | 3,497.50 | 8,900.00 | 6,570.00 | 13,780.00 | 10,067.50 | 3,712.50 | 26.94 |
| | 66,000.00 | 4,960.00 | 3,557.50 | 9,200.00 | 6,800.00 | 14,160.00 | 10,357.50 | 3,802.50 | 26.85 |
| | 67,000.00 | 5,040.00 | 3,617.50 | 9,510.00 | 7,040.00 | 14,550.00 | 10,657.50 | 3,892.50 | 26.75 |
| | 68,000.00 | 5,120.00 | 3,677.50 | 9,820.00 | 7,280.00 | 14,940.00 | 10,957.50 | 3,982.50 | 26.66 |
| | 69,000.00 | 5,200.00 | 3,737.50 | 10,140.00 | 7,530.00 | 15,340.00 | 11,267.50 | 4,072.50 | 26.55 |
| | 70,000.00 | 5,280.00 | 3,797.50 | 10,460.00 | 7,780.00 | 15,740.00 | 11,577.50 | 4,162.50 | 26.44 |

COMBINED NORMAL TAX AND SURTAX, COMPARING THE REVENUE ACT OF 1924 WITH THE REVENUE ACT OF 1921, ETC.—Continued

*Comparison of the revenue act of 1924 with the present law (married person without dependents), the first $5,000 of all income to be deemed to be earned; balance unearned*—Con.

| Number of persons making returns in each class in 1922 who paid income tax | Net income | Amount of normal tax under— | | Amount of surtax under— | | Amount of total tax under— | | Amount of reduction of total tax under act of 1924 | Percentage of reduction of total tax |
|---|---|---|---|---|---|---|---|---|---|
| | | Act of 1921 | Act of 1924 | Act of 1921 | Act of 1924 | Act of 1921 | Act of 1924 | | |
| | $71,000.00 | $5,360.00 | $3,857.50 | $10,790.00 | $8,040.00 | $16,150.00 | $11,897.50 | $4,252.50 | 26.33 |
| | 72,000.00 | 5,440.00 | 3,917.50 | 11,120.00 | 8,300.00 | 16,560.00 | 12,217.50 | 4,342.50 | 26.22 |
| | 73,000.00 | 5,520.00 | 3,977.50 | 11,460.00 | 8,560.00 | 16,980.00 | 12,537.50 | 4,442.50 | 26.16 |
| | 74,000.00 | 5,600.00 | 4,037.50 | 11,800.00 | 8,820.00 | 17,400.00 | 12,857.50 | 4,542.50 | 26.11 |
| 1,423 | 75,000.00 | 5,680.00 | 4,097.50 | 12,150.00 | 9,090.00 | 17,830.00 | 13,187.50 | 4,642.50 | 26.04 |
| | 76,000.00 | 5,760.00 | 4,157.50 | 12,500.00 | 9,360.00 | 18,260.00 | 13,517.50 | 4,742.50 | 25.97 |
| | 77,000.00 | 5,840.00 | 4,217.50 | 12,860.00 | 9,640.00 | 18,700.00 | 13,857.50 | 4,842.50 | 25.91 |
| | 78,000.00 | 5,920.00 | 4,277.50 | 13,220.00 | 9,920.00 | 19,140.00 | 14,197.50 | 4,942.50 | 25.82 |
| | 79,000.00 | 6,000.00 | 4,337.50 | 13,590.00 | 10,200.00 | 19,590.00 | 14,537.50 | 5,052.50 | 25.79 |
| | 80,000.00 | 6,080.00 | 4,397.50 | 13,960.00 | 10,480.00 | 20,040.00 | 14,877.50 | 5,162.50 | 25.76 |
| | 81,000.00 | 6,160.00 | 4,457.50 | 14,340.00 | 10,770.00 | 20,500.00 | 15,227.50 | 5,272.50 | 25.78 |
| | 82,000.00 | 6,240.00 | 4,517.50 | 14,720.00 | 11,060.00 | 20,960.00 | 15,577.50 | 5,382.50 | 25.62 |
| | 83,000.00 | 6,320.00 | 4,577.50 | 15,110.00 | 11,360.00 | 21,430.00 | 15,937.50 | 5,492.50 | 25.63 |
| | 84,000.00 | 6,400.00 | 4,637.50 | 15,500.00 | 11,660.00 | 21,900.00 | 16,297.50 | 5,602.50 | 25.58 |
| 987 | 85,000.00 | 6,480.00 | 4,697.50 | 15,900.00 | 11,970.00 | 22,380.00 | 16,667.50 | 5,712.50 | 25.53 |
| | 86,000.00 | 6,560.00 | 4,757.50 | 16,300.00 | 12,280.00 | 22,860.00 | 17,037.50 | 5,822.50 | 25.47 |
| | 87,000.00 | 6,640.00 | 4,817.50 | 16,710.00 | 12,590.00 | 23,350.00 | 17,407.50 | 5,942.50 | 25.45 |
| | 88,000.00 | 6,720.00 | 4,877.50 | 17,120.00 | 12,900.00 | 23,840.00 | 17,777.50 | 6,062.50 | 25.43 |
| | 89,000.00 | 6,800.00 | 4,937.50 | 17,540.00 | 13,220.00 | 24,340.00 | 18,157.50 | 6,182.50 | 25.40 |
| | 90,000.00 | 6,880.00 | 4,997.50 | 17,960.00 | 13,540.00 | 24,840.00 | 18,537.50 | 6,302.50 | 25.37 |
| | 91,000.00 | 6,960.00 | 5,057.50 | 18,390.00 | 13,870.00 | 25,350.00 | 18,927.50 | 6,422.50 | 25.34 |
| | 92,000.00 | 7,040.00 | 5,117.50 | 18,820.00 | 14,200.00 | 25,860.00 | 19,317.50 | 6,542.50 | 25.30 |
| | 93,000.00 | 7,120.00 | 5,177.50 | 19,260.00 | 14,540.00 | 26,380.00 | 19,717.50 | 6,662.50 | 25.26 |
| | 94,000.00 | 7,200.00 | 5,237.50 | 19,700.00 | 14,880.00 | 26,900.00 | 20,117.50 | 6,782.50 | 25.21 |
| 666 | 95,000.00 | 7,280.00 | 5,297.50 | 20,150.00 | 15,230.00 | 27,430.00 | 20,527.50 | 6,902.50 | 25.16 |
| | 96,000.00 | 7,360.00 | 5,357.50 | 20,600.00 | 15,580.00 | 27,960.00 | 20,937.50 | 7,022.50 | 25.12 |
| | 97,000.00 | 7,440.00 | 5,417.50 | 21,060.00 | 15,940.00 | 28,500.00 | 21,357.50 | 7,142.50 | 25.06 |
| | 98,000.00 | 7,520.00 | 5,477.50 | 21,520.00 | 16,300.00 | 29,040.00 | 21,777.50 | 7,262.50 | 25.01 |
| | 99,000.00 | 7,600.00 | 5,537.50 | 21,990.00 | 16,660.00 | 29,590.00 | 22,197.50 | 7,392.50 | 24.98 |
| 1,817 | 100,000.00 | 7,680.00 | 5,597.50 | 22,460.00 | 17,020.00 | 30,140.00 | 22,617.50 | 7,522.50 | 24.96 |
| | 150,000.00 | 11,680.00 | 8,597.50 | 46,460.00 | 35,520.00 | 58,140.00 | 44,117.50 | 14,022.50 | 24.12 |
| 451 | 200,000.00 | 15,680.00 | 11,597.50 | 70,960.00 | 54,020.00 | 86,640.00 | 65,617.50 | 21,022.50 | 24.26 |
| | 250,000.00 | 19,680.00 | 14,597.50 | 95,960.00 | 73,020.00 | 115,640.00 | 87,617.50 | 28,022.50 | 24.23 |
| | 300,000.00 | 23,680.00 | 17,597.50 | 120,960.00 | 92,020.00 | 144,640.00 | 109,617.50 | 35,022.50 | 24.21 |
| 63 | 500,000.00 | 39,680.00 | 29,597.50 | 220,960.00 | 170,020.00 | 260,640.00 | 199,617.50 | 61,022.50 | 23.41 |
| | 1,000,000.00 | 79,680.00 | 59,597.50 | 470,960.00 | 370,020.00 | 550,640.00 | 429,617.50 | 121,022.50 | 21.98 |
| 21 | 2,000,000.00 | 159,680.00 | 119,597.50 | 970,960.00 | 770,020.00 | 1,130,640.00 | 889,617.50 | 241,022.50 | 21.32 |
| | 3,000,000.00 | 239,680.00 | 179,597.50 | 1,470,960.00 | 1,170,020.00 | 1,710,640.00 | 1,349,617.50 | 361,022.50 | 21.11 |
| | 4,000,000.00 | 319,680.00 | 239,597.50 | 1,970,960.00 | 1,570,020.00 | 2,290,640.00 | 1,809,617.50 | 481,022.50 | 21.00 |
| | 5,000,000.00 | 399,680.00 | 299,597.50 | 2,470,960.00 | 1,970,020.00 | 2,870,640.00 | 2,269,617.50 | 601,022.50 | 20.94 |

*Number paying income taxes in 1922*

| | |
|---|---|
| The number of persons making returns in 1922 | 6,662,176 |
| Of these no tax was paid by | 3,072,191 |
| Taxes were paid by | 3,589,985 |
| Those paying on incomes of more than $10,000 | 172,359 |
| Those paying taxes on incomes of $10,000 or less | 3,417,626 |

The total number paying income taxes were divided according to income, as follows:

| Amount of income: | Number paying |
|---|---|
| $1,000 to $10,000 | 3,417,626 |
| $10,000 to $11,000 | 23,416 |
| $11,000 to $12,000 | 18,743 |
| $12,000 to $13,000 | 14,887 |
| $13,000 to $14,000 | 12,375 |
| $14,000 to $15,000 | 10,393 |
| $15,000 to $20,000 | 34,230 |
| $20,000 to $25,000 | 18,100 |
| $25,000 to $30,000 | 10,848 |
| $30,000 to $40,000 | 12,047 |
| $40,000 to $50,000 | 6,051 |
| $50,000 to $60,000 | 3,431 |
| $60,000 to $70,000 | 2,240 |
| $70,000 to $80,000 | 1,423 |
| $80,000 to $90,000 | 957 |
| $90,000 to $100,000 | 666 |
| $100,000 to $150,000 | 1,367 |
| $150,000 to $200,000 | 450 |
| $200,000 to $250,000 | 205 |
| $250,000 to $300,000 | 84 |
| $300,000 to $400,000 | 98 |
| $400,000 to $500,000 | 64 |
| $500,000 to $750,000 | 46 |
| $750,000 to $1,000,000 | 17 |
| Over $1,000,000 | 21 |

RECORD OF HON. CHARLES D. CARTER IN THE INTEREST OF LABOR

Mr. HUDDLESTON. Mr. Speaker, under general leave to extend my remarks, I call attention to letters from Frank Morrison, secretary American Federation of Labor, and from the national legislative and information bureau of the four railroad brotherhoods concerning the record of Hon. CHARLES D. CARTER, Representative in Congress from the third Oklahoma district, upon issues of particular interest to labor. The letters are as follows:

AMERICAN FEDERATION OF LABOR,
*Washington, D. C., June 5, 1924.*

Mr. R. O. JAGGERS,
*General Secretary Pittsburg County Central Labor Union,*
*McAlester, Okla.*

DEAR SIR AND BROTHER: Your letter of May 30 in reference to the legislative record of Representative CHARLES D. CARTER, of the third Oklahoma district, received.

Inclosed you will find several copies of the legislative record of Representative CARTER on measures of interest to labor. You will note that there are no votes unfavorable to labor. In fact, his labor record is 100 per cent.

With best wishes, I am,
Fraternally yours,

FRANK MORRISON,
*Secretary American Federation of Labor.*

[National Legislative and Information Bureau, Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen and Enginemen, Order of Railway Conductors, Brotherhood of Railroad Trainmen]

WASHINGTON, D. C., *June 12, 1924.*

Mr. R. O. JAGGERS,
*General Secretary, Pittsburg County Central Labor Union,*
*McAlester, Okla.*

DEAR SIR AND BROTHER: Supplementing our joint letter of June 6, 1924, in reply to yours of May 30 requesting the voting record on labor measures of Congressman CHARLES D. CARTER, of the third district of Oklahoma, we are inclosing to you herewith a copy of the voting record of Congressman CARTER as taken from the official CONGRESSIONAL RECORD and compiled in the office of the National Legislative and Information Bureau. You will note that during his long service of 17 years the record of Congressman CARTER'S votes on labor measures is 100 per cent favorable. The voters in the third district will make no mistake in returning him to the position which he has so ably and impartially filled for nine consecutive terms.

It is not the policy of our organizations to support for Congress new men of unknown ability or qualifications in opposition to men of proved ability and integrity and whose records in Congress have been four-

square in support of legislation beneficial to labor, the farmers, and the public in general.

Fraternally yours,

H. E. WILLS,
*Assistant Grand Chief, National Legislative Representative, Brotherhood of Locomotive Engineers.*

ARTHUR J. LOVELL,
*Vice President, National Legislative Representative, Brotherhood of Locomotive Firemen and Enginemen.*

W. M. CLARK,
*Vice President, National Legislative Representative, Order of Railway Conductors.*

W. N. DOAK,
*Vice President, National Legislative Representative, Brotherhood of Railroad Trainmen.*

### POSTAL SERVICE SALARIES

Mr. KELLY. Mr. Speaker, the postal pay bill, after six months of painstaking consideration by the Post Office Committees of the House and Senate, was passed by each body. The record vote in the Senate was 73 in favor of the measure to 3 opposed. The record vote in the House on the final conference report was 362 in favor of the bill and 6 opposed.

Only 9 out of 531 duly elected Representatives of the people voted against the bill, and not one of the opponents took the ground that increases in pay for postal employees were unjustified.

The postal pay bill was enacted by such overwhelming majorities and sent to the President for his action.

At the same time an appeal to the President, written by myself on behalf of the postal employees, was issued in order that the final argument for the postal pay bill in this session might be made.

This appeal was as follows:

DEAR MR. PRESIDENT: We stand before you 300,000 strong, relying on your sense of justice as we respectfully ask you to sign our postal increase bill. It has already been judged by the American people and the Congress of the United States and has received approval well-nigh unanimous. There is no denial anywhere that our cause is blest with our country's favor.

We are the American workers who man the world's greatest public service enterprise. We serve every family in our Nation. We traverse every city street and highway and byway every day. We travel on land and sea and in the air on the mission of intercommunication between Americans.

When we entered this service we laid aside all hope of making a fortune or of ever owning productive capital. But we are at our wit's end now to live. Our pay will not buy things which our physical needs demand. This measure which we bring to you only restores our real wages to the level of 1914. You do not desire us and our families to suffer unjust privations and hardships because of a compensation which is less in purchasing power than we received 10 years ago.

Your Post Office Department has been operated on the basis of service, not profit. It is to-day the cheapest in the world. Charges for the services rendered have been decreased during the past 10 years of universal rise in the cost of production. If postal charges had been increased one-half as much as the average of all other commodities and services there would this year be a surplus of $150,000,000 in the Postal Service.

You will not refuse us just compensation on the ground that it will entail a drain on the United States Treasury and thus force 300,000 of us to bear all the deficit of a service which admittedly sells its product for less than cost. The patrons of the Postal Service and the American public do not desire such injustice. They have urged in countless ways that we be granted just and fair schedules of pay and the expense be made a charge upon the users of the service or the public at large.

We have repeatedly recorded ourselves as individuals and as organizations in favor of postage rates which will maintain the service on a self-sustaining basis. We plead with you not to penalize us now because those rates have been fixed below cost as a governmental policy. Our faith is firm that you will not act on the principle that the postal system should be conducted on a service basis when postage rates are considered, and on the principle that it is an institution for profit when a living wage for its workers is involved.

If our respectful request to you is unjust or unreasonable, it should be rejected without apology. But you have publicly stated that "the postal pay bill is based on justice." We know that you believe that "righteousness exalteth a nation." We beg you to prove that America is great enough to do the just and the righteous thing and afford her a chance to prove that she is wise enough to find the proper means to pay its price.

We will help solve the problem of the cost. We will continue our efforts to adjust postage rates on an equitable basis, which can be determined from the report within a few months of the official results of the arduous and expensive efforts of the Congress and the department to learn the exact cost of carrying the different classes of mail. Grant us this act of justice and the removal of back-breaking burdens will send us to our tasks with an invincible zeal. We have absorbed every prior increase in wages and we will do our part in making additional revenues and efficiency far exceed this added cost.

We are in partnership with you and the American people for indispensable public service. We have kept faith in the past and we will keep it in the future in building and maintaining the best Postal Service for the best Government in the world.

Mr. President, please sign our bill.

Mr. Speaker, on June 7, the last day of the session, the bill was returned to the Senate with the veto message of the President.

It is to be regretted that the manifold duties of the President of the United States make it impossible for him to follow in detail the course of legislation. Had he been able to do so in the case of this measure he would have known that every point raised in his veto message was carefully considered by the committees of Congress and was overruled in the interest of justice and a square deal to the postal workers and the American people, who are served by this great governmental agency of communication.

Let us notice the grounds of the objection urged in the veto message.

#### I. THERE IS NO PROVISION FOR RAISING THE REVENUE TO MEET THE COST

This decision was taken by the Post Office Committees because the Post Office Department earnestly declared that the ascertainment of the cost of carrying the mails would be ready for action by December. That ascertainment has cost more than half a million dollars from tax funds. The bills to provide increases in postage rates were before the committees but they were not enacted because it was believed that the actual figures to be furnished by the cost ascertainment committee would be valuable in a just and scientific revision of rates.

We believe that the first essential in the Postal Service is to assure a living wage to postal workers. With that established we may easily decide upon the proper adjustments to be made in rates. To argue that wages of workers who make an essential service possible should be kept at an inadequate level because the Post Office Department does not know the cost of its own operation is unjust. The department has had 134 years to secure that essential information, and its neglect of business principles is no reason for refusing a square deal to faithful and efficient workers.

#### II. POSTAL SALARIES HAVE ALREADY BEEN ADJUSTED

Postal employees to-day are admittedly receiving less compensation in real wages than they did in 1912. Figures as to average pay for all employees for a certain year do not state the situation correctly. The fact is that the maximum pay for a regular letter carrier and postal clerk in 1912 was $1,200. To-day the maximum is $1,800, an increase of 50 per cent. The cost of living to-day is 70 per cent higher than in 1912. The postal employee who received $1,200 in 1912 is to-day receiving compensation of only $1,080 in purchasing power.

If an average is to be used it should be the average pay received by a postal employee during his actual service.

A clerk or letter carrier who has been in the service since 1912 has had, under ordinary procedure, an average annual income of less than $1,200.

Here is the actual income of a railway postal clerk living in Cincinnatti, Ohio, as given by himself:

I entered the service in December, 1913, as a substitute and served in that capacity until August, 1914. During these eight months I earned $337.37, or $42 per month. In August, 1914, I was made a regular clerk at $900 per year, or $75 per month.

Following is an account of the money I received since entering the service:

| | |
|---|---|
| December, 1913, to August, 1914 | $337.37 |
| For the year 1914–15 | 900.00 |
| For the year 1915–16 | 1,000.00 |
| For the year 1916–17 | 1,100.00 |
| For the year 1917–18 | 1,100.00 |
| For the year 1918–19 | 1,300.00 |
| For the year 1919–20 | 1,300.00 |
| For the year 1920–21 | 2,000.00 |
| For the year 1921–22 | 2,000.00 |
| For the year 1922–23 | 2,000.00 |
| For the year 1923–24 | 2,000.00 |
| Total | 15,037.37 |

The above indicates an average of $1,367 per year. Can anyone really think that postal employees who give 11 years of service for $15,037 are extracting too much from the people, who are all the while demanding the best service obtainable?

The $450,000,000 increase in expense referred to in the message means an advance in pay of $5.75 per week for 300,000 Americans to meet the skyrocketing costs of living in a time of World War and its aftermath.

That sum was paid not by the users of the mails or the taxpayers but in the main by the postal employees. Postage rates were not changed, but by speeding up their work and by increased efficiency and more arduous effort the added cost was absorbed by the very workers who received the advance in pay.

III. PRIVATE EMPLOYEES RECEIVE LOWER PAY

The postal clerk and letter carrier in the highest possible grade receive to-day $34.61 a week.

The United States Department of Labor gives the following scale for skilled workers in various lines:

| | Per week. |
|---|---|
| Newspaper compositors | $41–$51 |
| Men's clothing industry | 41– 55 |
| Plasterers' laborers | 48 |
| Bricklayers' helpers | 48 |
| Cement finishers' helpers | 45 |

Exhaustive tables were presented at the hearing, and the most casual survey is convincing evidence that the postal employees are underpaid skilled workers.

IV. THERE SHOULD BE WAGE DIFFERENTIAL FOR EMPLOYEES IN LARGE CITIES

Ninety per cent of all employees of the Railway Mail Service live in cities of more than 25,000 population. Seventy-five per cent of all letter carriers and postal clerks live in cities of over 25,000.

There are more clerks in the New York post office than in all the cities of less than 5,000 population. There are as many carriers in the Chicago post office as in all the cities of less than 5,000 population.

The work is exactly the same in town as in city, the hours are the same, and the compensation should be the same.

V. THERE ARE MANY ELIGIBLES ON THE CIVIL SERVICE LISTS AND APPLICANTS FOR THE EXAMINATIONS

The figures given simply prove the tremendous labor turnover in the Postal Service, with its attendant costs. Great numbers of substitutes refuse appointments, and about 8 per cent of all appointed resign each year. Inadequate pay is the primary reason for a situation which requires weekly examinations and a standing eligible list of thousands to fill vacancies which are recurring continually. The present turnover in the Postal Service involves an annual loss of $10,000,000, which can only be remedied by just compensation.

VI. THE FARMERS ARE THE LARGEST USERS OF PARCEL POST

In July, 1920, the Post Office Department counted each piece of mail on all the rural free delivery routes in the United States, the only time such an attempt has been made to accurately gauge the mail matter sent to and by the farmers of America.

That month there were 8,534,643 pieces of parcel-post matter delivered to patrons of rural routes, and 1,292,837 pieces collected from them, a total of 9,827,480. Extended for the year it would mean that 117,929,760 pieces of parcel-post mail matter were received and sent by the patrons of all these rural routes.

The Postmaster General's report for 1920 states that "the total number of pieces of parcel-post mail handled during the past fiscal year is estimated to have exceeded 2,250,000,000."

Based on these figures, the only ones available, the farmers of this country receive and send 5 per cent of the number of parcel-post packages handled in the United States mails.

In July, 1920, the total postage received by the Post Office Department from parcel-post mail delivered on rural free delivery routes was $905,110.62. The postage from parcels collected was $122,135.34, a total of $1,027,245.96. Extended for the year that would mean annual revenues from this source amounting to $12,326,951.52.

The Postmaster General's report for 1920 estimates the total postage from parcel post at $150,000,000.

Based on these figures, the only ones available, all the patrons of all the rural free delivery routes paid 8 per cent of the postage received from parcel-post matter.

The total postage received from all classes of mail collected and delivered on all rural free delivery routes in July, 1920, was $4,291,860.93, which makes for a year, $51,502,331.16. The appropriation by Congress for the rural free delivery routes alone for the fiscal year 1920 was $68,800,000. Crediting all the postage on all mail sent to these patrons as well as all postage on all mail sent by them and there remains a deficit of more than $17,000,000.

Mr. Speaker, the postal employees of America are loyal to their Government and their duty. They will faithfully carry out their tasks in the sure hope that justice will be done during the coming session and that just salary schedules and just postage rates will be established for the United States Postal Service, the greatest business enterprise on the face of the earth.

THE M'NARY-HAUGEN BILL

Mr. YATES. Mr. Speaker, I am casting my vote for this bill because otherwise the farmer will have no legislative relief—or legislation aimed to provide relief—from this Congress.

On page 10027 of volume 65 of the RECORD of May 31 is printed a question which I asked the distinguished Member from Oklahoma, the Hon. CHARLES D. CARTER. The RECORD reads:

> Mr. YATES. The gentleman believes, all things considered, that this bill is the best thing for the farmer at the present time, does he not?
>
> Mr. CARTER. I consider it the one, single, solitary piece of legislation that has been offered during this administration to relieve the condition of the farmers of the country, and we all know it is the only measure we will have an opportunity to vote on before adjournment, but this bill does not meet my ideas of the necessary steps for relief.

In fact, it is admitted on all sides that if we are going to try to do anything for the farmer the thing to do is to vote for this bill, whatever its shortcomings may be.

It is certainly not perfect. Like all legislation, it lacks perfection.

Mr. Speaker, I have been puzzled about this bill. I admit it. I have been at a loss how to vote, and I admit it. Some men—very good and very wise men—say, and indeed insist, that this bill will help agriculture, aid the farmer materially and satisfactorily; others, on the other hand, protest that it will not be a real solution for the ills of the farm.

Some men—very good and very wise men—assert that this bill if enacted into law will not, it is true, remedy the situation entirely but will do so in part—will not, confessedly, make whole the farmer and make him a 100 per cent success, but will "help some"—will at any rate do more good than harm—will, perhaps, reach 51 per cent; that is, give, say, 51 per cent of the relief desired.

Others, equally good and wise men, manifest impatience and disgust and demand to be shown one single, solitary advantage or benefit which the farmer would derive from this particular legislation, saying it does not contain 1 per cent of help.

Still others argue that on the one hand a mere temporary gain or benefit or advantage might come to the farmer, because he would, under this scheme, be helped materially for five years to get more for his farm products than he does now; but that, on the other hand, at the end of the five years the "prop"—that is, the artificial support—would be "knocked out"; and the "last end would be worse than the first."

One of the most confusing things that we have witnessed is the sharp difference of opinion among the practical farmers in this body. I can not claim, as so many do, to be a farmer, but I know something about a farm myself. My father owned a farm, owned three of them and cultivated one. My mother owned a farm—480 acres—from 1869 to 1889 and leased it to a tenant. My grandfather, Henry Yates, was a farmer for 35 years—1830 to 1865—owned 10 farms in Illinois—in Sangamon County, Illinois, the heart of the Corn Belt, when he died in 1865.

Of course the result is that I have myself "that mania for the broad acres" that Garfield said every Anglo-Saxon has. I want to own a farm myself some day. And it follows I want to own a real thing—a thing that is real.

And, of course, I am proud of what my forefathers owned, acquired, and did—proud and glad that they were real farmers—proud and glad that they were good and prosperous farmers. So proud and glad that I will, forever and always, honor the farmer and the farm, consider them precious, and vote to help both whenever I can. I have this special reason to boast and help the farmer in addition to the fact that all prosperity depends upon him.

But, whether I know much about methods to keep a market for farm products or not, is it not amazing that the farmers and farm champions of wide repute should be far from agreement?

In this disagreement party lines are forgotten and out of sight.

The gentleman from Minnesota, the Hon. KNUD WEFALD, says (RECORD, p. 11092), voicing the Northwest:

> This measure I am quite confident will fail of passage. Mr. Speaker, the Republican majority will be held mainly responsible by the people for its defeat, yet the Democrats are equally guilty with them. In this matter, as so often in other matters, Democrats come to the assistance of the stand-pat element when

the interests of special and favored interests are at stake. In the matter of sectionalism, the South yields very little to New England. The race question shuts it off forever from understanding the West.

The gentleman from far South, Alabama [Mr. HUDDLESTON], finds a difficulty reflecting a sectional division when he says (see RECORD, p. 11246), concerning freight rates:

Is it proposed to give the products of the farmer an advantage over the products of the mine?

And again (see RECORD, p. 11246):

The farmers are asking for relief. They are entitled to relief, and I am willing to give them relief, but I am not willing to give them relief at the expense of other people.

And again:

I want to do everything that is possible and reasonable and honest for the farmers, but I would not consider it honest to the balance of the people of this country, nor would I consider it good public policy to prefer the agricultural interests at the expense of the other legitimate business.

FRIENDS OF THE BILL

The following organizations and citizens of Illinois have urged me to vote for this bill:

Joint Labor Legislative Board of Illinois; legislative representatives of Illinois State Federation of Labor; United Mine Workers of America; Brotherhood of Railroad Trainmen; Brotherhood of Locomotive Firemen and Enginemen; Order of Railway Conductors; Women's Trade Union League; Sangamon County Farm Bureau, of Springfield; Illinois Agricultural Association, of Chicago; American Farm Bureau Federation, of Washington, D. C.; the Macon County Farm Bureau, of Decatur; George R. Brown, First State Bank of Divernon, of Divernon, Sangamon County; C. R. Carpenter, of Buffalo; George W. Hall, of Alexander, Morgan County; Illinois Grain Dealers' Association, of Champaign; Farmers' Cooperative Seed Co., of Cambridge; the Chamber of Commerce of Lincoln; Tazewell County Farm Bureau; Peoria County Farm Bureau; Stark County Farm Bureau; Bureau County Farm Bureau; Marshall-Putnam Farm Bureau, of Henry, Ill.; Mr. B. P. Taylor, Canton; farm bureaus of Adams, Henry, Schuyler, Fulton, and Knox Counties, of Galesburg, Ill.; Piatt County Bankers' Federation, of Bement; Richland County Farm Bureau, of Olney; Kane County Farm Bureau, of Geneva; Peranwold Stock Farm, Farmingdale; Farmers' State Bank of Orion; First National Bank of Morrisonville; Citizens' State Bank of Milford; Sumners State Bank, of Stockland; Marshall County State Bank, of Varna; Iroquois County Farm Bank, of Watseka; Brown County Farm Bureau, of Mount Sterling; Savings Bank of Kewanee; the Commercial Club of Mount Sterling; Pulaski County Farm Bureau, of Mound City; Equitable Life Insurance Co. of Iowa, of Ottawa; Mr. C. J. Luther, president Will County Farmers' Institute, of Wilmington; Mrs. E. E. Stevenson, chairman of La Salle County League of Women Voters; Ottawa Banking & Trust Co., of Ottawa; Cambridge State Bank, of Cambridge the First National Bank of Pullman; the First National Bank of Leland; North Hampton Cooperative Shipping Association, of Chillicothe, Ill.; and the Walnut Grove Farm, of Cornell.

Mrs. J. F. Garrity, Chicago; W. D. Rishel, of Cambridge; Hon. Jacob A. Bohrer, of Fifer & Bohrer, of Bloomington; E. S. Gilliham, of Edwardsville; F. A. Patton, of Tivoli; Hon. Norman G. Flagg, of Moro; John F. Regan, of Decatur; George H. Hall, of Alexander; J. H. Singleton, Mahomet; the Pioneer Creamery Co., by Louis Nielson, president, of Galesburg.

Among those from Illinois who have also urged me to vote for this law are the following: Knox County Farm Bureau, of Galesburg; Piatt County Farm Bureau, of Monticello; Perkins & Perkins, of Springfield; Cass County Farm Bureau, of Virginia; farmers of Island Grove, of New Berlin, Sangamon County; Pike County Farm Bureau, of Pittsfield; Pana National Bank, of Pana; W. F. Engelman and Mrs. W. F. Engelman, of Nokomis; Farmers' National Union of America, of Kankakee; Graymont Cooperative Association, of Graymont; Milford Grain Co., of Milford; Stronghurst Grain Co., of Stronghurst; James D. Smith and Benjamin Brown, of New Berlin, Sangamon County; Clinton County Farm Bureau, of Breese; H. P. Joy, stock and grain farmer, Chapin, Morgan County; Galva Grange, No. 1591, of Galva; Chicago Producers' Commission Association, of Chicago; Commercial Club of Princeton, of Princeton; Carpera Stock Farm, of Buffalo; Maplehurst Stock Farm, of Chatham; J. W. Whisenand, of Cambridge; G. A. Slater, Polo; Clarence Stell, Cuba; Clay Lawler, of Paloma; Flanagan Stock Farms, of Flanagan; Savings Bank of Kewanee, of Kewanee; John T. Creen, Pontiac; J. B. Roissell, Mattoon; Rev. H. M. Blout, Cornell; Fred I. Talleu, Edwardsville; Fred L. Walker, of Kendall; Harvey N. Ames, Mattoon; T. W. Esmond, of Ottawa; J. P. Lyons, Pontiac; William G. Rushton, of Minooka; Marion County Farm Bureau, Odin; H. T. Marshall, of Serena; E. C. Coulter, of New Berlin, Sangamon County; L. C. Rinker, of Grand Ridge; J. P. Conrad, Monee; Maple Lawn Stock Farm, of Lostant; E. E. Boyer, Ashmore; D. C. Shepper, Lincoln; Ruth Kerns, of Big Rock; J. V. Bogner, Henry; A. J. Gahn, Ransom; Albert G. Weber, Nauvoo; Helmer Hanson, Newark; Alfred Windett, of Bristol; Albert Peterson, of Millbrook; Miss Grace Buxton Brown, of Divernon, Sangamon County; J. M. Weaver, of Oakford; Ernest R. Davis, Pawnee; L. J. Kerns, Big Rock; Clifford V. Gregory, of Chicago; Mrs. Peter J. Schlapp, of Oswego; Walter H. Miles, Plano; R. F. Constant, of Buffalo Hart; James Hamilton, Polo; Streator Drain Tile Co., of Streator; R. T. Gustus, of Ophiem; H. E. Vogelsinger, of Pontiac; Progressive Grain & Feed Co., of Edwardsville; Robert Gibbons, Piper City; J. C. Beekman, Petersburg; E. E. Stevenson, president La Salle County Farm Bureau, of Ottawa; Harry C. Gehring, president Knox County Farm Bureau, of Galesburg; Peter Nelson, of Kendall County Farm Bureau, of Plano; Christian County Farm Bureau, of Taylorville; Logan County Farm Bureau, of Chestnut; farmers of Marshall County, of Yarna; Marion County Livestock Shipping Association, of Iuka; Whiteside County Farm Bureau, of Morrison; Farmers' Grain Co., of Dalton City; Harry C. Dixon, of Covell; Coles County Farm Bureau, of Charleston; Winnebago County Farm Bureau, of Rockford; Pike County Farm Bureau, of Pittsfield; Fulton County Farm Bureau, of Canton; Franklin County Farm Bureau, of Benton; Watseka Farmers' Grain Co. (cooperative), of Watseka; C. R. Carpenter, of Buffalo, Sangamon County; Woodford County Farm Bureau, of Eureka; Ford County Bureau, of Gibson City; Cass County Farm Bureau, of Virginia; Will County Farm Bureau, of Joliet; McLean County Farm Bureau, of Bloomington; Sunset Farms, of Bloomington; Mercer County Farm Bureau, of Aledo; Henry County Farm Bureau, of Cambridge; Jersey County Farm Bureau, of Jerseyville; Marion County Farm Bureau, of Salem.

PROTESTS

I have protests from the following: City Council of Chicago; Millikin National Bank; National Bank of Decatur; Farmers' State Bank & Trust Co.; Citizens' National Bank; A. E. Staley, R. C. Augur, C. W. Brewer, F. M. Robertson, C. P. Cline, J. A. Freemon, L. B. Kizer, C. L. Leiss, P. A. Hendricks, C. T. Moore, W. H. Barnes, S. J. Durbin, R. J. Steven, L. E. Duncan, B. H. Muthersbaugh, H. I. Baldwin, H. J. Kappl, and J. E. Quigley, all of Decatur; B. F. Waters, of Rochester; George W. Cole Grain Co., of Peoria; Illinois Grain Dealers' Association, of Champaign; the Chicago Association of Commerce, of Chicago; Mrs. George Neafus, of Tuesday Art Travel Club, of Chicago; Farmers' National Council, of Washington, D. C.; Illinois Drain Tile Manufacturers' Association, of Streator; Purina Mills, of St. Louis, Mo.; J. C. Shaffer Grain Co., of Peoria; Peoria Board of Trade, of Peoria; Albert Dickinson Co., of Chicago; Frank P. O'Brien, Springfield; the Corn Exchange National Bank, of Chicago; the W. T. Rawleigh Co., of Freeport; Mrs. James Hartley, of Henry; John W. Scott, of Chicago; Nash-Wright Grain Co., of Chicago; James E. Bennett & Co., of Chicago; John S. Lunt, of Chicago; Emory Niles, of Chicago; Miller & Hart, of Chicago; Alden, Latham & Young, of Chicago; Cross, Roy & Saunders, of Chicago; Madison Park Apartment Hotel, Chicago; Sherer-Gillett Co., of Chicago; the Windermere Co., Chicago; John E. Brennan & Co., of Chicago; J. A. Edwards & Co., of Chicago; W. P. Anderson & Co., of Chicago; William A. Neubauer, of Chicago; F. J. Young, of Chicago; James P. Ryan, of Chicago; Pope & Eckhardt Co., of Chicago; F. M. Foster, of Chicago; Cornland Grain Co., Mount Pulaski; T. F. Molyneau, of Chicago; Cross, Roy, Eberhart & Harris, Chicago.

It is to be noticed that the total protests coming from Illinois have numbered only 39, all but 8 from Chicago.

OTHER REMEDIES

Decrease of production is the remedy most commonly suggested for curing the agricultural depression. This, it is pointed out, is the sound and economic way to raise prices to a pre-war level. This theory contemplates that anything you do to make such action unnecessary is unnatural, artificial, unsound, uneconomic. Those who recommend this course either do not regard tariffs, immigration laws, transportation acts, protective labor laws, and similar legislative enactments, that fill the statute books of both Nation and State, as being in exactly the same class as the proposed legislation or else they are willing to contemplate the degradation of agriculture and its perversion from the position that it has occupied in American history from the beginning of the Republic.

Nature, through the operation of the boll weevil and unfavorable weather conditions, reduced the cotton crop of 1923 to but little more than 10,000,000 bales. As a result of diminished supply the price of cotton has been above 37 cents during the past 12 months and is now around 28 cents. This is at least twice the pre-war average money price. Has this been a benefit to American consumers and to consumers of American cotton throughout the world? It has not. Neither has it been a benefit to the cotton grower, except in the fortunate areas where an average yield was obtained, together with the benefit of high prices. Thirty cents a pound for cotton is little help to those cotton growers who produced only 30 to 80 pounds per acre, when the cost of production per acre alone averaged over 27 cents a pound and the average yield was about 128 pounds per acre.

Farming is an industry which in its nature requires a period of years to adjust itself to changed economic conditions by reason of the slow turnover rate. Only once a year does a farmer have a chance to make readjustments in the annual crops, and in most livestock the average period of opportunity is from one to four years. In the case of dairy cattle adjustment is even slower, as a good cow does not come into her maximum production until she is about eight years of age.

Farmers have striven for many years to diversify their crops. This is quite as true of the sections that are suffering at present as of any other in the United States. Cows, hogs, and chickens are synonymous with diversification. The great majority of all farmers, even in the one-crop wheat areas, produce their own milk, their own pork, their own poultry and eggs. The present difficulty is not confined to one-crop areas. Some of our best diversified farm regions are suffering almost as severely from the deflation as are the one-crop farm areas. In fact, the hog producer is even harder hit than the wheat grower. In the more settled, older, and better equipped farming sections farmers were somewhat less in debt and had more capital and credit. Hence the effect of the vicious relation between prices of farm products and other commodity prices was obscured there until a later date. Now the capital and credit are being exhausted with no present hope of replenishment unless and until more normal farm-price relations are restored.

Price fixing with respect to farm products has generally meant, to the lay mind, a guaranteed fixed price. This was the principle upon which the wheat guaranty act of March 4, 1919, was enforced, though such enforcement was not necessarily in accordance with the will of the legislative body. The food control act, under which guaranteed prices were fixed, merely provided that the prices should be not less than $2 a bushel. As a matter of fact, prices very close to $2 a bushel were enforced as the maximum prices. Guaranteed fixed prices have not operated to the satisfaction of the wheat grower in the past. Ratio prices are fluctuating prices moving in unison with the all-commodities index. Some members of the grain trade and of the milling industry, as well as some farmers, desire guaranteed prices. The majority do not.

This bill proposes to equalize domestic supply of export farm products to domestic demand at a fair exchange value in terms of all commodities; in other words, in terms of the general price level. This end is to be attained by diverting the surplus, which is small in relation to the whole annual production, to the world market at the world price. Existing private agencies and existing facilities of processing and distribution are to be used to the fullest possible extent according to their adequacy and availability for this purpose. Import duties on particular products in distress are to be raised to keep out foreign competition, or, if necessary, such products may even be excluded. The loss sustained in selling at the world price, the fraction of the crop exported, after buying it on a higher domestic level, and the expenses of operation are to be borne by the farmer through the operation of a so-called equalization fund.

The export corporation, furthermore, affords a means to remove the abuses reported by the Federal Trade Commission as to the operations of grain exporters and packers in foreign trade. The character of these abuses is partly disclosed on pages 688 to 690 of the hearings on the bill, and on pages 694 to 698, relating chiefly to wheat and its products. Similar information as to the export trade in meat products will be found in part 10 of the hearings.

This bill in effect says that any quantity of a basic agricultural commodity that must be removed from the domestic market in order to maintain the domestic price at a level in keeping with the domestic price of all commodities, is export surplus. The price at which the corporation may purchase this export surplus is called the "ratio price." The act lays down a rule for determining this price and the corporation can not vary from it as to its purchase of the fraction to be exported. It should be borne in mind that the whole crop will not be handled by the corporation—only the amount necessary to maintain the ratio price. In the case of wheat, for instance, our normal average crop is about 750,000,000 bushels. The average amount of export may be taken at approximately 150,000,000 bushels. The whole domestic consumption of 600,000,000 bushels, less the quantity used for seed and fed on farms, would be traded in without interference on the part of the corporation, except to the extent of collecting the equalization fee on each sale made by a farmer. The ratio price at which the corporation will buy the export surplus only may be defined briefly as that money price of a given basic agricultural commodity that will give a unit of it the same purchasing power now, in terms of all commodities, that it had on the average in the 10 years 1905 to 1914. To maintain this price the corporation goes into the domestic market and buys the commodity at the ratio price, thus maintaining the domestic price of the commodity at the level of the ratio price. This is equivalent to saying that the effective domestic supply is reduced to the level of the effective domestic demand at the ratio price, thus lifting the basic agricultural commodities up to a reasonable parity with all commodities.

Opponents who believe that the bill, if enacted, will increase the cost of living fail to take into consideration the fact that, if the situation is allowed to "cure itself," the inevitable method of cure will be reduced production. This reduced production in itself is one of the surest means of sending up prices for farm products, increasing costs to consumers, or increasing the cost of living.

Inasmuch as the purpose of this bill is to raise the price of the certain basic agricultural commodities whose prices are disastrously below pre-war purchasing power, it is probable that there will result some increase in the cost of living. The amount of this increase is, of course, not exactly determinable. Students have generally concluded that a rise of 20 points in the price of wheat would result in an elevation of the wholesale price index of all commodities by one point. This assumes wheat to represent 5 per cent of the total exchange value of all commodities. As a matter of fact its relative importance is about 6 per cent, but for convenience of calculation and as the difference will not be great, it seems best to apply the commonly accepted conclusion that a 20-point increase in the price of wheat will lift the general index one point. Speaking approximately again, the present price of wheat is $1. The ratio price under the bill would be about $1.50. In other words, 20 points divided into 50 points gives 2½ per cent increase, the percentage effect, on the total exchange value of all commodities that would be produced by a 50-cent increase in the price of wheat.

### GENERAL OBJECTIONS

The statement is frequently made by those opposed to this legislation that the law, if passed, will be unworkable. Such statements have been made in regard to practically all important legislation in our history. A few instances may be cited as illustrations. As to each of the following in their time it was seriously asserted:

1. That the Federal reserve act would destroy the banking system.
2. That the Federal farm loan act would dry up the sources of the farmers' credit.
3. That the income-tax laws would ruin the country.
4. That the meat inspection act would drive the packing industry into bankruptcy.
5. That the cotton futures act would rob the cotton producers of millions of dollars.
6. That the food control act would produce a revolution.
7. That the grain futures act would destroy the grain exchanges, and with them the country elevator.
8. That the immigration laws would invite instant and serious retaliation from numerous foreign nations, and could not be administered.
9. That the tariff laws enacted from time to time during our history would be unworkable, invidious, ruinous, and likely to involve countervailing action by other countries.

Under analysis what is the great fact that underlies most statements of the kind mentioned? They arise because interests affected by proposed legislation foresee some degree of inconvenience or some loss of profit in their own particular business without considering the general welfare of all the country. It is almost an axiom that only a few of the far-seeing, progressive, and wise in any trade or industry willingly accept suggestions or directions looking toward changes in their existing methods and practices, even when they are clearly in the common interest.

The committee believes, and so do I, that there is infinitely greater danger to a self-governing country in failure to legislate when conditions require correction than there is in legislating, even though legislation at first may operate but imperfectly.

CONCLUSION

After reading and rereading the indorsements of this bill and the protests against it, I have come to the conclusion that it is the only bill that has a definite and specific method of lifting the markets in which farm produce is sold to an index ratio comparable with other commodities. For this reason I consider it the best of the several measures capable of being passed by this Congress, and I am voting for it on that theory.

I want it distinctly understood that I have only one object in voting for this bill, and that is to do the wisest thing for the farmer. The only way I could find out just what is the wisest thing was to study the bill as well as I could and to get the opinion of the farmers in all parts of Illinois. I am not voting for the bill now because I think it is the best bill that could be devised or because I think it gives entirely satisfactory relief. I am voting for it because I do not want to do anything to hurt the farmers any more than they are hurt at the present time.

THE RECLAMATION LAW

Mr. LEAVITT. Mr. Speaker and gentlemen of the House, it is impossible during the closing moments of a session of Congress to give the full consideration to some measures of vital importance which their effect for the good or ill of perhaps thousands of human beings demand. As a consequence, injustice may be done without definite intention, because there is not sufficient opportunity to clear up misunderstanding and replace it with understanding, wrong actions may be taken.

The House Committee on Irrigation and Reclamation, of which I am a member, had under consideration for some weeks a measure intended to put into effect the principles of legislation shown to be wise and advisable by the President's fact finding commission. We had held hearings and prepared a bill which our chairman was instructed to report when it was learned that most of its features incorporated in a Senate bill had been attached to the deficiency appropriation bill as a rider. Another rider had to do with appropriations for several irrigation projects, provision for whose construction had not been included in any House bill. The fight on these appropriations caused delay and conferences, which modified some and eliminated others. The report of the conferees was accepted by the House and we passed the bill, containing in principle the new reclamation law, so much needed for the success of many of the projects. In the closing hours it failed in the Senate.

But, Mr. Speaker, that is not the end of the struggle for the new law for reclamation projects. Much of the data showing its need has been gathered, but we will make the case even more conclusive this summer, and we will be here again in December with evidence which will convince you and the Members that we have worked out a plan, sound in principle and required by conditions. In my district in Montana I have more Government reclamation projects to represent, both as to number and as to area, than has any other Congressman. I shall visit them all this summer and fall and will come here again in December with new evidence and even stronger facts. Others of the Members from the West are planning in the same way.

During the debate to-day I had opportunity to touch only lightly on what is the heart of the proposed new law—the plan of repayment to the Government on the basis of earning capacity of the lands rather than by a fixed period of years. The RECORD shows, as follows:

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Montana [Mr. LEAVITT].

The SPEAKER. The gentleman from Montana is recognized for five minutes.

Mr. LEAVITT. Mr. Speaker and gentlemen of the House, one of the burdens of the western country having great irrigation projects is the lack of understanding—I might say the ignorance—of those who proceed on pure theory and as a result make it difficult for us to continue our development.

In the few minutes I have at my disposal I will speak particularly of the new provisions for payment contained in this bill. That is the heart of this matter, and I want to say that it is not hasty legislation. For several weeks the Irrigation and Reclamation Committee of this House has been holding hearings and investigations and preparing a bill. The committee of this House did not write this rider into the appropriation bill now under consideration. It was put there by the Senate, but it should be passed.

Regardless of the business that any man goes into, he will succeed if he is able to make enough to pay his debts and has the privilege of paying them in such a way that he can meet them out of his business. That is all there is in this proposed new principle of payment on these reclamation projects. It is that, instead of a fixed period of years being set for payment, regardless of the cost of the project or the earnings—and it costs just as much to construct in a State where a single crop is all that can be expected as it does where two or three crops are grown—payment shall be required on a basis of what can actually be raised. It proposes to charge 5 per cent of the gross return, year after year, estimated over a period of 10 years, if there is 10 years of experience; and if not, over a lesser period of time.

That is the only way we will be able to get back the money that has been invested on some of these irrigation projects, simply on the basis of what they can earn instead of the fixed plan that has forced failures in some instances.

Mr. EVANS of Montana. Mr. Speaker, will my colleague yield there?

Mr. LEAVITT. Yes; I yield.

Mr. EVANS of Montana. If this legislation is not passed, thousands of people will be dispossessed of their lands, will they not?

Mr. LEAVITT. Yes.

Mr. Speaker, I notice that on the ceiling of this Chamber of the House of Representatives the seal of my State of Montana is not represented with the rest, although we have been a State for 35 years. Nobody seems ever to have called attention to it before. I have taken steps so that this fall, when we meet again, it shall appear there among the seals of other States. [Applause.] It is in the same way, in urging this legislation for reclamation, that I am asking you, in the interest of development and our farming industry, to recognize my State among the States of the Union on an equal footing. Reclamation is required in a State like mine and in other similar States of the West, so that they will be enabled not only to produce things that can be sold in a market-gardening market but in order that we can produce sure forage crops, making possible the use of other lands for stock raising. We must be able out in that country to go on with this development, and, as has been said by my colleague, Mr. EVANS, unless this relief in the method of payment is afforded, which is not a quickly thought of thing which we are trying to ride through here, but the result of weeks of hearings and investigations by our committee—unless we can have that relief there will be many of my people dispossessed, who, under this fair method of payment, would be able to repay their obligations and put back into the Treasury the money that has been expended in the development of reclamation projects. [Applause.]

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. LEAVITT. Yes.

Mr. SNELL. Did we not recently extend the time on them all for three years?

Mr. LEAVITT. Yes; but that does not in any way satisfy the loan companies that are demanding that payments be made, but who will be satisfied if we put them upon a business basis so that they can pay out in time.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. Speaker, the need and wisdom of this business method of repayment was stressed by President Coolidge in the message of April 21, by which he transmitted the report of his fact-finding commission to Congress. He said in part:

*To the Congress of the United States:*

I would respectfully urge on Congress the immediate necessity of revising the present reclamation law.

The Secretary of the Interior appointed a special advisory committee of six members to study reclamation and make report to him. That committee has completed its work and has made its report to the Secretary of the Interior, and he has transmitted that report to me. I herewith transmit it to you.

Many occupants of our reclamation projects in the West are in financial distress. They are unable to pay the charges assessed against them. In some instances settlers are living on irrigated lands that will not return a livelihood for their families and at the same time pay the money due the Government as it falls due.

Temporary extensions of time and suspension of these charges serve only to increase their debts and add to their hardships. A definite policy is imperative and permanent relief should be applied where indicated. The heretofore adopted repayment plan is erroneous in principle and in many cases impossible of accomplishment. It fixes an annual arbitrary amount that the farmers must pay on the construction costs of projects regardless of their production.

In its place should be substituted a new policy providing that payments shall be assessed by the Government in accordance with the crop-producing quality of the soil.

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Whatever legislation is necessary to the advancement of reclamation should be enacted without delay.

CALVIN COOLIDGE.

THE WHITE HOUSE,
*April 21, 1924.*

The same principle was stressed by the commission itself in these words:

It is idle to assume that lands of equal fertility can bear widely different annual construction payments or that all lands—good, indifferent, or poor—under a single project can bear the same annual construction payments, yet the existing plan of repayment was based upon that assumption. Neither time nor an arbitrarily fixed per cent of cost is a sound basis for determining annual payments. Whether the total construction cost be great or small, it can only be paid out of the produce of the lands; hence productivity is the only safe and fair basis for fixing annual payments. The expense of changing rough desert land into irrigated fields and of adding the new implements and improvements needed involves a large outlay of money, which must be won from the products of the farm. The acre income becomes the basis of any scientific method of repaying construction costs. The more fertile the soil is the higher may be the annual charge; and the more intelligently the farmer cultivates the soil the sooner will title to his water right pass to him. The present method of repayment can not and does not insure a steady return on the investment by the Government in irrigation structures and can not be met by the projects with lower productive capacity. It will be necessary to put into effect a new plan of repayment of construction costs of the Federal irrigation projects—in our opinion one based upon the inherent power of the soil, under intelligent cultivation, to produce crops.

In conformance with this sound policy, Mr. Speaker, we of the House Committee on Irrigation and Reclamation wrote into the bill presented here the following section:

SEC. 8. That hereafter all construction charges on existing reclamation projects upon application of the water users shall be made payable in annual installments based on the productive power of the land as provided in this section. The installment of the construction charge per irrigable acre payable each year shall be 5 per cent of the average gross annual acre income for the 10 calendar years first preceding, or for all years of record if fewer than 10 years are available, of the area in cultivation in the division or subdivision thereof of the project in which the land is located, as found by the Secretary annually. The decision of the Secretary as to the amount of any such installment shall be conclusive. The annual payments shall continue until the construction charge against each farm unit is paid. The Secretary is authorized, upon application of the water user, to amend any existing contract for a project water right so that it will provide for payment of the construction charge thereunder in accordance with the provisions of this section: *Provided*, That whenever two-thirds of the irrigable area of any project, or division of a project, shall be covered by water-right contracts between the water users and the United States, said project shall be required, as a condition precedent to receiving the benefits of this act, to take over, through a legally organized water users' association or irrigation district, the care, operation, and maintenance of all or any part of the project works, subject to such rules and regulations as the Secretary may prescribe, and thereafter the United States, in its relations to said project, shall deal with a water users' association or irrigation district, and when the water users assume control of a project the operation and maintenance charges for the year then current shall be covered into the construction account to be repaid as part of the construction repayments: *Provided further*, That the provisions of this section shall apply to existing reclamation projects, or divisions thereof, on Indian reservations at the request of the water users and with the approval of the Secretary.

There are many other provisions in this bill of mutual value to the Government and the water user, and what is to the benefit of one is likewise of benefit to the other, but this repayment policy is the heart of the matter, and I have confined my brief discussion to it. The opportunity to pay what is justly due in accordance with what can be reasonably earned is businesslike. It gives real opportunity to the farmer on the project and insures the return to the reclamation fund all which should justly be returned.

In closing let me say again, Mr. Speaker, that we will be here with even more complete data and argument in December. The House and Senate have both looked with favor on this principle, and I am certain that the measure will be written into law. The soundness of the proposal and the good judgment of the Congress will surely join to that end.

### POLITICAL TEAMWORK

Mr. JACOBSTEIN. Mr. Speaker, political apathy has been threatening to undermine our national institutions. In recent years there has been an alarming indifference of the masses to political action. One reason for this is that the average voter feels himself too far removed from his Government. He feels that his vote does not count; that his opinion is not effective. Oftener than not he is unaware of what his elected representative is doing. On the other hand, the elected representative is often unaware of the real public sentiment in his district on specific issues. The machinery of government has grown so large and complicated that the individual seems lost. Both the individual voter and the individual public official are submerged.

Unscrupulous public officials take advantage of this remoteness, apathy, and indifference. Secretary Fall undoubtedly felt himself secure in his Teapot Dome transactions. Who would be interested in looking up the legal transactions in transferring oil properties, making oil leases, and disposing of natural public resources?

But while unscrupulous men are encouraged into committing misdeeds, the honest public official misses the encouragement and inspiration which comes from the thought that his electorate is watching the political game intelligently.

We must establish contacts. We legislators and voters must get on speaking terms. We need teamwork. The voters are, in a true sense, stockholders in this greatest corporation—the United States Government.

With this in mind, I purpose to set forth, in a sort of annual report to the stockholders, some of the important happenings of this first session of the Sixty-eighth Congress, which has just closed.

Some 300 bills affecting the public welfare, known as public bills, were enacted into law. Manifestly it is impossible in a brief and sketchy survey, such as this, to deal with all of them, or even some of them, adequately. I shall pick out those of most significance.

### TAXATION

1. Tax reduction: The new revenue act, which the President signed, will cut taxes by about $400,000,000 a year, besides providing for a 25 per cent reduction in last year's income taxes payable this year. I voted for this tax-reduction bill. I opposed, however, that part of the Mellon plan which sought to give a larger reduction to the rich than it gave to those of low and moderate incomes. I voted in every instance to lighten the burdens of those least able to bear the tax. Under the new law the reduction in the income-tax rates ranges all the way from a 20 per cent reduction on the highest incomes to a 65 per cent reduction on the low incomes. I am in favor, however, of reducing still further the high surtax rates. There were many admirable administrative reforms recommended in Secretary Mellon's plan, for which I voted, but which are too technical to discuss here.

2. Excise taxes: The new revenue law repeals or reduces many of the excise taxes, including the theater admission tax, the movie admission tax, the taxes on telephone messages and telegrams, the tax on jewelry, candy, hunting garments and equipment, pleasure boats, automobile trucks and automobile accessories, carpets and rugs, the stamp tax, and other so-called business and nuisance taxes. I voted for the repeal or reduction of these taxes.

3. Estate and gift taxes: The liberals of both parties united in supporting the bill introduced by Republican Members providing for increased tax rates on estates. They are responsible also for writing into our revenue act a tax on gifts, which is a logical corollary to a high inheritance or estate tax. I voted for both of these measures.

4. Tax evasions: I voted in favor of the proposed amendment to the Constitution, the enactment of which would have given to the Federal Government and the State governments authority to abolish tax-exempt securities. These tax-free bonds offer one of the popular methods used by the very wealthy to escape paying the Federal income tax. The proposed constitutional amendment was introduced by the Republicans. I supported it in spite of the opposition of my Democratic friends. The outlawing of these tax-free bonds is the first step in tax reform; it plugs the hole of tax evasion.

5. Original suggestions: I offered two original propositions in the form of amendments to the revenue law. One was that health and education expenses should be exempt from taxation; and the second, that the corporation income tax ought to be graduated so that each corporation would pay according to the rate of profit it earns. Both were defeated, but the latter (the graduated corporation tax) was embodied in a Senate amendment, which was, however, finally stricken out in conference. I believe that both of these measures are sound and will ultimately become a part of our revenue law.

### IMMIGRATION

The present immigration law, passed in 1921, expires on June 30, 1924. New immigration legislation was necessary, therefore, to go into effect July 1. The Johnson bill was offered as a substitute for the present law. It was passed by

Congress and signed by the President. This bill restricts immigration more than the present law, but on the other hand it liberalizes the administration of the law. I favored and advocated restriction even further than the Johnson bill, but I could not vote for the Johnson bill because of its un-American and unjust discrimination against the people of certain nationalities. Furthermore, I voted in protest against the spirit which actuated Congress and the method used in handling the Japanese exclusion question.

MUSCLE SHOALS

I voted against the bill which provided that the United States Government should turn over this wonderful water power to a private corporation for 100 years. I have very great respect and admiration for the industrial genius of Henry Ford, but I could not bring myself to consent to the transferring of this public property, representing an investment of approximately $85,000,000, and with natural resources of untold value, for 100 years, for a paltry sum, even to Henry Ford's corporation. The House passed the bill. The Senate committee, after holding elaborate public hearings, rejected the Ford proposal and offered Government operation as a substitute. Though the Ford proposal was introduced by a Republican, its main support came from the Democrats. The Senate having failed to take action on the bill, it goes over until next December.

ADJUSTED COMPENSATION

I voted for the soldier bonus because I thought it was a just and honorable and decent thing to do. The President vetoed the bonus bill, but Congress passed it over his veto. I voted also to override the veto. I regard the soldier bonus not only as an act of justice, but as the payment of a debt of honor to those who served us in the Great War. To make sure that I was right in assuming that the ex-service men wanted adjusted compensation, I conducted a referendum by sending a ballot to each of the 19,500 ex-service men in Monroe County. The poll showed an almost unanimous vote in favor of adjusted compensation. The original vote in the House of Representatives on the bonus was 355 for and 54 against. The vote to override the veto was 313 for and 78 against.

I am also happy I had the privilege of voting for the veterans' hospitalization bill, by which more generous treatment and more liberal disability allowances will be granted to veterans suffering from diseases, especially tuberculosis.

RELIEF FOR THE DISTRESSED FARMER

Everybody recognizes the economic distress of the farmers in the wheat and cattle areas of the Middle West and the Northwest. As a means of relief the McNary-Haugen bill was considered in the House. It was voted down. It was a price-fixing bill with a Government corporation buying the surplus product and selling it in the foreign market in order to raise and maintain prices in the domestic market. I voted against this measure because I could not see that it would really give effective relief to the farmer and at the same time it would increase the cost of living for all consumers. Besides this, it would injure dairy and poultry farming by increasing the cost of cattle feed and poultry feed. It was not a party measure. I voted against the bill because I regarded it as an economically unsound measure.

THE CHILD LABOR AMENDMENT

Both the House and the Senate passed this constitutional amendment giving Congress the power to regulate child labor. Before it becomes a part of the Constitution it must be ratified by 36 States. The adoption of this amendment does not abolish child labor or even regulate it. That will have to be done by act of Congress after the amendment has been ratified by the States. A constitutional amendment is necessary because a number of States refuse to deal adequately with the child-labor situation. I voted for this amendment, and I trust that the State legislature of New York, as of other States, will quickly ratify the action of Congress. The vote in the House was 297 for and 69 against.

INCREASE IN CIVIL AND SPANISH-AMERICAN WAR PENSIONS

The House and the Senate passed the Bursum bill increasing the pensions of the survivors and widows of the Civil and the Spanish-American Wars. The President vetoed this bill, and as the Senate by a single vote sustained the veto, it did not come back to the House for a second vote. I voted in favor of the Bursum bill.

THE POSTAL SALARY INCREASE

No bill received such overwhelming support in both the House and the Senate as did this measure granting a moderate increase in the salaries of postal employees. It also had the almost unanimous approval of the business, commercial, and civic organizations, not only of my own district but of the country as a whole. I voted for it most gladly. In spite of this wide popular sentiment and overwhelming affirmative vote, the President vetoed it. The Rules Committee of the House delayed consideration of the bill in the first place by withholding the granting of a special rule for its earlier consideration. After the veto the bill was sent back to the Senate on the last day of the session and there was no time to reconsider it. The Senate having failed to take action on this vetoed bill, the House had no opportunity to vote again on it. It therefore goes over until next December. If the bill had come to a vote in the House, I would have voted to override the veto and help enact it into law. The vote in the House was 250 for and 14 against, and in the Senate 73 for and 3 against.

RAILROAD-LABOR LEGISLATION

Under the transportation act of 1920, now in effect, labor disputes are adjusted by machinery provided for under Title III of the act, which also sets up the Railroad Labor Board. A bill known as the Barkley bill was introduced in the House, providing for the abolishment of the Railroad Labor Board and the setting up of new arbitration and adjustment machinery. Because of a determined filibuster against it, which if continued would have successfully held up the work of Congress, this bill was voluntarily withdrawn by the author, Mr. BARKLEY, before it came to a vote in the House. In this instance the fight occurred not on the passage of the bill but on taking it out of the hands of the committee in order to give it consideration on the floor of the House. I voted to take it out of the hands of the committee in order to have it considered. Mr. HOWELL introduced an identical bill in the Senate, and the Senate Committee on Interstate Commerce, after holding public hearings, reported it favorably. The House committee stubbornly refused to grant public hearings, and therefore the House voted to take it out of their hands. The bill goes over until next December.

REORGANIZING OUR FOREIGN SERVICE

An important measure, known as the Rogers bill, which reorganizes and consolidates the Diplomatic and Consular Service of the United States, passed the Senate and the House and was approved by the President. I voted for this bill.

CREATION OF A FOREIGN SERVICE BUREAU IN THE DEPARTMENT OF COMMERCE

The Winslow bill, providing for the creation of a foreign service bureau in the Department of Commerce, was defeated. I voted for it.

PROHIBITION

There was no movement evident in Congress to repeal the eighteenth amendment.

Fifty-nine bills, however, were introduced to modify the Volstead Act by legalizing 2.75 per cent beer. The Judiciary Committee held hearings on these bills, but made no report to the House, so that no action was taken.

In the closing days of the session a bill was introduced and passed creating an independent prohibition unit and putting the force under civil service. While I was in favor of this aspect of the bill, and would have been glad to vote for it, I was forced because of the particular form in which it was presented to vote against it, since it seemed to me that the legitimate business interests using industrial alcohol would suffer unduly and unnecessarily by the reorganization. Believing as I do unqualifiedly in the enforcement of law, I regret I could not vote for this bill, the purpose of which is to strengthen the enforcement machinery.

APPROPRIATION BILLS

There was no special controversy over the 11 appropriation bills. The total of the sums appropriated by this Congress for the fiscal year ending June 30, 1925, amounted to approximately $3,500,000,000.

In 1923 the Government spent $4,000,000,000, in 1924, $3,900,000,000. The estimated expenditures for 1925 are about $3,500,000,000. This includes interest of about $900,000,000 on the public debt and the payment of about $500,000,000 to be applied in reducing the principal of the public debt.

I voted for all the appropriation bills, including the regular Army and Navy bills, except the special appropriation of $150,000,000 for the building of a bigger Navy, which passed the House, but was blocked in the Senate.

OUTLAWING WAR

Most wars are colossal blunders and ought to be outlawed. The avoiding and averting of war is the most important problem of our times. Believing as I do that most wars are neither necessary nor inevitable, and holding firmly to the belief that law should be substituted for brute force in the settlement of all disputes—domestic as well as between nations—I shall con-

time to exert my influence in favor of the President's world court.

I advocated, urged, and voted for the calling of another naval disarmament conference by the President.

LEGISLATION FOR THE DISTRICT OF COLUMBIA

1. The rent act: This act extended the Rents Commission for another year. This commission regulates rents in the District of Columbia. I voted for this rent-control bill. It was signed by the President and became a law.

2. Salary increases: This bill provided for salary increases for teachers, firemen, and policemen, readjusting these salaries to bring them more in line with the high cost of living, which is unusually high in Washington. This bill also was passed by Congress, signed by the President, and became a law. I voted for this salary increase bill.

Other measures were passed affecting the District of Columbia, but these were the two most worthy of note.

MISCELLANEOUS BILLS OF IMPORTANCE

1. The purchase of the Cape Cod Canal: I voted against this measure because I thought that the sum to be paid, $11,500,000, was excessive.

2. German relief: I voted in favor of the bill making an appropriation of $10,000,000 for the relief of the starving women and children of Germany. I was influenced in this largely by the testimony and recommendations of Secretary Hoover and General Allen, commander of the American Expeditionary Forces in Germany.

3. Procedure in the House of Representatives: I voted in favor of liberalizing the rules of procedure in the House of Representatives.

LEGISLATION OF SPECIAL INTEREST TO THE THIRTY-EIGHTH NEW YORK DISTRICT

1. Changing name of the harbor and port of Rochester: I introduced a bill changing the name of Charlotte Harbor and the Port of Charlotte to Rochester Harbor and Port of Rochester. The War Department has promised to cooperate in this matter. The purpose of this change is to call attention to the fact that Rochester is on the highway of the Great Lakes.

2. Creation of new judicial district: I also introduced a bill providing for the creation of a new judicial district in western New York, with Rochester as headquarters. The subcommittee of the Judiciary Committee of the House favored the Dempsey bill creating an additional judgeship rather than an additional judicial district. No action was taken on either bill by the Judiciary Committee or the House. My bill was indorsed by the Rochester Bar Association.

3. Unfinished business: There are a number of bills not specifically mentioned above, which the people of Rochester have expressed an interest in, which have been carried over to the December session. Among them are the following:

The McFadden amendment to the national bank act.
Regulation of the coal industry.
Readjustment of freight rates on agricultural products.
Anti-strike breakers bill.
Manufacturers' name branding bill.
Truth in fabric bill.
Regulation of the sale of nursery stock (compulsory labeling).
Protection of forest lands.
Regulating manufacture and traffic in adulterated foods and drugs.
Changing the name of Mount Rainier, Wash.
Conservation of helium gas.
Amendment to merchant marine act.
Protection of interstate and foreign commerce from corrupt practices.
Pensions for soldiers and sailors of Spanish-American War, the Philippine Insurrection, and China Relief Expedition.
For strengthening the Naval Reserve.
Judicial procedure in Federal courts.
District of Columbia Workmen's Accident Compensation.
And many others.

Whenever legislation was pending which I knew would be of interest to special groups of my constituents, I endeavored to get in touch with that group, either by direct communication or through the newspapers. Whenever a bill was pending of interest to the community as a whole I gave an abstract of the bill through a special newspaper article.

INVESTIGATIONS

The Teapot Dome and other major investigations, reports of which occupied the front pages of the newspapers for several months, were initiated in the Senate and were conducted almost exclusively by committees of the Senate. The House of Representatives spent practically no time on these investigations, and they certainly did not interfere with its work in any way. I mention this not by way of criticism of the Senate nor for the purpose of providing an alibi for the House but merely as a fact, because I feel that the public has an erroneous conception of the time that was spent by both the Senate and the House on these matters. These investigations have served a useful public purpose. The public is entitled to integrity on the part of its officials.

SUMMARY

With respect to all of this legislation, I am happy to record the fact that in not a single instance, so far as I was concerned, was there any pressure from any political boss or leader or organization to influence me for or against any particular measure. At all times I felt and acted as a free agent, and I voted according to conviction and my best judgment on each question on its own merits.

Blind party loyalty has been the curse of American politics. Petty partisanship has too frequently biased the judgment of the legislator. While political parties have played an important rôle and will continue to play an important rôle in our political history, the welfare of the country, and, indeed, the progress within the party, depends upon the independent nonpartisan action of the individual. I came to Congress with this political conviction, and this principle has guided me in every vote on every important piece of legislation in this, my first term in Congress.

In order to attend to his duties a Congressman has to be constantly at work, and I wish to state, with a great deal of satisfaction, that I was not absent from a single daily session, except in cases of illness, death in the family, or on special occasions when I had been invited to deliver addresses on public questions. An inspection of the official voting records will show my record of attendance to have been high. I am not saying this because I wish to claim any credit for it, but merely because I consider it to be one of the important duties of a Congressman.

On many important questions I was helped by the information, advice, and criticism given to me by my constituents regarding pending and contemplated legislation, which help I invited and which I am always happy to receive.

Few people realize the extent to which a Congressman is called upon to render personal service to his constituents by taking up matters for them with the Government departments in Washington. I have had literally hundreds upon hundreds of communications requesting assistance, from veterans of the late war seeking compensation or vocational training, from survivors of the Civil and Spanish-American Wars seeking increase in pensions, from friends of prospective immigrants, from business men seeking adjustment of claims against the Government, together with civil-service cases, and innumerable requests for specific information and for public documents of various sorts. It goes without saying that there were numerous other activities which can not be enumerated in this brief statement.

I trust that this meager recital of the bare facts of the session's work will be sufficient to stimulate interest in public affairs and help to establish the closer contact and teamwork so desirable between the voter and his elected representative.

"THE DEMOCRATIC PARTY—A NATIONAL LIABILITY"

Mr. SEARS of Nebraska. Mr. Speaker, this is June 7, 1924, and for the last of our purposes, the finis. This day's duties and privileges seem to be dedicated to "the state of the Union," as we severally see it, and the responsibility seems to be resting on each Member to inform each of the stockholders of our glorious national corporation as to its condition, so that they may severally know what their several shares of stock are really worth. It will not do for us to say that the stock is at par or better. For we would all say that. But we must say something relative to the activities and the duties and the responsibilities, and as to the functioning. Now, no one can consider those several subjects without taking notice of that great liability of our beloved country—the Democratic Party. It is fearfully and wonderfully made. While in its activities it is a national organization and covers the whole country in its endeavor, yet in the best sense it is not a national party at all. It is a conglomerate bringing together of its component parts without splendid national common purposes. Its parts are only held together by the settled belief, that is controlling, that the political fleshpots can not be attained and enjoyed without these strangely foreign elements sticking together for mutual political profit.

The strength of the Democratic Party is in the South and only maintained in its integrity by the color-line question. This is the better element of the Democratic Party and, if left to itself and normally, might be capable of national good, if it could work normally with the rest of the country. Of course it

can not work normally with the rest of the country by reason of its dominant reason for life in the southern section. Then there is another of its parts made up of the controllers of our great northern cities, the rest having very largely patterned after New York City, under the grip of Tammany Hall. And then there is the strong Bryan element, which might be truthfully described as the "mollycoddle" sentiment, crystallized and attached to any tangent shoot that Mr. Bryan may consider at any particular moment as of issue. Now Bryanism is the sire and dam of general "mollycoddlism" in the United States. Mr. Bryan has such great evangelistic influence in politics because of his grim and set purposes and his overweening ambition and the personal magnetism that flows out from a great actor that the other two component parts of Democracy, while they have nothing in common to either him or his sentiment, yet they are afraid of him. The other parts are trying to so act that he will not fly the track but still keep as far away from his purposes as possible. They know his powers of elimination, and whatever strange and peculiar things he is at any moment advocating they are compelled to accept them as from the Oracle of All Truth. Some years ago Brother Jarvis said, "The sun do move," and there was a general laugh. Mr. Bryan says the same thing in either the theological or political field, and the other two parts of Democracy dare not laugh, because they recall what happened to Parker, and what happened to Parker years ago may happen to Al Smith or McAdoo or RALSTON.

Many quotations might be used from Mr. Bryan's words that delegates to national conventions are bound to carry out the will of those sending them when pronounced. Nebraska instructed Mr. Bryan to vote for Champ Clark for President. The moment had come when by carrying out the instructions Mr. Bryan would have made Mr. Clark his party's nominee. But to Mr. Bryan's political mind he was absolved as an agent from carrying out his principals' instructions because a bad man—Mr. Tammany Hall—was supporting Mr. Clark. So he inserted the kibosh and gave the twist. If Mr. Tammany Hall had commenced voting for Mr. Bryan, of course virtue would have been rewarded. But the other two parts of Democracy dare not say a word, because they remembered what happened to Parker.

For many years I have been a believer in the thought that the legislative should be the strongest branch of the Government and that the House should be the dominant force of the legislative activities. But these discordant elements of Democracy have worked to throttle that thought in my own short time of service here. As an illustration: I have been present in the House when its Members had just known of what was apparently a great bribery of one holding a Cabinet place in a Republican administration.

As a matter of fact, this bribery, if it did take place, was by one who had at the last Democratic convention been a candidate for the exalted office of Vice President. Great overflowing glee was in the eyes and on the faces of practically every one of the Democratic Members of the House because of the hoped-for political profit that might accrue to Democracy in the ensuing campaign because of the heinous charge that could be laid at the door of Republican administration by reason of the bribery in question. This, regardless of the fact that every man in the House knew and still knows that guilt is personal, alone, and not chargeable to our Nation or our Government or any of our parties. A few days after the last-stated circumstance it developed that quite a number of Democratic Cabinet ministers resigned their posts to at once get larger fees and allowances, where their new activities were to clash with the Government's interests. The look of immediate and extreme horror that at once took the place occupied by the former high glee was wonderful to note. Now, this change referred to can not be charged to the quality of individual membership of the Democrats of the House, for a finer lot of men does not exist anywhere of the same number. Individually there are no better. Collectively they are incompetent, immaterial, and irrelevant when the baneful influence of the Democratic organization is resting upon them. No one will deny that the greatest crime known to our national life were the activities of the Federal regional bank during the dominancy of the Democratic Party. The currency was inflated and credits were invited to be asked for, and extended and until practically all of our people were blue-sky artists and were using credit as never before and with the expectation that that condition of easy discount was going to continue, and which they were invited by the authorities of the bank to expect. The small branch of the bank of my home district had so dealt in money and credits that in six months it amassed a profit from the producers of the district of $26,000,000 on $24,000,000 of capital. Without a note of warning, currency and credits were contracted, and the farming and producing classes, who were ordered to pay their notes, commenced to die financially. Ever since our courts have been clogged with foreclosures that previously were unknown for years. And every town saw men commencing over again who had been most prosperous and full of hope. Innumerable business houses closed and many banks followed suit. If the East does not know why orders are not coming to their looms and their shops, I can tell them that it is because the people of the great West are not buying normally. They are the greatest purchasers of the products of the looms and shops that the world has ever known.

Had those in authority of the Treasury Department of the United States and of its currency and of the great Federal bank and those acting in conjunction with them desired to bring ruin to this country and its people, they could not, with all their cunning and with all their knowledge of money and finance, have devised and carried out a scheme more fraught with evil to the American people. This is said at this time because on the floor of the House several times it has been charged that this great crime should be placed at the door of the Republican Party because in the platform of four years ago there was a suggestion that inflation had gone too far. These orators, forgetting that it was a new doctrine that a successful party is bound to carry out suggestions in any degree, of platforms of losing parties. And further and still more so, that the responsibility of carrying on this great trust was on the administration of the Treasury Department by the Democratic Party. If there is political responsibility, it is on those who had the immediate duty of execution and not on those who stood at the side lines with suggestions.

I voted against the adjournment. I wanted Congress to continue in session until farm relief was assured. My people were the greatest sufferers because of the contraction of the currency and the contraction of credits in 1920. There was one measure that might have afforded my people relief, and I thought that my Democratic friends should have kept Congress in session until the McNary-Haugen bill or other proper measures should be passed. During the last administration the blow was struck that wrought their ruin. I thought they had an especial reason to help undo that which had been done during their administration. But it was not to be, and the strong Democratic men of the South, in the main, turned against that proposed farm relief and then voted for the adjournment. Individually I will give those credit for believing, who voted against that bill, that it was not a good one, but when they adjourned I must conclude that they thought the question was of minor importance, or else that the adjournment was good politics. This being the 7th day of June in the year of grace 1924, I hope, Mr. Speaker, that I have not taxed too much the patience of the House.

As a national party force the Democratic Party is without that great national zeal for the common welfare and the great ability for the common welfare that should admit of its asking for a vote of confidence. This is because of its three discordant elements that are only held together for mercenary political purposes. There is only one great national party with a breadth of vision that takes in this Union, with a patriotic purpose that is ample for us all, and I intend to vote for that party in November.

### CHILD-LABOR CONSTITUTIONAL AMENDMENT

Mr. FOSTER. Mr. Speaker, in the last Congress I introduced a child-labor constitutional amendment. It was reported from the Judiciary Committee too late to secure action thereon. Soon after the convening of the present Congress I again introduced a child-labor amendment resolution. Twenty-three similar resolutions were introduced by various Members of the Congress. Between February 7 and March 8, 1924, elaborate and contested hearings were held before the Judiciary Committee. Such printed hearings, known as serial No. 16, constituted a volume of more than 300 pages. As a member of that committee I actively participated in such hearings. After a deliberation of two weeks the Judiciary Committee favorably reported the resolution introduced by me, known as House Joint Resolution 184.

The Judiciary Committee directed me to prepare a report thereon. That report of 21 pages is a public document and is available. It reviewed State, national, and international legislation and conditions relative to child labor. Strenuous efforts were made by employers of child labor and Congressmen from

Southern States to prevent a vote in the House of Representatives. The opposition of such employers was largely mercenary. The opposition of many southern Congressmen was born of a sincere fear of infringement on States' rights.

After a thorough, and at times, heated debate lasting two days the resolution was adopted on April 26 by a vote of 297 to 69. However, such vote was secured only after nine unsuccessful efforts had been made to amend the resolution. It passed the House without a single amendment. One of the most forceful opponents of the resolution was the Hon. A. J. MONTAGUE, of Virginia. He is a valuable member of the Judiciary Committee, a worthy Democrat, and a former governor of his Commonwealth. His opposition was both sincere and effective. During the debate Governor MONTAGUE was kind enough to say:

> But as the gentleman from Ohio has interrupted me, I take occasion to say that his work on this subject has been faithful and able. If this measure should unfortunately meet the approval of the people of the States, its advocates will owe the gentleman from Ohio [Mr. FOSTER] a debt of gratitude. [Applause.] He has worked in and out of season and with generosity to the members of the committee who differ with him upon this subject.

This compliment from such a gentleman was quite naturally appreciated.

The child-labor amendment then went to the Senate. There it was bitterly attacked. The Senate debates covered several days; 11 amendments were proposed and each was defeated. On June 2, 1924, it passed the Senate without amendment by a vote of 61 to 23. It is now submitted to the States for ratification.

Throughout the hearings and the progress in both the House and the Senate the amendment had many valiant supporters. Among them might be mentioned:

National Child Labor Committee.
American Federation of Labor.
American Federation of Teachers.
American Association of University Women.
American Home Economics Association.
Commission on the Church and Social Service, Federal Council of the Churches of Christ in America.
Democratic National Committee.
General Federation of Women's Clubs.
Girls' Friendly Society of America.
National Council of Catholic Women.
National Council of Jewish Women.
National Council of Mothers and Parent-Teacher Associations.
National Council of Women.
National Education Association.
National Federation of Business and Professional Women's Clubs.
National League of Women Voters.
National Woman's Christian Temperance Union.
National Women's Trade Union League.
Republican National Committee.
Service Star Legion.
Young Women's Christian Association.

However, over and above all these organizations stood President Coolidge. When its death was threatened it was he who secured prompt action; without his support the amendment could never have been submitted for ratification. He not only recommended it in his message to Congress but he on several other occasions urged the importance of its passage. Only to-day, on this closing day of this session of Congress, I was called to the White House, where the President felicitated me on my part in this legislation. He took enough time from his arduous duties to have our photographs taken at his desk. No such honor had ever been conferred on me. I shall ever prize it along with the timely efforts of the President in connection with this great piece of humane legislation. Without his help it would have failed. I now feel confident that the States will ratify it and it will become the twentieth constitutional amendment. Its ratification will bring some education, health, and happiness to millions of children both now and hereafter.

Much misinformation has been given out concerning this amendment. A correction is due the public. The States which are to consider ratifying the amendment should not be left in error. No law can be passed unless three-fourths of the 48 States, by action of their legislatures, ratify the amendment. Then, and only then, will it become part of our Constitution. Should it be ratified, then Congress would have the power which Congress thought it had when in 1916 and again in 1919 Congress passed child labor laws, both of which laws were by the Supreme Court declared unconstitutional. Congress may or may not then pass a child labor law. Should Congress pass such a law, that law would serve as a minimum standard beyond which the several States might go in their State child labor laws. A majority of our States now have child labor laws. Some have weak laws, some no laws, and in some States enforcement of their present laws is very ineffective. Several States—Ohio being one—now have State child labor laws of higher standards than any possible Federal standard. No employer in Ohio could be possibly injured by any Federal child labor law, for the reason that our present standard is above any possible Federal standard.

The ratification of this amendment does not mean that Congress will enact laws prohibiting boys and girls under 18 years from working on farms or in homes. This is a rather popular delusion. No advocate of this amendment ever conceived such an idea. Not a single State ever adopted such a law. Neither of the Federal laws—which were declared unconstitutional—contemplated such. There is absolutely no danger of any such law, and the public can be accordingly assured.

The need of granting such power to Congress will become apparent by an examination of present State child labor laws. Thirty-four States now prohibit certain forms of child labor by persons under 18 years of age, such as night messenger work by girls in our large cities, employment in factories manufacturing poisons, and hazardous employment in and about dangerous machinery. The justification for such laws becomes at once apparent. It might become necessary for Congress to legislate along similar lines in order to protect thousands of children in States which have no such legislation or which refuse to enforce such legislation.

Conditions exist that can not be remedied by State laws. For instance, many New York manufacturers send their piecework across the river to be done by thousands of children in New Jersey. Both States have good child labor laws, yet New Jersey can not punish the New York manufacturer; neither can New York remedy the conditions in New Jersey. Only a Federal law can operate effectively under such conditions. Again, one State with no child labor law adjoins another State with with good child labor laws. The employer in the State with good laws is at a disadvantage in marketing his product along with the product of his competitor in the State with no child labor laws. The latter can employ children at a greatly reduced wage. This unfairly handicaps the competitor in the State with good child labor laws. This condition exists in many places and can only be remedied by Federal laws.

The Federal child labor law will be inexpensive to operate. The enforcement of these laws is always secured through work permits, which are handled by representatives of the communities where the children reside. As long as these representatives work in sympathy with the law the Federal authorities never intervene. Because of this system, a small amount of money is required for the expense of its operation.

Nine European countries have a smaller percentage of illiteracy than has the United States. This may appear shocking to many persons; yet it is true. Most of our illiteracy would have been avoided had proper child labor laws been in effect 20 and 30 years ago. The purpose of these child labor laws is not to prevent children from working. Rather it is to see that their work is done under conditions where their health and education may at the same time be cared for. This is but common sense. Our statistics clearly establish the fact that delinquency and illiteracy go hand in hand. Records of our juvenile courts furnish conclusive proof. Without exception, where illiteracy is found among children there delinquency exists in a strikingly proportionate degree. When child labor laws are effectively enforced illiteracy is eliminated and delinquency at once vanishes. No American should hesitate to advocate child labor laws which, if properly enforced, will within the next quarter of a century move the United States up the ladder of literacy at least nearer the top then we now stand.

The 16 national women's organizations whose representatives were present in Washington during the entire contest over the child labor amendment deserve unstinted praise for their remarkable efforts in behalf of this legislation. Child labor was the only measure before Congress looking for social betterment which had the unanimous support of these 16 organizations. Their work was done in a way which could give offense to no one. At the same time their work was most effective and contributed greatly to the success of this legislation. Miss Grace Abbott, of the Children's Bureau, Department of Labor, was a most valuable witness in the hearings before the Judiciary

Committee. She possessed an unlimited fund of information regarding all phases of child labor.

I trust that these remarks may help clear up some of the misapprehensions regarding the proposed child labor constitutional amendment. In States like Ohio, where their State laws are higher than any Federal laws can possibly be made, no fear can be entertained as to the effects of this constitutional amendment. In those States where poor child labor laws exist the passage of this amendment will spur them on to greater efforts. In other States where no child labor laws exist efforts will be made to bring such State laws at least up to the Federal minimum, beyond which most of the States will undoubtedly go. With such a Federal minimum law and with the States cooperating up to and beyond such minimum law better protection will be given to millions of unfortunate children. None of us are favored with more than one childhood. Our laws should not permit any child to be robbed of a reasonable amount of sunshine and play as they pass through this period of their life. They will be better educated, more healthy, and will develop into better men and women if while they are working during their childhood they are given this reasonable degree of protection from the standpoint of health, education, and contentment. However long or short may be my services in Congress, I shall be content with the knowledge that I have been permitted to play my part in securing this constitutional amendment for the better protection of millions of youngsters, the future citizens of the United States.

### A STUDY OF THE POPULATION OF THE UNITED STATES

Mr. JOHNSON of Washington. Mr. Speaker, under general leave granted to Members, I beg to present herewith a study of the population of the United States prepared for the use of the House Immigration Committee by Capt. John B. Trevor, 11 East Ninety-first Street, New York.

Captain Trevor has made an intensive study of the subject, and his views, together with his tables showing the present stock in the make-up of the people of the United States, are of much interest:

Since the immigration committees of Congress caused to be printed a study of the population of the United States (see print for use of Immigration Committee, United States Senate, and House Report No. 350), the data therein presented has been reexamined and checked by a new analysis based on a method distinct in some respects from that previously adopted. A comparison of the allotments made under both systems of computing the numerical equivalent of the persons contributed to our population by the various nations of the world show an approximation sufficiently close to justify the conclusions based upon the preliminary study. The relative simplicity of the method which is about to be explained and the working out of the data to cover all elements of the population, indigenous, native, and foreign born, should make the new table determinative where any discrepancies in the results exist.

The population of the United States as enumerated in 1920 was 105,710,620. It is composed of a white population, native born of native parentage, amounting to 58,421,957; an element characterized by the Census Bureau as foreign stock—that is, foreign born, native born of foreign parentage, and native born of mixed parentage, one parent native and one parent foreign born—amounting to 36,398,958; and a balance of predominately native born of negro descent, some American Indians, and a relatively small proportion of Asiatics, amounting in all to 10,889,705.

The Census Bureau in a publication entitled "Increase of Population in the United States, 1910–1920, Census Monograph No. 1," has amplified the results of earlier researches published in "A Century of Population Growth," concerning the composition of our population in 1900. As reference to this latter publication has been made in the preliminary study of this question it is merely necessary to say now that as a result of a perfected formula (Increase of Population in the United States, 1910–1920, pp. 189 to 193) the Census Bureau estimate the numerical equivalent of the descendants from white persons enumerated in the first census taken by the Government in the year 1790 at 47,330,000 to 47,870,000. Owing to the fact that an adaptation has been made of the method by which the latter figure, 47,370,000, was arrived at, this figure has been selected as the basis for this study. Furthermore, the method itself used in reaching this basic figure has been applied to ascertain the numerical equivalent of the descendants of the 275,000 immigrants who entered the country between 1790 and 1820, which amounts to 1,716,402. It should be added that this figure of 275,000 (Increase of Population in the United States, 1910–1920, p. 195) is an estimate by the Census Bureau based on such data as were available prior to the regular collection of statistics on immigration which commenced in 1820. As the element which entered the country between 1790 and 1820 possessed the same racial characteristics—or national derivation, perhaps we had better say, since we are dealing with national origins—as those who were enumerated by the census of 1790, they should be added to the basic figure of 47,370,000, giving a total of 49,086,402. For the purpose of this study we may call this element the basic stock of the population which we can apportion on a basis of numerical equivalents contributed from foreign sources in such proportion as has been indicated in the census publication, "A Century of Population Growth" (p. 121), hereinbefore referred to.

Now, if to this group of basic stock we add the 36,398,958, characterized by the census as foreign stock to which reference has already been made, and also the composite colored element which has been classified by the census, a total is obtained amounting to 96,375,065, to which we can give national attributions, as will be later demonstrated on the basis of estimates already computed by the United States census authorities prior to the conception of the act of 1924. This sum of 96,375,065 subtracted from the total population of the United States gives a numerical equivalent amounting to 9,335,555, whose derivation is wholly undetermined. In apportioning these various groups for the purpose of this study the basic stock has been allotted to the national groups in the proportion that the nations from which their forebears sprang, contributed to the population as enumerated in 1790. (In order to be consistent, the descendants of the Irish population in the United States in 1790, amounting to 61,534, or 1.9 per cent of the total number of persons enumerated at that time, have been apportioned between the Free State and North Ireland, on the basis of the relation between the present estimated distribution of immigrants originating in those areas, although the evidence points to the fact that the Irish in the United States during the colonial period were predominately from the north of Ireland.)

In a previous paragraph allusion has been made to the element classified by the Census Bureau as foreign stock (Vol. II, United States Census, 1920, page 897). This large group amounting to approximately one-third of the population as enumerated on that date, was apportioned in accordance with their birth or parentage to the nations of the world, on the basis of a pre-war map, it having been found impossible in the case of the native-born of foreign parentage to ascertain the province or city from which the parents of many of these people originated, although their nationality in accordance with the map of the period of their immigration was ascertainable without peradventure of doubt. Owing to this fact, there are not only some inconsistencies in the figures between the census tables for country of birth (page 694), and country of origin of foreign white stock (page 897), but also, as has just been indicated, a redistribution of the whole group is necessary to conform with the present boundaries of Europe.

A reapportionment of the 36,398,958 foreign stock has been accomplished on the basis of distribution of the foreign born in the United States, in accordance with the postwar map; for example, the total number of persons born within the pre-war boundaries of the Austro-Hungarian Empire amounted to 2,021,926 (page 688, Vol. II, United States Census, 1920). The percentage which the foreign born assignable to each of the component parts has been applied to the total foreign white stock as it appears on page 897, Vol. II, United States Census, 1920. (4,240,703 plus 133,996, that proportion of those persons of mixed foreign parentage whose fathers were Austro-Hungarian, as given on page 900, Table 4, Vol. II, United States Census, 1920, that is to say, 4,374,699.) This figure is the total which may be regarded as the Austro-Hungarian strains in accordance with the census enumerations. It should be noted, of course, that in the case of countries such as Poland and Yugoslavia, which are composed of cessions of territory or accretions from various sources, due account has been taken of the fact.

In the case of Ireland a peculiar difficulty arises from the circumstance that no division of the population on the basis of the Free State and North Ireland is printed in Vol. II of the census of 1920. The number of foreign-born persons assigned, therefore, in the table appended to this study has been arrived at by taking the figure for the quota allotted to the Irish Free State on a 2 per cent basis of 1920—see page 17, House of Representatives, Sixty-eighth Congress, first session, Report No. 350—deducting 100, dividing by 2, and multiplying by 100. The result given by this calculation is obviously the Census Bureau's estimate of the number of foreign-born persons whose place of birth is attributable to the Irish Free State, viz, 723,800. This figure of 723,800 deducted from the total 1,037,233 enables us, by calculating the percentage, to arrive at the proportion of persons born within the Free State, which may be applied to the total Irish foreign stock—4,286,720—for the purpose of distributing that element between the Free State and North Ireland. Obviously the balance not assigned to the Free State is grouped for quota purposes under the heading "Great Britain and North Ireland."

Turning now to the third column of the table comprising a group amounting to 9,335,555, to whom reference has been made before as

the numerical equivalent of the native born of native parentage, the national origin of whose parents is wholly indefinite, the following method of apportionment has been adopted. Clearly, this element represents the contribution of eight decades, of which the last which may reasonably be considered as having added substantially to our total population, is that of 1890–1900. Owing to the fact that the proportion of the various nationalities contributed by immigration to our foreign-born population has varied with every decade, each of the eight decades has been treated as a separate group, and the natural rate of increase of the total population has been applied to the net immigration for each of the said decades. The total so arrived at, obviously, is not usable, because it comprises all the persons included in the 36,398,958, who have already been disposed of. The proportions which the descendants attributed to each of the eight decades bear to the total increase of the population by immigration between 1820 and 1900 having been ascertained, it is therefore applicable to the 9,335,555, to give the numerical equivalent of white persons of unidentified origins contributed by each of the eight decades.

These groups representing the descendants contributed by the net immigration of each of the decades has been apportioned on the basis of national contributions by immigration in accordance with the percentages of distribution given on page 695, Volume II, United States Census, 1920, except that the distribution of the first three decades has been assumed to be that as of 1850, the census of 1850 being the first from which we may derive authoritative data respecting the country of birth of our foreign-born population. (While it would be possible to distribute the descendants of immigrants arriving in the United States in the decades 1820–1850 on the basis of data relating to arrival of passengers in American ports from the various nations of the world, the absence of any emigration figures involve an assumption respecting the returns which make it preferable to adopt the definitely ascertained figures of distribution for the foreign born in the United States for the purpose of this study.) While it is true that there is a variable rate of fecundity applicable to the different races, the evidence points to the fact that the variation is balanced by the relatively lower marriage rate and the high rate of infant mortality, but the natural rate of increase of our population having been applied to the composite groups of the respective decades, it is a fair assumption that the distribution given in this table is for all practical purposes substantially in accord with the facts.

In conclusion, it only remains to refer briefly to the method of arriving at the quotas to conform with the provisions of section 11, subsection (b), of the immigration act of 1924. Since the law provides that a minimum quota of 100 shall be assigned to any nationality whose proportion of the total would not reach that figure, it has been ascertained that 23 nationalities fall into this group, and the total, 2,300, has, therefore, been deducted from the 150,000, maximum number of immigrants admissible to the United States, leaving a balance of 147,700, to be distributed proportionately among those nations whose quotas run above the minimum of 100.

*An analysis of the population of the United States*

| Country of birth | Descendants of colonial stock enumerated in first census, 1790, and descendants of arrivals between 1790–1820 (numerical equivalent) | Foreign white stock (foreign born, native born of foreign parentage, and native born of mixed parentage) | Native born of native parentage contributed by arrivals between 1820–1900 (numerical equivalent) | Colored races | Total | Quota on basis of 150,000 (act of 1924, sec. 11, subsec. (b), effective July 1, 1927) |
|---|---|---|---|---|---|---|
| Albania | | 7,461 | | | 7,461 | 100 |
| Armenia | | 44,042 | 899 | | 44,941 | 100 |
| Austria | | 1,249,852 | 66,241 | | 1,316,093 | 2,171 |
| Belgium | | 132,195 | 17,498 | | 149,693 | 251 |
| Bulgaria | | 14,485 | | | 14,485 | 100 |
| Czechoslovakia | | 783,946 | 41,774 | | 825,720 | 1,350 |
| Danzig | | 15,066 | 2,679 | | 17,745 | 100 |
| Denmark | | 511,906 | 64,078 | | 575,984 | 945 |
| Esthonia | | 196,187 | 4,043 | | 200,230 | 325 |
| Finland | | 302,931 | 6,548 | | 309,479 | 517 |
| Fiume | | 875 | 51 | | 926 | 100 |
| France | 294,518 | 556,202 | 231,679 | | 1,082,399 | 1,772 |
| Germany | 2,768,473 | 6,779,598 | 2,625,303 | | 12,173,374 | 20,028 |
| Great Britain and North Ireland | 44,017,828 | 4,875,370 | 2,854,482 | | 51,747,680 | 85,135 |
| Irish Free State | 650,798 | 2,991,273 | 1,421,895 | | 5,063,966 | 8,330 |
| Greece | | 236,150 | 1,091 | | 237,241 | 384 |
| Hungary | | 854,816 | 45,917 | | 900,733 | 1,521 |
| Iceland | | 6,351 | | | 6,351 | 100 |
| Italy | | 3,365,261 | 107,195 | | 3,472,457 | 5,716 |
| Latvia | | 224,213 | 4,673 | | 228,886 | 394 |
| Lithuania | | 272,259 | 7,817 | | 280,076 | 458 |
| Luxemburg | | 49,600 | 3,601 | | 53,201 | 100 |
| Netherlands | 1,227,160 | 383,598 | 67,735 | | 1,678,493 | 2,762 |
| Norway | | 1,063,147 | 187,548 | | 1,250,695 | 2,053 |
| Poland | | 2,675,878 | 83,163 | | 2,759,041 | 4,535 |
| Portugal | | 137,399 | 13,216 | | 150,615 | 236 |
| Rumania | | 138,266 | 1,091 | | 139,357 | 222 |
| Russia | | 2,362,247 | 72,422 | | 2,434,669 | 4,092 |
| Spain | | 83,756 | 9,336 | | 93,092 | 148 |
| Sweden | 127,625 | 1,521,153 | 218,574 | | 1,867,352 | 3,072 |
| Switzerland | | 374,611 | 99,929 | | 474,540 | 783 |
| Yugoslavia | | 345,284 | 16,522 | | 361,806 | 594 |
| San Marino | | 1,010 | 32 | | 1,042 | 100 |
| Andorra | | | | | | 100 |
| Liechtenstein | | | | | | 100 |
| Monaco | | | | | | 100 |
| Palestine | | 5,382 | | | 5,382 | 100 |
| Syria | | 87,733 | | | 87,733 | 100 |
| Turkey | | 25,243 | 1,091 | | 26,334 | 100 |
| Hejaz | | 359 | | | 359 | 100 |
| Persia | | 1,974 | | | 1,974 | 100 |
| Egypt | | 2,241 | | | 2,241 | 100 |
| Liberia | | | | | | 100 |
| Abyssinia | | | | | | 100 |
| Morocco | | | | | | 100 |
| Union of South Africa | | 1,245 | | | 1,245 | 100 |
| Australia | | 28,020 | 5,241 | | 33,261 | 100 |
| New Zealand and Pacific Islands | | 9,714 | | | 9,714 | 100 |
| Canada | | 2,703,055 | 793,998 | | 3,497,053 | |
| Newfoundland | | 27,565 | 6,301 | | 33,866 | |
| West Indies | | 47,872 | 22,634 | | 70,506 | |
| Mexico | | 726,463 | 72,808 | | 799,271 | |
| Central and South America | | 21,833 | 12,183 | | 34,016 | |
| Black | | | | 8,802,577 | 8,802,577 | |
| Mulatto | | | | 1,660,554 | 1,660,554 | |
| Indians | | | | 244,437 | 244,437 | |
| Chinese | | | | 61,639 | 61,639 | |
| Japanese | | | | 111,010 | 111,010 | |
| All others | | 153,901 | 144,266 | 9,488 | 307,655 | |
| Total | 49,086,402 | 36,398,958 | 9,335,555 | 10,889,705 | 105,710,620 | 150,000 |

TARIFF ON COPPER

Mr. JAMES. Mr. Speaker, I have had many offers of help on this bill when the next tariff bill is before Congress. As I stated in my speech of several weeks ago, we know that there was no chance of a revision of the tariff bill in a presidential year. We hope to be able to get the facts and figures that will convince everyone that a tariff on copper is needed if the industry is not to be driven out of business by foreign competition.

In remarks made on May 29, I stated that the legion would not forget its friends. In further evidence of that fact, I quote letter sent me by Hon. John R. Quinn, national commander of the American Legion, which reads as follows:

THE AMERICAN LEGION,
OFFICE OF THE NATIONAL COMMANDER,
*Indianapolis, Ind.*

Hon. W. FRANK JAMES,
*House Office Building, Washington, D. C.*

MY DEAR CONGRESSMAN: I wish to take the opportunity to express to you as a Member of the Sixty-eighth Congress the sincere and everlasting appreciation felt by the ex-service men and women of the country for the splendid manner in which you supported the national legislation of such vital interest to them during the session just closed.

There was, through your efforts, enacted into law more legislation of vital importance to the returned ex-soldier than ever before in the history of Congress. I need only recall to your attention the Reed-Johnson bill, which will afford aid to more than 100,000 disabled veterans and their dependents, save thousands of lives, and which is in fact the greatest step forward yet made by our country in bringing justice to the disabled.

In the enactment of the hospital construction bills there was provided 2,850 beds in modern fireproof Government hospitals, and this also included an appropriation of $350,000 for a training school for the blind veterans at Evergreen, Md., which we hope will tend to solve the problem of the care of this class of disabled men.

The creation of the Special Veterans' Committee in the House and in the Senate resulted in sympathetic and careful consideration of the relief measures proposed by the American Legion and contributed in a great measure to their ultimate enactment into law.

In particular at this time I want to thank you for your continued and sincere support of the adjusted compensation bill which had been pending before Congress for close to five years. The ex-service men and women throughout the country understand very clearly the situation which existed in Congress, the tremendous amount of pressure which was being brought to bear by the big financial interests throughout the country to prevent its enactment into law, the great flood of vicious and pernicious propaganda which filled the opposition press throughout the country unjustly attacking the Members of the House and of the Senate who were the friends of the soldiers, and through this channel threatening their political future if they opposed the administration leaders and continued to support what they knew and believed would be necessary, honest, and just legislation.

The adjusted compensation is a law, and on account of your interest in it, your efforts and support of it, and so far as the American Legion is concerned, the principle has been established, and it is a closed issue. In spite of this, however, the interests who were opposed to the soldiers are still inclined to continue their vicious attacks on Members of the House and the Senate who, after voting to pass the bill, again voted with more than a two-thirds majority to sustain it over the presidential veto, and this notwithstanding the fact that all of the arguments raised against it and dire threats of great calamity to our country have been proved false by subsequent events and disappeared into the air.

We want you to know that the ex-service men and women throughout the country most heartily approve your support of this legislation, and that the American people approve of your course, for the Nation is always firmly behind measures of justice for its veterans.

As national commander of the American Legion, which is the great organized body of veterans throughout the country, I believe that we are in the best position to interpret their thoughts and their wishes.

The veterans throughout the country are grateful; they will never forget the service that you have rendered them, and through the American Legion extend to you their hearty thanks.

Very respectfully,

JOHN R. QUINN,
*The National Commander.*

ACCOMPLISHMENTS OF THE REPUBLICAN CONGRESS

Mr. WOOD. Mr. Speaker, four years ago the American people commissioned the Republican Party to take charge of the National Government and put into effect policies and practices which would restore constitutional methods, safeguard and strengthen American institutions, protect American interests, compel public economy, and readjust public administration to serve the needs of peace and promote the welfare of the people.

It was the greatest economic task that ever confronted any national administration since the establishment of our Government. Partly due to the World War and partly due to Democratic mismanagement, conditions were well-nigh chaotic. This was true both in the field of private endeavor and the realm of public affairs. Never in the history of this country had there been such a violent dislocation of industry, transportation, commerce, and agriculture as took place during the years immediately preceding the advent of the present Republican administration.

In the conduct of our Federal Government almost incredible extravagance had become the rule. Haphazard methods abounded. The administrative agencies of the Government lacked teamwork, morale, and initiative. The Government securities were below par. Deficits were being incurred in Federal financing. Federal taxes were onerous. An army of 5,000,000 wage earners were in enforced idleness. Agriculture was facing actual bankruptcy. Business was depressed, and all classes of citizens were pessimistic as to the future.

The Republican Party met these conditions with vigorous and constructive statesmanship. The record shows more constructive legislation and administration during the past three years than in any previous decade of American history. It has benefited business and labor, agriculture and industry, the wage earner, the investor, the taxpayer. By contrasting the discouraging conditions which existed in almost every line of activity three years ago with conditions to-day one may see the policies of the Republican Party since March, 1921, translated into results.

PUBLIC DEBT REDUCED $3,000,000,000

June 30 will mark the end of the third complete fiscal, or business, year of the Federal Government since the Republican administration came into power March 4, 1921. The Republican administration during these three years has given the United States the best business administration ever experienced since the beginning of the Government. The credit for this must be largely attributed to Secretary of the Treasury Mellon. The following is a summary of some of the most notable business accomplishments during the past three years:

| | |
|---|---|
| Interest-bearing public debt February 28, 1921 | $24,051,684,728 |
| Interest-bearing public debt May 31, 1924 | 21,286,607,318 |
| Decrease in interest-bearing public debt | 2,765,077,410 |

In addition to this actual decrease in the principal of the public debt, there has been a tremendous decrease in interest charges on the public debt. For every reduction of a billion dollars there is an annual interest saving of $45,000,000. So the reduction in the principal of the public debt under Secretary Mellon has reduced the interest charges $120,000,000 a year. In addition, Secretary Mellon has conducted a refunding of the domestic public debt at a lower rate of interest than it originally carried, and the savings due to this refunding process already amount to tens of millions of dollars.

COLLECTION OF FOREIGN LOANS

When the Republican administration came into power there were outstanding loans to foreign governments made during the war and immediately following the war something in excess of $11,000,000,000, which included accumulated and unpaid interest. There was no arrangement existing at that time whereby either the principal or the interest on any of these foreign loans should be paid. On the other hand, due to the attitude of the Democratic administration, there was a general impression throughout Europe and in certain circles in the United States that the payment of these foreign loans would never be demanded and ultimately they would be canceled. This impression had a very depressive effect upon the credit of the United States, for if this foreign debt is not repaid by the governments owing it, it means tremendous increase in Federal taxes in this country. One of the most, if not the most, important fiscal accomplishment of this administration was the creation of a commission suggested by President Harding and Secretary Mellon and created by the Congress to effect a settlement of foreign loans. Secretary of the Treasury Mellon is at the head of this commission.

Already Great Britain and Finland have reached an agreement with the United States through this commission for the payment of their loans and the accumulated interest, and have actually started the payments. Negotiations are well under way with Belgium, Hungary, and one or two other European nations. The loans to Great Britain and Finland constitute 35 per cent of the total foreign loans. The placing of these foreign loans on a business basis with fixed provisions for their pay-

ment means an acceleration in the reduction of our interest-bearing public debt, a decrease in our Federal taxes, and enhanced value of our Government bonds.

LIBERTY BONDS INCREASE IN VALUE

As a result of these two financial policies of the Treasury Department, taken in conjunction with the general program of economy practiced by every branch of this administration, the Government bonds have advanced under this administration from 85 to par or better. There are about $20,000,000,000 of these bonds outstanding, held by between 12,000,000 and 15,000,000 individuals. The 15 per cent gain in their value under this administration represents a gain of $3,000,000,000, enriching practically one-sixth of the population of the United States.

The reduction of the public debt and fixed interest charges, the constant application of strictest economy in the conduct of every executive branch of the Government reduced routine expenditures of the Government to such a point that it was possible to pass on to the public these savings in the form of reduced Federal taxes. This was done by the revenue bill passed by the Republican Congress late in 1921.

That Republican revenue measure increased exemption in income tax applying to heads of families with a salary or wage income of less than $5,000 a year. This benefited more than 4,000,000 heads of families, or, according to records of the United States Income Tax Bureau, over 90 per cent of the income-tax payers of the country. The exemption for heads of families was increased by $500 a year, with an additional increase of $200 a year for each child or dependent. This reduction, effected in the first year of this Republican administration by an act of a Congress Republican in both branches, saved the "average families" of the United States approximately $100,000,000 a year.

REPUBLICAN TAX LAW BENEFITS COMMON PEOPLE

Other outstanding features of this new Republican tax law was the repeal of all taxes levied on goods shipped by freight, express, and parcel post. This repeal of transportation taxes, which are always added to the price of the commodities which the consumer purchases, saved the American consumers more than $1,000,000 a day. In fact, this new tax law enacted by the Republican Congress benefited the average man and woman more than all other classes of taxpayers put together. It lifted a burden from their pocketbook which had been irritating them day by day since the Democratic war taxes had been enacted and had taken from them hundreds of millions of dollars annually. It repealed the so-called nuisance taxes, such as a tax of 10 per cent on soda drinks, candy, ice cream, medicines, toilet articles, and so forth. It repealed the so-called luxury taxes. The women of the country, at least, realize that they no longer pay 10 per cent tax when they buy millinery, underwear, stockings, kimonos, petticoats, parasols, waists, and other wearing apparel. That they do not is because of that Republican tax law. It repealed all taxes on musical instruments, sporting goods, and household furniture. It repealed all taxes on life, fire, accident, burglar, and other forms of insurance. It repealed all taxes on railroad tickets, which was costing the traveling public a quarter of a million dollars each day.

One of the forms of taxation imposed by the Democratic administration was that upon excess profits, even though they were legitimate profits. During a war almost any kind of taxation can be justified. In times of peace such a tax can not be justified. It penalizes initiative. It completely checks the development of enterprises already established. It prevents extension of industrial projects and thereby reacts to the injury of labor. It discourages investments in new enterprises. It acts as a barrier to pioneering in new fields. Men who are willing to take great risks and invest great sums must be permitted to reap the benefits of their vision and risk. It throttles all business because it renders valueless business foresight and enterprise. The excess-profits tax was one of the heaviest handicaps upon the resumption of normal conditions in the commercial and industrial world. Hence the Republican Congress in framing the revenue act of 1921 repealed that tax in toto.

The Sixty-eighth Congress made a supplementary tax reduction which wiped out all remaining nuisance taxes, such as those on telegraph and telephone messages, amusement tickets, the stamp tax, and the 5 per cent tax on jewelry. The greatest beneficial feature of the tax bill passed by the Sixty-eighth Congress was the 25 per cent flat reduction on all income taxes payable in the present calendar year on incomes for the year 1923. This proposal was in the original bill as advocated by President Coolidge and Secretary Mellon, and it was also urged by President Coolidge as a special piece of legislation early in March, 1924. This feature of the bill alone saves the American taxpayers this year the sum of $350,000,000. Other features of this bill which become operative on taxes paid in 1925 will make still further reductions.

1924 TAX BILL MADE POSSIBLE BY G. O. P. ECONOMY

Let those who desire to cavil debate as to which party should be given the major part of the credit for the enactment of this particular measure. But there is one underlying fact about which there can be no debate. Whatever reductions in taxes this bill of 1924 may make, it could not have been written at all had not the Republican administration since it came into power introduced and practiced economy in the conduct of public affairs. No tax reduction bill could have been written or enacted had not the executive agencies of the Government, which do the spending, and the legislative branch of the Government, which does the appropriating, effectively cooperated with the Budget Bureau—a distinctly Republican creation—in bringing about a radical reduction in public expenditures.

There could not have been written into the tax bill of 1924 by the leaders of either party such drastic reductions in income taxes had not the Fordney-McCumber Tariff Act been bringing into the Treasury more revenue by $225,000,000 a year than any tariff law ever put on the statute books. Every dollar of the $600,000,000 collected at our customhouses through the operation of a Republican tariff means just one dollar less to be collected from the people of the country by income tax. So the Republican Party and the Republican administration may waive the question as to who actually wrote the schedules of the new tax bill, because it is known of all men that the writing of them was made possible by the economy and tariff program of the Republican administration.

DOWNWARD MARCH OF EXPENSES

Proof of this is found in the downward march of public expenditures since the Republican Party grasped the reins of government in March, 1921. This story of the decrease of routine public expenditures—exclusive of public debt interest and sinking fund—is told in the following figures:

| | |
|---|---|
| Fiscal year ending June 30, 1921 (only three months of which were under the Republican administration) | $5,115,927,689 |
| Fiscal year ending June 30, 1922 | 3,372,607,899 |
| Fiscal year ending June 30, 1923 | 3,129,418,776 |
| Fiscal year ending June 30, 1924 | 3,053,000,000 |

In other words, the cost of operating the routine departments of the Government has been slashed over $2,000,000,000 a year since the Republican administration came into power March 4, 1921.

In this work of economy the legislative branch of the Government, both Houses of which have been in control of the Republicans, has heartily cooperated. The reduction in appropriations made by Republicans since they came into control of Congress in April, 1919, is as follows:

| | |
|---|---|
| Fiscal year ending June 30, 1920 | $6,454,596,649 |
| Fiscal year ending June 30, 1921 | 4,780,829,610 |
| Fiscal year ending June 30, 1922 | 4,066,316,366 |
| Fiscal year ending June 30, 1923 | 3,940,579,667 |
| Fiscal year ending June 30, 1924 | 3,706,777,163 |

Democratic politicians in an effort to befuddle the public mind and deprive the present administration of the Republican Party of the credit of the greatest debt reduction, expense reduction, and tax reduction ever made by any established government in the same length of time, draw a comparison between expenses of to-day and those of 1915, a year when the Democratic administration was in power. They point out that the number of public employees on the Federal pay roll is greater to-day than they were under Democratic administration in 1915, and that the routine expenditures of the Government are greater to-day than they were in 1915. This is true, and upon this truth they base the false charge that the Republican administration in times of peace is not managed as economically as the Wilson administration was in times of peace.

PRE-WAR BASIS OF EXPENSES IMPOSSIBLE

The manifest unfairness of this comparison is at once evident when we take into consideration that since 1915 there has come into existence as an aftermath of the war a great many Federal activities which did not exist in the early years of the Wilson régime and which would, even though the Democratic Party were restored to power, continue to exist under Democratic administration.

For example, there is the Veterans' Bureau, which employs in round numbers 30,000 and which expends in round numbers $400,000,000 annually for the aid and relief of the Nation's defenders. It did not exist in 1915 to add its employees to the Federal pay roll and its $400,000,000 to the Federal expenditures, a sum which is greater than any other expenditure of the Federal Government to-day than the single item of taxes on the public debt. Nor would the Democratic Party if re-

stored to power be able to abolish its work, discharge its employees, and eliminate its expenditures.

There was no restrictive immigration act in 1915, and no necessity of a large force to see to it that the provisions of this act, which stands as a safeguard not only to the integrity of American labor and the high level of American wages but a safeguard of American institutions and ideals, are enforced. To do this requires heavy expenses and a large force of employees.

There was no prohibition amendment to the Constitution in 1915 and no bureau was necessary for the enforcement of the laws enacted under that amendment.

There was no Women's Bureau and no Children's Bureau in connection with the Labor Department in 1915.

Our Postal Department, in order to keep pace with the growth of business since the return of prosperity under Republican régime, has been compelled to increase its expenses and its force in a very large degree. That could not be changed except by putting the Democratic Party in power and bringing about such a panic as would prostrate all business.

The Income Tax Bureau of the Treasury Department has been vastly increased since 1915 because of the tremendous increase in the amount of business which it must transact. Even with the enormous force on hand under the Wilson régime this bureau was four years behind in its audits and collections when the Republican administration came into power. Since that time the personnel of the bureau has been decreased, but the amount of current business done has increased and all back business has been brought up and back taxes are being collected. And so the list might be continued.

The argument that there are more employees in the Government to-day and that it is costing more to run the Government to-day than it did in 1915 proves nothing except the fact that the activities of our Government have become greater and therefore necessitate a larger staff to handle public affairs. The main point is that although expenses are greater than they were in 1915 under Wilson, and the number of employees is greater than they were in that year, both expenses and number of employees have been radically reduced since March, 1921, and what is still more to the point, the American taxpayer is getting more work per employee than he did under a Democratic administration, and infinitely more service per dollar from his Government.

REPUBLICAN PARTY SAVED AGRICULTURE FROM RUIN

Next to the record of the Republican Party in debt reduction, expense reduction, and tax reduction, is its record in behalf of agriculture. The Republican Party has always been known as the friend of the American farmer. Under Republican legislation and Republican administration, beginning immediately after the Civil War, the great agricultural section of our Nation was peopled, developed, and became the granary of the world, an inland empire of wealth, prosperity, intelligence, and contentment without a parallel anywhere in the four quarters of the globe.

Agriculture of the country has passed through two or three severe crises. At such times the Republican Party has been the party which has stood by the agricultural interests in the time of their adversity. At such times the Republican Party, generally in the face of popular clamor for hasty and ill-considered action, stood against fantastic and ill-considered proposals which would have been destructive had they been enacted into law. It stood against the greenback craze, against Populism, and against free silver. In each instance its courage and political judgment won the indorsement of the American people, and its application of sound economic theories rescued the agricultural sections from ruin.

The farmer to-day realizes the absurdity of the radical Democratic claims in 1896 that the price of wheat and the price of silver go hand in hand. He also realizes the irreparable injury that would have been done him had the greenback craze succeeded under Democratic guidance. In each economic crisis the adverse conditions affecting the farmer were straightened out not by the adoption of uneconomic theories but by the sound and conservative constructive policies of the Republican Party.

It is so to-day. When the present administration came into power it is no exaggeration to state that the agricultural and livestock interests were on the verge of bankruptcy. It is probably well within the facts to assert that at no previous time in the history of American agriculture had the conditions been so distressing and apparently so hopeless. Without going into the details, it may be stated that these conditions were due almost entirely to two policies of the outgoing Democratic administration.

During the war and immediately following, the Democratic administration urged the farmer to put forth every energy and use every resource to produce a maximum amount of food products. In response to this call of the Government the farmer made large investments, purchased an enormous amount of equipment, made every possible extension to his plant, and almost without exception incurred tremendous liabilities in doing so.

DEMOCRATIC POLICIES WRECK THE FARMER

Then, practically without any warning, the Democratic administration in the summer and fall of 1920, at the very time the harvests were getting into market, restricted credits. The immediate result of this was a deflation of agricultural prices all along the line and, at the same time, the demand by financial institutions upon the farmer for payment of his obligations. This, then, was the situation: He had produced a harvest of unequaled quality at the highest cost in the history of agriculture. He had produced it on high-priced land with expensive machinery and with farm labor receiving unprecedented wages. Just as he was to reap his reward he found his market destroyed and himself compelled to sell his products at whatever price he could obtain in order to meet the demands being made upon him by the financial institutions who had been ordered by the Federal Reserve Board to drastically curtail their loans.

These conditions all existed at the time the Republican Party came into power in March, 1921. They were brought about by policies of the Democratic administration. American agriculture has seldom experienced worse conditions than it faced in the spring and summer of 1921.

The first concern of the Republican administration was relief from those conditions. To supply the need for ready money and temporary credit the War Finance Corporation's powers were extended to make emergency loans, and it loaned to agricultural and livestock interests at the rate of over a million dollars a day for over a year.

To stop the importation of farm and dairy products and protect the home market of the American producer the farmers' emergency tariff was enacted. Relief due to this legislation was immediate.

UNPRECEDENTED LIST OF FARM LAWS

In the three years since March, 1921, the Republicans in Congress have enacted more fundamental, constructive legislation in behalf of the farming interests of the United States than was enacted during the entire half century preceding 1921. The outstanding farming legislation which has been enacted by Republicans in Congress since they were called in special session in April, 1921, by the late President Harding is as follows:

Farmers' emergency tariff.

Revision of act creating War Finance Corporation enabling it to make loans for agricultural and livestock purposes and provide it with a billion-dollar revolving fund for that purpose. The life of the War Finance Corporation as thus revised has been extended three times since the revision.

Revision of the Federal Reserve Board act providing for representation on the board of agricultural interests.

Revision of Federal farm loan bank act, which not only amended the law regarding the sale of Federal farm loan bank bonds so as to facilitate their marketing, but also increased the available funds of the Federal farm loan bank by $25,000,000.

Agricultural credit act, sometimes known as the intermediate credit act.

Revised United States warehousing act. The revision of this act should be bracketed with the agricultural credit act, as the two are complementary.

Cooperative marketing act, authorizing and legalizing the formation of cooperative marketing associations to sell farm products and to buy farm supplies.

Butter standard act.

Filled milk act.

Creation of dairy bureau in the Department of Agriculture.

Packers and stockyards act.

Grain futures act. The first act was declared unconstitutional, and the Sixty-seventh Congress enacted a second law eliminating the unconstitutional features of the first one.

Revised Federal highway act.

Two seed loan acts to relieve emergencies in the drought-stricken districts of the Northwest and Southwest.

A series of acts giving leeway on payments due from those agricultural producers on irrigated or reclamation projects, those who had purchased Indian lands, and those who were using Government lands for grazing purposes. These relief acts were necessary because of crop failures and the agricultural crisis which had brought the producers face to face with bankruptcy and with a loss of all of their land were their contracts with the Government enforced.

Appropriation of $10,000,000 for purchase of food products to be sent to Russia.

Fordney-McCumber Tariff Act which continued all of the protective schedules that were enacted in the farmers' emergency tariff.

In addition to this legislation there has been other extension of aid to the farming and livestock interests. Early in the Harding administration, before the War Finance Corporation had time to function, there was formed, under the direction of Secretary Mellon, a voluntary pool of $50,000,000 for the purpose of relieving the acute situation in the livestock industry. Between $19,000,000 and $20,000,000 of this pool was loaned and the livestock industry tided over until more permanent relief could be obtained.

PRESIDENT COOLIDGE LEADS IN RELIEF

On January 23 of this year, when the situation in the wheat-growing States in the Northwest became so critical as to involve the banks and threaten the entire financial and commercial structure of that section of our country, President Coolidge sent a special message to Congress urging the enactment of certain legislation. At the same time he called a conference of the leaders in agricultural, financial, and business circles of the Northwest and took counsel as to what steps were necessary and advisable to meet the crisis. As a result of this conference a voluntary organization, known as the Agricultural Credit Corporation, was formed under the direction of Secretary Mellon, financed by the banking and commercial interests of the country, with a paid-up capital of $10,000,000 and with the power to borrow from the War Finance Corporation in an amount equal to ten times its paid-up capital. Under this arrangement this corporation has a possible fund of $100,000,000.

Within 60 days from the time this corporation began to function over 200 banks had been so strengthened that they were saved from closing their doors and several of the larger banks in the Northwestern States which had closed their doors were enabled to reopen without loss to their depositors. Arrangements had also been made to redeem delinquent taxes of hundreds of farmers so that they might retain their land and continue operations. Arrangements had been made for financing farmers in the Dakotas for the purchase of spring seed wheat and for the purchase of dairy cows in order that they might be started along the road to diversified agriculture.

REPUBLICANS EXTEND OVER $1,000,000,000 IN ACTUAL AID TO FARMERS

The Republican administration found the agricultural and livestock interests of the country facing bankruptcy as a result of Democratic policies. The first thing needed was financial aid to tide them over until economic processes became normal. A review of the records shows that in the last three years the American farmer has received directly from governmental agencies financial assistance in a sum in excess of $1,314,782,876. The War Finance Corporation contributed $300,000,000 of this amount. Federal farm loans, which practically did not function under Democratic administration, contributed $757,000,000. The intermediate credit banks, establish in August, 1923, had within four months' operation contributed $35,000,000. Congress by direct appropriation contributed $3,500,000 for seed loans in drought-stricken districts. The voluntary pool of financial interests, under the direction of Secretary Mellon, early in 1921 contributed $20,000,000 in cattle loans; reduction of freight rates on strictly agricultural products and livestock contributed $200,000,000. This brings the sum well in excess of $1,314,000,000. In addition, the farmer obtained his share of the benefit of freight-rate reductions on building material, coal, and manufactured goods, which aggregated $500,000,000. The farmer and livestock grower on reclamation and irrigation projects had their payments to the Government and their rentals on Government land rebated or the time extended. So that, all told, the Republican administration, through governmental agencies, has extended directly in cash emergency aid to American agriculture in the last three years a sum conservatively estimated at $1,500,000,000.

POLITICAL DEMAGOGUES ATTEMPT TO "FARM THE FARMER"

Whenever the farmer is in distress he becomes the object of demagogic solicitude by political agitators who seek to cash in upon his adversity, using his misfortunes as stepping stones to place themselves in power. The present crisis has been no exception to this rule. During the campaign of 1922 a number of such demagogues succeeded in insinuating themselves into the confidence of agricultural communities and having themselves elected to Congress, some in one House and some in the other, upon the representation that the Republican Party was not doing its duty by American agriculture and that if elected they would see to it that remedial legislation and remedial measures were taken to bring the farmer out of his difficulty. In this campaign of deception they were aided by the Democratic Party.

These two forces joined hands at the beginning of the Sixty-eighth Congress to control the organization of both Houses. In the House of Representatives they succeeded in bringing about what they styled a "liberalization" of the rules for the purpose of enabling them to force action upon such legislation as they desired brought to the attention of the House. They held up the organization of the Senate for weeks through a fight to control the Committee on Interstate Commerce, which handles railroad legislation. In this fight they were successful, in that the coalition of so-called Progressives and Democrats elected as chairman of that committee Senator SMITH, of South Carolina. The events in connection with the organization of the House and the Senate demonstrated beyond the shadow of a doubt that the combination of the Democratic and so-called Progressive forces could control, if they desired, the action of both branches of Congress. The Republican majority on paper disappeared in point of fact. A number of men who used the good name and the label and the machinery of the Republican Party to get themselves elected to Congress deserted the party, repudiated their party pledges, and joined hands with the Democrats to control Congress, ostensibly in order to enact legislation helpful to the agricultural classes.

DEMOCRATIC-RADICAL COMBINATION FALL DOWN ON PROMISES TO FARMER

The exposure of their hypocrisy is found in the record of the first session of the Sixty-eighth Congress, and is magnified by a comparison of the record of that session with the record made by the Sixty-seventh Congress, which was reliably Republican in both branches. All of the farm legislation, both that of an emergency character and that of a fundamental and constructive nature, which I have enumerated was enacted by the Sixty-seventh Congress, in control of the Republican Party. No farm legislation of any kind, with the single exception of the creation of a dairy bureau, was enacted during the first session of the Sixty-eighth Congress, which was controlled by the combination of Democrats and deserters from the Republican Party.

No legislative proposal brought to the attention of the Sixty-seventh Congress by the organizations of agricultural producers, livestock associations, dairy interests, and other organizations representing the rank and file of the farmer was rejected by that Congress. The Republicans passed every bit of legislation requested of them by the reputable farm organizations of the country, and they did not enact any legislation which was objected to by those organizations. On the other hand, no agricultural legislation asked by agricultural organizations of the Sixty-eighth Congress, controlled by the combination of Democrats and so-called progressives, was enacted. This Congress turned a deaf ear to the petitions of the farm organizations of the United States.

None of the gentlemen who campaigned their districts and their States asking for the support of the farmer vote upon the plea that they were the friend of the agricultural producer exhibited any activity after they were elected in behalf of the farmer.

None of the bills which were introduced and came before the committees during the Sixty-eighth Congress bore the names of any of the agitators and demagogues who were elected upon the ground that they were going to rescue the farmer from the plight in which they alleged the Republican Party had plunged him.

The radical-Democratic combination in the House did not invoke any of the "liberal" rules which they had succeeded in obtaining to call from any committee any bill having for its purpose the relief of any farmer or livestock grower.

Notwithstanding the Democratic-radical combination controlled the Interstate Commerce Committee in the Senate, there was not reported from that committee any legislation looking to a reduction of freight rates for the relief of agricultural sections.

Only when Congress was about to adjourn did these false friends of the farmer begin to assert themselves by filling the newspaper columns with interviews demanding that Congress remain in session all summer in order that the farmer might be given needed legislative relief. But they were strangely silent as to why they had not done anything for the farmer during the six months Congress had been in session, notwithstanding the fact that they were in control of both branches

and had the power to call from any committee any bill upon which they desired to force a vote.

Briefly, it was the Sixty-seventh Congress, reliably Republican in both branches, that has given the agricultural and livestock interests all of the relief and all of the fundamental legislation for the future which they have obtained since the Democratic Party went out of power leaving them facing bankruptcy.

REPUBLICANS INHERITED ARMY OF 5,000,000 IDLE WAGE EARNERS

Not only has the Republican Congress aided the farmer and livestock interests in every possible way, but the Republican executives have left no stone unturned to bring about temporary relief and hasten permanent readjustment of conditions affecting the agricultural sections of our country. One of the most recent examples of this is the Executive order of President Coolidge increasing the duty on wheat 12 cents a bushel, the duty on wheat flour 26 cents per hundred pounds, and at the same time a decrease of 50 per cent in the ad valorem rate on mill feed. This action was taken under the power vested in the President by the flexible provisions of the Fordney-McCumber Tariff Act, which empowers the President, on the basis of recommendations by the United States Tariff Commission, to increase or decrease rates not to exceed 50 per cent, the power to increase being used to afford additional needed protection and the power to decrease being used to prevent abuse of protection. The Executive order in this case afforded needed protection to northwestern wheat growers and millers from Canadian competition and afforded relief to stock growers in the matter of cattle feed.

Great as has been the transformation in the agricultural world since March, 1921, it has been no greater than that in the industrial world. When the Republican Party came into power in March, 1921, the number of idle men and women who normally were wage earners was between 4,000,000 and 5,000,000. This was a direct legacy of the Democratic administration. The unemployment situation began to be serious in the summer of 1920, when the Democratic administration, under the Wilson régime, was in full bloom. So many hundreds of thousands of wage earners were turned into the streets that Mr. Gompers, president of the American Federation of Labor, called a special meeting of the executive committee of that federation in Washington in the fall of 1920 to consider the industrial crisis. In December, 1920, the United States Employment Service of the Department of Labor, then under Democratic control, estimated there were 2,000,000 wage earners then in enforced idleness. On January 6, 1921, the Plumb Plan League, composed of American Federation of Labor unions and railroad brotherhoods, gave out a statement to the effect that 2,350,000 workers ordinarily employed were at that time unemployed. On April 25, 1921, a little over a month after the Republican administration came into power, but before any of its policies could be put into effect, Samuel Gompers, in an address at a labor convention in Philadelphia, made the statement that the number of unemployed was 5,000,000.

The Republican administration immediately set about through legislative and administrative measures to relieve the situation. It did not attempt this by temporary makeshifts, by class legislation, or by appeals to prejudice. It brought about prosperity for the industrial wage earner by giving attention to underlying causes which produced unemployment. Agricultural interests normally consume about 40 per cent of the manufactured goods of the United States. When the Republican Party came into power the agricultural consumers were "out of the market" because agriculture was bankrupt. The relief afforded agriculture by the long list of measures enumerated put that great buying class of people on its feet, and by so doing reopened hundreds of factories and put hundreds of thousands of wage earners back on the pay rolls.

REPUBLICAN LEGISLATION FOR AMERICAN WAGE EARNERS

When the Republican Party came into power there was a Democratic tariff which permitted the flooding of this country by the cheaply made products of Europe. At that time all Europe was on a debased-currency basis. Men were being paid in money worth but a fraction of its normal value. Supplies were being bought on the same basis. Because of this European manufactured goods were being laid down in the United States for a mere pittance compared with normal values. Furthermore, Europe was in a mad race to turn out manufactured goods in an effort to regain the markets she had lost during the war. Industrial production is the one thing for which all Europe was equipped, because the war had turned that Continent into one vast workshop. The Republican Congress remedied this situation by the enactment of a protective tariff, which, while it did not stop the imports, at least did check them.

When the Republican Party came into power the tides of immigration were flowing to this country in a volume never before witnessed. Hundreds of thousands were fleeing devastated Europe and literally millions more were preparing to do so. Every immigrant became an active competitor with American citizens for industrial jobs. One of the first acts of the Republican Congress called in special session in April, 1921, was the enactment of the restrictive immigration law. Had this law not been enacted and put into effect immediately, the unemployment situation, critical though it was, would have been aggravated by the addition of hundreds of thousands of European immigrants. At that time the housing situation in our industrial centers was at its worst and rents were at a peak. The continued immigration would have intensified this situation. It is safe to state that no bit of legislation so operated to stabilize the industrial situation and reassure the American wage earners as this restrictive immigration law.

High interest rates discouraged the borrowing of money upon the part of industrial interests for the purposes of extensions and improvements. Under the policy of the Treasury Department these rates were reduced, and business of all kinds was thereby stimulated, building resumed, and industrial enterprises reopened.

Taxes, which in the last analysis are paid wage earners, were drastically reduced by the revenue act of 1921.

WAGES HIGHEST IN HISTORY OF AMERICA

The result of all this is common information. Within a year the army of unemployed had disappeared. To-day in the United States more wage earners are employed at a better average wage than ever before in the history of the country in times of peace. Proof of this is furnished in a report of the United States Bureau of Labor Statistics, issued in December, which stated that the average union wage in all trades in the United States was the highest ever known in the history of American industry. According to this report, compiled from the union scale of wages and hours of labor of all organized trades in 66 of the principal cities of the United States, wages in 1923 were 9 per cent higher than in 1922, 84 per cent higher than in 1917, 111 per cent higher than in 1913, 123 per cent higher than in 1910, and 135 per cent higher than in 1907.

Not only is American labor under Republican administration employed at better wages than ever before in the history of this country, but the standard of living is higher. Working conditions are better and hours are shorter. The prosperity of the wage-earning class is proved by the fact that they are buying more luxuries than ever before, buying more commodities than ever before, and at the same time are putting more money in the savings banks than ever before.

LABOR ALWAYS PROSPERS UNDER REPUBLICAN RULE

The improvement of the condition of labor under Republican administration since March, 1921, is only typical of what happens under every Republican administration. The workingman of every country turns to the United States as the model Nation for the wage earner. It is because of this fact that the tides of immigration from every quarter of the globe have flowed toward and into the United States. No matter how well off working people have been in their own country compared with their own countrymen, when they wished to improve their conditions they came to the United States. It is due to the policies of the Republican Party during the last 60 years that the standard of living, the standard of working conditions, and the level of wages in this country have been made the highest of any Nation in the world. Practically all laws which have been enacted during the past three-quarters of a century for the betterment of working conditions, particularly those of women and children in industry, are of Republican origin.

It was a Republican Congress which enacted the Federal employers' liability act, the child labor law for the District of Columbia, the Government compensation act, the law requiring the use of safety appliances on railroads. It has been Republican Congresses which have broadened the scope of the activities of the Bureau of Labor from time to time in order that it might best serve the interests and promote the welfare of wage earners. The Bureau of Mines was created by a Republican Congress, and the Children's Bureau and the Women's Bureau.

REPUBLICANS TAKE CARE OF WOMEN AND CHILDREN

It is interesting in this respect to note that the Women's Bureau of the Department of Labor has proved so valuable in safeguarding the interests of women engaged in industry that the Democratic Party has been trying to steal credit for it. Senator ROBINSON, of Arkansas, in his speech notifying Gover-

nor Cox of the Democratic nomination in 1920, endeavored to claim credit for this law, because it was enacted during the incumbency of a Democrat in the White House. The record is clear and unimpeachable. The bill to create this Women's Bureau was introduced in the House by Representative Campbell, Republican, of Kansas. It was introduced in the Senate by Senator Kenyon, Republican, of Iowa. It was passed by the House and Senate, both of which were Republican.

The duty of the Women's Bureau is to promote the welfare and protect the health and life of wage-earning women everywhere. Some of the details intrusted to this bureau are: Seats in industrial establishments where women work, so that they will not have to stand on their feet for hours at a stretch; rest rooms, drinking facilities with good water, proper ventilation and sanitation, separate toilets; guarding against dangerous machinery; proper fire protection and adequate escapes—in short, the supervision and regulation of all the environment surrounding women at work.

President Harding, in his first message to the Republican Congress at the opening of the special session in April, 1921, urged the enactment of a law extending Federal aid to the several States in connection with maternity and child welfare. This was in conformity with the pledges of the party in response to a nation-wide demand by women for such legislation. The Republican House and Senate acted promptly. Both passed the bill by an overwhelming majority and appropriated $1,240,000 to carry out the provisions of this great humane piece of legislation, pronounced by women to be the most forward bit of legislation since the suffrage amendment. Furthermore, that Republican Congress increased the appropriation of the Children's Bureau of the Labor Department $40,000 over the previous year and increased the appropriation of the Women's Bureau $25,000 over the previous year. Altogether the Sixty-seventh Congress during the two first years of this administration appropriated $1,560,000 for women's and children's welfare work in connection with the Labor Department during the current fiscal year, a record that has not been equaled by any previous Congress.

These are only typical of the attitude of the Republican Party.

COMPARATIVE RECORD OF STATES

Minimum wage for women engaged in industries is provided in 11 Republican States and in only one Democratic State.

Mothers' pensions are provided in all but eight States, of which seven are in the Democratic "solid South."

Women are not permitted to work in mines in 19 Republican States.

Thirty-seven Republican States have limited the number of hours per week women may work in factory to 10 or less, but only seven Democratic States have such limitation. Nine Republican States limit the hours to 8, and 12 others to not over 9.

Twelve Republican States prohibit women from working at night in certain industries, but no Democratic State has such a prohibition.

The Republican Party has led the fight to make America safe for children. The child can not protect itself; therefore it must be protected. This is Christianity, "for of such is the Kingdom of Heaven." It is civilization, for the home and fireside are the corner stones of civilization, and the child of to-day is the parent of to-morrow. It is democracy, for the children of to-day are the citizens of to-morrow, who will be largely determined in their attitude toward Government by the Government's attitude of to-day toward them. It is good political economy, because the child of to-day is the man power of industry to-morrow.

That is why no greater duty could be performed by our Government than the safeguarding of the health, lives, limbs, and morals of children. What is the record?

REPUBLICANS CREATED CHILDREN'S BUREAU

The first national conference on child welfare was called by President Roosevelt in 1909 and was known among child welfare workers as the White House Conference. The outcome of this conference was the recommendation of the establishment of a Federal agency connected with the Department of Labor which would devote its time exclusively to the problems of child welfare and child life. Acting upon the recommendations of this conference, the Republican Congress under President Taft's administration established the Children's Bureau in the Department of Labor. The Democrats of Congress opposed its creation. Later on, the Republicans in Congress saved the life of this bureau by making a fight for appropriations adequate to keep it alive. In the second session of the Sixty-fourth Congress (1915–16), under President Wilson, the Democratic-controlled House Committee on Appropriations deliberately omitted appropriating money to the Children's Bureau. It remained for Representative James Good, Republican, of Iowa, to wage a fight on the floor of the House for such an appropriation, which he proposed in the form of an amendment to the committee's report. Every vote against the amendment was Democratic. The Republicans contributed all their voting strength in support of the amendment and thereby saved the bureau.

REPUBLICANS LED IN CHILD-LABOR FIGHT

The Republican Party was the pioneer in the work for the enactment of child-labor legislation. The beginning in such legislation was made in the New England States, New Jersey, Pennsylvania, and Ohio, even before the Civil War. Agitation of Federal child-labor legislation began as early as 1880, because it became evident at that time that the great diversities in child labor laws of the States and the lack of any such legislation in many States penalized the industries of those States which were humane enough to attempt the protection of children by limiting or prohibiting their being employed to their own injury and exploitation and to injury of adult laborers.

The first fight in Congress to enact Federal child labor laws was inaugurated in December of 1906.

Senator Albert J. Beveridge, Republican, of Indiana, and Representative Herbert Parsons, Republican, of New York, introduced bills in that session of Congress "to prevent the employment of children in factories and mines"; and Senator LODGE, Republican, Massachusetts, introduced a bill "to prohibit the employment of children in the manufacture or production of articles intended for interstate commerce." The efforts during this Congress to enact a Federal child labor law were bitterly opposed by the solid southern Democracy, representing cotton fields, turpentine camps, textile mills, and other industries of that section of the country which fatten on child labor. The first Federal child labor law was passed by reason of Republican support. It was reported favorably out of the committee in the House by unanimous Republican backing, with a minority report filed by Democrats. It passed the House with 98 per cent of the Republicans voting for it. Three days before the act went into effect it was enjoined in the Federal courts in the State of North Carolina, and the United States Supreme Court in a 5-to-4 decision declared it unconstitutional. Following this decision a second Federal child labor law was passed as an amendment to a revenue bill, which provided for a tax of 10 per cent on the annual net profits of industries which employed children in violation of the age and other standards enumerated in the act. There was no roll call upon this bill in the House. In the Senate the Democratic Party opposed its passage, and one-third of their number, all from the South, voted against it, while every Republican in the Senate voted for it. This law, like the first law, was immediately attacked in the courts in the Southern States, and the United States Supreme Court again held that it was not within the power of Congress to enact such a law.

DEMOCRATIC STATES WILL NOT PROTECT CHILDREN

It was argued both times by the Democrats in Congress that there was no need for a Federal child labor law, because all necessary legislation regulating the employment of children could be, and would be, enacted by the several States. The contradiction of this argument is found in the fact that none of the Democratic States in the "solid South" whose representatives made this argument have enacted necessary child labor legislation.

The records show that only 13 States have child labor laws which measure up in every particular to the standards established by the two Federal laws that were declared unconstitutional. These States are: Alabama—the only "solid South" State in the list—Connecticut, Illinois, Indiana, Kansas, Kentucky, New York, Ohio, Oklahoma, Oregon, Tennessee, West Virginia, and Wisconsin. In addition, the following five States have child labor laws which measure up to the Federal standards except in regard to employment in mines or quarries: Massachusetts, Minnesota, Montana, New Jersey, and North Dakota; none of which States, with the exception of Montana, have any mines or quarries to such an extent as to make the absence of this provision injurious to the childhood of the State.

Notwithstanding the protest of the Democrats from the "solid South" that States could be depended upon to enact any needful child labor legislation, the records show that since the Federal child labor law has been declared unconstitutional only eight States have enacted legislation raising the standard of their child labor laws. These States are: Delaware, Maine, Michigan, Missouri, North Dakota, Rhode Island, South Dakota, and Wyoming.

"SOLID SOUTH" HOME OF CHILD-LABOR EVIL

It is in the "solid South," where the legislatures are solidly Democratic, that legislation stopping the exploitation of child labor is most needed. While child labor is not confined to any section of the country, it is at its worst in the solid Democratic Southern States. In Tennessee, according to United States census reports, 17 per cent of the total child population is employed contrary to standards fixed by the Government regulating child labor; in Arkansas, 19 per cent; in Georgia, 21 per cent; in Alabama and South Carolina, 24 per cent; and in Mississippi, 26 per cent. In Northern States the percentage is much lower, and in the Pacific Coast States only 3 per cent of the total child population is employed in what is classified as gainful labor. The refusal of the Democratic "solid South" to prohibit or regulate child labor, and its increasing output of manufactured goods produced by child labor at pitiful cost, began to seriously affect northern industries in Republican States which had humane laws prohibiting the employment of children in factories. This situation made it necessary for Congress to amend the Constitution so that it might have the power to regulate or to prohibit child labor.

Congress was petitioned by six Republican legislatures—Massachusetts, California, Nevada, North Dakota, Washington, and Wisconsin—and a long list of national organizations representing organized labor, churches, women, teachers, social and religious bodies, and the Republican National Committee, to propose such an amendment to the Constitution. In conformity with this request a joint resolution was introduced by Representative FOSTER, Republican, of Ohio, in the House, and Senator SHORTRIDGE, Republican, of California, in the Senate. The resolution proposing the amendment passed both Houses, and the amendment—the twentieth to the Constitution—giving Congress power to regulate or to prohibit child labor is now before the several States of the Union for their ratification.

GREATEST WELFARE MEASURE OF CENTURY

What the women of the country characterize as "the greatest welfare measure of the past decade" is the maternity and infancy act which the Sixty-seventh Congress, Republican, enacted in November, 1921. Compelling reasons for this were disclosed by the investigations of the Children's Bureau, established under President Taft's administration. These investigations showed an unnecessarily, and therefore disgracefully, high death rate among mothers and infants. Approximately 250,000 babies were dying annually during the first year of their life and 20,000 women were dying in childbirth. The United States had the highest maternal death rate of any civilized nation in the world, and its infant death rate was higher than that of nine foreign nations. In passing the maternity and infancy act the Republican administration merely recognized the importance of safeguarding the lives of mothers and children and of rendering cooperation with the States in promoting the health and hygiene of maternity and infancy. Forty States have accepted the provisions of this act. As a result of this act 33 of the States have increased their appropriations over the amount which they formerly expended for this purpose.

Turning for a moment to State legislation, we find that 27 Republican States have laws prohibiting children under certain ages from working in certain industries; only 13 Democratic States have such prohibition. Twenty-four Republican States prohibit such working in certain industries over eight hours a day; only 6 Democratic States have such prohibition. Thirty Republican States prohibit night work in industries by children; only 10 Democratic States make such prohibition.

REPUBLICAN PARTY SPONSOR OF EDUCATION

The child and the school are intimately associated. The child's future is largely determined by his schooling. A State's literacy is an index to its school system. Twenty-seven Republican States have compulsory school attendance during the entire school year; only seven Democratic States have such a law. Twenty-one Republican States provide for evening and continuation schools; one Democratic State makes such a provision.

Among all the States the least illiteracy is in the solid Republican State of Iowa. Among all the States the greatest illiteracy is in the solid Democratic State of Louisiana. Only six Democratic States have less than 12 per cent illiteracy. Only two Republican States have illiteracy as high as 12 per cent. Sixty-four per cent of the Republican States have less than 5 per cent illiteracy. Sixty-four per cent of the Democratic States have more than 12 per cent illiteracy.

The striking contrast between the records of northern Republican and Democratic "solid South" States relative to legislation protecting women and children in industry can be duplicated in practically every kind of industrial legislation. The northern Republican States are a generation ahead of the Southern States in legislation affecting the health and safety of employees—such as the prohibition of sweatshops, the necessity of having fire escapes on factories, the prohibition of insanitary rest rooms, minimum wage laws, workmen's compensation laws, mothers' pension laws, and so on through the long list of industrial legislation which has for its object the improvement of the working conditions and the protection of their life, limb, health, and morals.

DEMOCRATIC SOUTH REGARDS LABOR AS MENIAL

This is the logical and inevitable result of the two different viewpoints of the North and the South toward manual labor. Dating from the days of human slavery, when all labor in the South was regarded as menial and degrading, the Southern States have been reluctant to recognize the human rights of the working classes. This reluctance is accentuated because of the additional fact that the bulk of labor is done by the negro, whom the Democratic "solid South" does not regard as entitled to any rights. On the other hand, the North, from the days of the agitation against slavery, has been the citadel and the hope of free labor; labor that was given not only its right but was accorded honor.

The northern industrial States have been developed by free labor. For that reason the northern Republican States lead in the matter of all legislation looking to the upliftment of working conditions, the improvement of industrial standards, and the protection of those who earn their living in the sweat of their brow.

The Democratic Party offers no hope to the wage earners of America. Its traditional policy, that of free trade, has been proved over and over to be the worst economic enemy American wage earners have. In the "solid South," where the Democrats literally hold every office, where they constitute 100 per cent of the legislatures which write the laws, 100 per cent of the judiciary which interprets the laws, and 100 per cent of the executives who administer the laws, wages are low, hours of labor are long, vicious contract-labor systems amounting to peonage and human slavery exist, little children are exploited, women are worked like beasts of burden, conditions surrounding labor are deplorable, the school system is choked and stunted in order to extract from children every possible hour for work, and Federal laws prohibiting these conditions are challenged in the courts.

NO HOPE FOR LABOR IN SOUTH-RIDDEN DEMOCRACY

A stream can not rise higher than its source. What sort of Federal legislation could be expected in behalf of labor from a party which owes not only its strength but its majority to that section of the country? If the Democratic Party really believes in better working conditions for wage earners, if it really believes in better living and educational facilities for children, if it really believes in improvement in the industrial and social world, why have not the solid Democratic States written these reforms into their statute books and put them into effect in their own Commonwealths? The plain truth is that the "solid South" is against these reforms in the industrial world. Their laws prove it. The conditions within their States prove it. The attitude of their representatives in Congress who fought the Children's Bureau, the child labor law, the Women's Bureau, and other labor legislation proves it.

Yet the "solid South" is the heart, the bone, and sinew of National Democracy. The Democratic Party could not make a respectable showing were it not for the "solid South." Out of the 266 electoral votes necessary to elect a Democratic President 157 come from the "solid South." It starts with 157 electoral votes sure in every election. It has that much handicap over the Republican Party. It has this handicap because, primarily, it disfranchises the bulk of its laboring people, because it insists upon the perpetuation of the rule of the aristocrat who looks upon labor as degrading. Whenever the Democratic Party controls Congress the Democrats from the "solid South" control every committee and furnish a majority of the Democratic votes in both branches. So that no matter what pleasant promises are made in the Democratic national platform to catch the labor vote, it must be kept in mind that these promises can never be redeemed by a Democratic Congress, because the votes to redeem them must come from States which are inherently, traditionally, and constitutionally opposed to recognizing the fundamental rights of the working man.

PRESIDENT COOLIDGE POSSESSES UNEQUALED LABOR RECORD

On the contrary, the Republican Party is presenting to the wage earners of the United States as a candidate for the Presidency a man whose record in behalf of the wage earner equals, if not indeed surpasses, the record of any man who has ever offered himself for the consideration of the American electorate.

President Coolidge accepted his nomination for the Vice Presidency from the Governorship of Massachusetts. Massachusetts was the first industrial State in the United States to enact legislation which prevents the employment of women and children for more than 48 hours in any one week; Governor Coolidge was more responsible for this than any other man. After the act was passed by the legislature the associated industries of the State, which had fought the bill at every step, sent a committee of some 25 or 30 to the Governor and endeavored to have the bill vetoed or sent back to the legislature to have the work week lengthened. This he declined to do. Later, referring to his act in signing the bill, he stated that he would rather be known as the governor who signed the 48-hour bill for women and children than to be known as the governor during the police strike.

For more than 50 years the textile workers fought for the passage of a weavers' specification bill which would require textile mill owners to furnish a price list for specified work done by the weavers. Each year the bill would pass the house but would be defeated in the senate. Finally, through the assistance labor received from Governor Coolidge, this legislation was adopted and signed by him.

Significant also of his record for improving conditions of workingmen is a letter written to Governor Coolidge on July 30, 1919, by John Golden, general president of the United Textile Workers of America, in which he tendered the thanks of that organization for his influence upon the textile manufacturers of New England "which," John Golden said, "greatly assisted the bringing about of the successful termination of our request for a 15 per cent increase in wages."

BROTHERHOOD OF TRAINMEN PRAISE COOLIDGE

As another instance I quote the following resolutions unanimously adopted by the convention of the Brotherhood of Railway Trainmen:

Whereas the Hon. Calvin Coolidge, Governor of Massachusetts, has by his acts as a representative of the people of the great Commonwealth of Massachusetts demonstrated on all occasions his fairness and given his support to all legislation favorable to the laboring people of the State: Therefore be it

*Resolved by the second triennial convention of the Brotherhood of Railway Trainmen,* That the thanks of the brotherhood be extended Governor Coolidge for his stand in behalf of the railroad men in matters of legislation while in the house of representatives, the senate, and as chief executive of the State; and be it further

*Resolved,* That the president and the general secretary and treasurer be, and are hereby, instructed to communicate a copy of this resolution to Governor Coolidge, with the best wishes for future success.

As a member of the Massachusetts State Legislature, Calvin Coolidge identified himself as actively favoring a number of measures for the benefit of workingmen. He supported the full crew bill and voted to pass it over the veto of the governor. He urged the adoption of a law which would require street railways to equip their cars with lifting jacks sufficiently heavy to lift a car from the tracks in case of accident. He urged the adoption of legislation which would require first-aid equipment in steam and electric cars and around railway and railroad yards. This legislation was finally adopted while he was governor, and his signature made the law effective.

He urged the passage of the absentee voting bill, a very beneficial piece of legislation for labor, particularly the laboring men who, because of necessity, are away from their homes on election day. This bill met defeat several times, but was finally adopted during President Coolidge's administration as governor.

While Governor of Massachusetts, Coolidge also aided in having adopted, and he as governor approved, among other humane legislation, the following, at the request of the workers:

Bill providing for two-platoon system for firemen in such cities and towns as accepted the act. (This system, as a result of this act, exists in every city and almost every town in Massachusetts at present.)

Bill requiring posting of decrees of minimum wage commission by employers affected. (This bill helps to safeguard the interests of women and children in industry.) This bill was opposed by employers.

Bill empowering insurance commissioner to require insurance companies doing business under workmen's compensation act to deposit with the State treasurer sufficient cash to meet outstanding obligations, thus protecting the interests of the disabled and their dependents.

Bill providing all laborers, workmen, and mechanics in the employ of the State with an annual vacation of not less than two weeks. (Bill had been rejected several years.)

Bill increasing the maximum payment under workmen's compensation law from $14 to $16.

COOLIDGE'S MATCHLESS RECORD OF THINGS DONE FOR LABOR

The Illinois Labor News, a newspaper printed in the interests of organized labor in Chicago, thus epitomizes the activities of President Coolidge in behalf of labor and labor interests:

During his career as a member of the Massachusetts State government he supported the following bills:

Antimonopoly bill.
Injunction modification bill.
Antidiscrimination bill.
Direct senatorial election.
Woman's suffrage.
Honest small coal sales.
One day's rest in seven.
Improved working conditions, women and children.
Factory surgical equipment.
Pensions, widows and children of firemen.
Teachers' pensions.
Playgrounds.
Low fares, workingmen and children.
Full train crew bill.
Improved milk situation.
Forty-eight hour bill, women and children.
Eliminating profiteering in rents.
Preference to veterans.
Employment for veterans.
Revision of banking laws.
Barbers' license bill.
Eight-hour day for women.

Each and every one of these measures had the unqualified support of labor.

I also wish to quote from a letter written by the national legislative department of the Brotherhood of Railroad Trainmen December 18, last, to the chairman of the Illinois State legislative board of the same brotherhood:

COOLIDGE CLEAN AS HOUND'S TOOTH

In requesting your views concerning Mr. Coolidge, it is only proper that I state to you the results of investigations I have made in regard to his labor record while acting as State senator and Governor of the State of Massachusetts. In making this investigation I consulted a former representative of our brotherhood, whose judgment is splendid, and who is as free from bias as it is humanly possible to be, and quote herewith from him as follows:

"During 1912–13 Mr. Coolidge was a member of the Massachusetts Senate and a member of the committee on railroads. There was before the legislature this session some legislation of concern to railway wage earners. President Lee sent me to assist, and under the legislative regulations I was required to register as counselor for the brotherhood. When Mr. Coolidge was approached to state what his attitude would be in the senate on our legislation, he considered the matter for a day or two, and then gave his word that he would support our measures. I can assure you he kept his word, either on a 'yea' and 'nay' or a roll call. Later, when the activity of the railroad lobby was investigated, he was found as clean as a hound's tooth.

"There are two States in the United States which have a real statute for protecting women and children in their limited hours of service, which shall be given in specified periods of the 24-hour day—one is Massachusetts and the other is California. Mr. Coolidge is the first Governor of Massachusetts who approved such a law when it came before him for action, irrespective of the powerful influence of the textile interest, although some of his predecessors had similar opportunity."

TRUTH ABOUT POLICE STRIKE

This same representative of the brotherhood, after having investigated the police strike in Boston, which occurred when Mr. Coolidge was governor of the State, makes the following statement in regard to that matter:

"(1) The law specifically provides that the duties in general of the police commissioner of Boston rests solely upon him; therefore the position is that of a single-handed commissioner.

"(2) The police commissioner can not divide the responsibilities of his office with any other officer of the Commonwealth, not even the governor, and the latter, under the law, can not usurp any of these duties until such time as the emergency indicates a crisis at variance with the adequate protection of the public, as the results of the destruction of discipline, involving disorganization.

"(3) The crisis had developed prior to any action on the part of Governor Coolidge, as witness the acts of the lawless element at the time, and then the latter only sent in the State troops when it was evident that the local militia used by Mayor Peters

with what policemen remained on duty, failed to cope with the situation, with the sanctity of womanhood and the homes of citizens in evident peril.

"(4) The issue was not raised in the State campaign which followed by anybody except Mr. Richard H. Long, the opponent of Governor Coolidge, resulting in the reelection of the latter by an overwhelming majority."

This same member of the brotherhood in summing up his estimate of the action by Governor Coolidge said:

"If there was any particular section of the public which received a greater benefit than another in the action of Mr. Coolidge in the Boston police strike it was the legitimate and regular field of industrial labor unionism."

Other investigations disclose the fact that Mr. Coolidge stood squarely behind minimum wages for women in industry and other measures of importance and that he has been especially friendly to labor; in particular he has supported the railroad men in their endeavor at all times. While he has not had opportunity to demonstrate as yet fully what his attitude will be in a national way, his record in his State, both as a senator and governor, proves his attitude in favor of labor.

AMERICA'S FORTUNATE WORKINGMEN

If one were asked to define what distinguishes the United States from all other nations and sets her above all other nations, the answer would be the superior condition of our working people. The tides of immigration have brought millions of wage earners to our country, attracted by the higher standard of living and better wages than prevailed in their home country. This better living and higher wages which elevates American working people above the working people of any other and all other countries is largely due to the Republican policy of protective tariff.

America's industrial development has taken place during the last 60 years. With few exceptions of brief duration, the United States during those 60 years has been under a protective tariff. It is doubly significant that the years of those exceptions were marked by industrial depression, hard times, and loss of foreign trade. The inevitable aftermath of every Democratic tariff has been closed factories, workingmen walking the streets, the establishment of soup houses, the activity of charitable organizations, the disappearance of savings from the banks, increased sickness and death rate among the working classes due to lack of proper nutrition and proper shelter, prostrated commercial interests because there are no customers, and depressed agriculture because the idle workingman must cut down on his food and does do so.

On the other hand, there has never been a protective tariff that closed a factory or threw a workingman out of a job. There has never been a protective tariff that did not bring good times to all branches of industry and business, to all sections of the United States, and to all classes of citizens. There has never been a protective tariff that did not increase the foreign trade of the United States. There has never been a protective tariff that did not build up, improve, and prosper not only the workingman but all American people and the American Nation.

TARIFF NOT CLASS LEGISLATION

It is charged by those opposed to the principle of protective tariff that it is class legislation. Nothing is further from the truth. The benefits flowing from a protective tariff are enjoyed by capital and labor, by agriculture and industry, by business and finance. It stimulates industrial production and benefits every wage earner by giving him steady and profitable employment. It benefits every enterprise selling raw material or supplies to industrial concerns. It benefits every commercial interest which sells goods consumed by wage earners. It benefits agriculture, which produces foodstuffs for the wage earner.

The Fordney-McCumber tariff, enacted by the Republican Sixty-seventh Congress, going into effect September 21, 1922, has fulfilled all the promises made for it by its Republican supporters and failed to justify any of the direful predictions made by its Democratic opponents. One of the assertions made by the Democrats was that the Fordney-McCumber tariff would erect a "Chinese wall" around the United States which would prevent other nations selling us goods and would also prevent our selling other nations goods. The absurdity of this claim is clearly proved by the import and export figures issued by the United States Bureau of Foreign Commerce.

FOREIGN TRADE INCREASES UNDER TARIFF

The accompanying tabulations and comparisons show that since the Fordney-McCumber tariff went into effect other nations have sold us more goods and we, in turn, have sold them more goods than under the Underwood tariff for comparable periods. The tables compare imports and exports under the Fordney-McCumber tariff with the imports and exports for the same months under the Underwood tariff for two periods, the first period covering the months from the enactment of the Underwood tariff to the outbreak of the European war, the second period covering the operations of the Underwood tariff for 12 months immediately preceding the Fordney-McCumber tariff. The comparison is made all the easier for the reason that the Underwood Act and the Fordney-McCumber Act both went into effect at approximately the same time of the year—the Underwood Act became effective October 3, 1913, and the Fordney-McCumber Act became effective September 21, 1922.

*Comparison of imports under Fordney-McCumber Act with imports under Underwood Act for years and months indicated*

UNDERWOOD ACT

(October, 1913–June, 1914)

| | |
|---|---|
| 1913: | |
| October | $132,949,302 |
| November | 148,236,536 |
| December | 184,025,571 |
| 1914: | |
| January | 154,742,923 |
| February | 148,044,776 |
| March | 182,555,304 |
| April | 173,762,114 |
| May | 164,281,515 |
| June | 157,529,450 |
| Total | 1,446,127,491 |

(October, 1921–September, 1922)

| | |
|---|---|
| 1921: | |
| October | 188,007,629 |
| November | 210,948,036 |
| December | 237,495,505 |
| 1922: | |
| January | 217,185,396 |
| February | 215,743,282 |
| March | 256,177,796 |
| April | 217,023,142 |
| May | 252,817,254 |
| June | 260,460,888 |
| July | 251,771,881 |
| August | 281,376,403 |
| September | 298,493,403 |
| Total | 2,887,500,625 |

FORDNEY ACT

(October, 1922–September, 1923)

| | |
|---|---|
| 1922: | |
| October | 276,103,979 |
| November | 291,804,826 |
| December | 293,788,573 |
| 1923: | |
| January | 329,523,664 |
| February | 303,412,419 |
| March | 397,928,382 |
| April | 364,252,544 |
| May | 372,544,578 |
| June | 320,233,799 |
| July | 287,433,769 |
| August | 275,437,993 |
| September | 253,645,380 |
| Total | 3,766,109,906 |

NOTE: The total imports from October, 1922, to June, 1923, under the Fordney Act amounted to $2,949,592,764. For the corresponding months in 1913 and 1914 of the pre-war period of operation of the Underwood Act, our imports were $1,446,127,491.

*Comparison of exports under Fordney-McCumber Act with exports under Underwood Act for years and months indicated*

UNDERWOOD ACT

(October, 1913–June, 1914)

| | |
|---|---|
| 1913: | |
| October | $271,861,464 |
| November | 245,539,042 |
| December | 233,195,628 |
| 1914: | |
| January | 204,066,603 |
| February | 173,920,145 |
| March | 187,499,234 |
| April | 162,552,570 |
| May | 161,732,619 |
| June | 157,072,044 |
| Total | 1,797,439,349 |

(October, 1921–September, 1922)

| | |
|---|---|
| 1921: | |
| October | 343,330,813 |
| November | 294,092,219 |
| December | 296,198,373 |
| 1922: | |
| January | 278,848,469 |
| February | 250,619,841 |
| March | 329,979,817 |
| April | 318,469,578 |
| May | 307,568,828 |
| June | 335,116,750 |
| July | 301,157,335 |
| August | 301,774,517 |
| September | 313,196,557 |
| Total | 3,670,353,099 |

FORDNEY ACT
(October, 1922–September, 1923)

| | |
|---|---|
| 1922: | |
| October | $370,718,593 |
| November | 379,999,622 |
| December | 344,327,560 |
| 1923: | |
| January | 335,416,506 |
| February | 306,957,419 |
| March | 341,376,664 |
| April | 325,492,175 |
| May | 316,359,470 |
| June | 319,956,953 |
| July | 302,186,027 |
| August | 310,965,891 |
| September | 381,433,570 |
| Total | 4,035,190,452 |

NOTE: Total amount of exports under the Fordney Act from October, 1922, to June, 1923, inclusive, was $3,040,604,964. The total amount of exports under the Underwood Act in the pre-war period from October, 1913, to June, 1914, inclusive, was $1,797,439,349.

For purposes of comparison on the basis of calendar years, it may be stated that during the calendar year 1923, during all of which period the Fordney-McCumber tariff was in effect, we bought from the world goods in the value of $3,789,000,000. In the calendar year 1921, during all of which period the Underwood tariff was in effect—barring a few schedules embraced in the farmers' emergency tariff—we bought from the world goods in the value of $2,509,000,000. In the calendar year 1913, the last pre-war year, when international trade was normal, we bought from the world goods in the value of $1,792,000,000. So that, in point of fact, other nations are selling us twice as much under the Fordney-McCumber tariff as they did in the pre-war year of 1913 and 50 per cent more than they did in the calendar year of 1921 under the Underwood tariff.

WE SELL MORE TO WORLD UNDER PROTECTION

The same relative condition exists in our export trade. During the calendar year 1923 we sold goods in the value of $4,165,000,000. It is not fair to compare the exports of that calendar year with any previous calendar year since the war, because during the interim between the armistice and 1923 Europe was producing a minimum and was buying an abnormally large amount from the United States. Naturally, therefore, our exports during 1919, 1920, and 1921 were abnormal, but in the calendar year 1913, when trade conditions throughout the world were normal, we exported goods only in the value of $2,484,000,000.

The history of our foreign trade, both imports and exports, under the Fordney-McCumber protective tariff is a repetition of what has happened to our foreign trade under every protective tariff. Instead of a protective tariff diminishing our foreign trade history shows the contrary to be true. Following the enactment of the McKinley law, and again of the Dingley law, there was an increase in both our exports and imports. The reason of this is very simple. Protection encourages American manufacturers to increase production and to become active in seeking markets for their increased output. This results in increased exports. On the other hand, our increased industrial activity calls for increased imports of goods to be used in manufacture. The prosperity of the people which follows industrial activity and prosperity makes them larger buyers of goods of all kinds and stimulates a demand for imported articles.

On the other hand, free trade closes our factories, which lessens our exports, and also so impoverishes our people that they have no money wherewith to buy imported articles.

The proof of these statements is found in the records of foreign trade issued by the Department of Commerce. These records show that under every protective tariff there has been a gradual increase in our exports.

PROTECTION ALWAYS INCREASES EXPORTS

The McKinley protective tariff law was enacted in 1890. The following is the official record of our exports during the years the McKinley tariff law was in force:

| | |
|---|---|
| 1891 | $884,480,810 |
| 1892 | 1,030,278,148 |
| 1893 | 847,665,194 |
| 1894 | 892,140,572 |

The Dingley protective tariff law was enacted in 1897. The following is the official record of our exports during the 11 years that tariff was in operation:

| | |
|---|---|
| 1898 | $1,231,482,330 |
| 1899 | 1,227,023,302 |
| 1900 | 1,394,483,082 |
| 1901 | 1,487,765,991 |
| 1902 | 1,381,719,401 |
| 1903 | 1,420,141,679 |
| 1904 | 1,460,827,271 |
| 1905 | 1,518,561,666 |
| 1906 | 1,743,864,500 |
| 1907 | 1,880,851,078 |
| 1908 | 1,860,773,346 |

The Payne-Aldrich protective tariff law was enacted in 1909. The following is the official record of our exports during the operation of that tariff act:

| | |
|---|---|
| 1909 | $1,663,011,104 |
| 1910 | 1,754,984,720 |
| 1911 | 2,049,320,199 |
| 1912 | 2,204,322,409 |
| 1913 | 2,465,884,149 |

These official figures conclusively prove the falsity of the propaganda that a protective tariff means a loss of our foreign markets. They are an absolute refutation of the free trade and importers' propaganda that unless we permit foreign producers to grab our markets we can not hope to sell abroad.

ALL NATIONS ENACT PROTECTIVE TARIFFS

Another free-trade argument, which may be accepted by those who are ignorant of the facts, is the assertion that the enactment of a protective tariff invites retaliation by other nations. This is untrue, particularly with the Fordney-McCumber Act, because the United States was the last great Nation to enact higher tariff rates following the World War. As everyone knows, the war left the majority of industrial nations practically bankrupt. The currency of those nations declined to a point where it was worth only a fraction of its par value. In some nations like Poland, Germany, and other central European countries currency declined to such a point that it was practically valueless. There were great industrial plants which had been used during the war for making munitions and ordnance and airplanes and other military and naval supplies. As rapidly as possible these plants were transformed into producing commercial commodities. It is stated that the great Krupp works of Germany are now producing over 100 different commercial articles to be sold in the markets of the world. In every European country the workingman was paid in depreciated currency. The costs of production of manufactured goods were thus lowered to a point that was only a fraction of cost of production before the war, when currency was worth par. This enabled the countries with the cheapest currency—and, therefore, the cheapest wage and the cheapest cost of production—to raid the markets of countries whose currency was not so debased. The result of this was that every nation had to erect tariff walls in self-defense.

EVEN ENGLAND GOES TO PROTECTION

One of the first to do this was the United Kingdom, which very aptly styled its tariff law of a flat 33⅓ per cent duty a national defense act. Other nations rapidly followed suit. The following is a brief chronology of tariff legislation the world around since the armistice, all of the nations listed having enacted tariffs prior to the enactment of the Fordney-McCumber Act, which clearly disproved the charge that that act would invite retaliation:

The United Kingdom (England, Scotland, Wales, and Ireland), October 1, 1921.
Australia, March 25, 1920; June 13, 1921.
British Dominion of New Zealand, November 3, 1921.
Dominion of Canada, June 4, 1921; September 1, 1921; October, 1921; still higher tariff law now pending before Canadian Parliament.
British Dominion, Union of South Africa, May 5, 1922.
British India, March 1, 1922.
Newfoundland, May 26, 1921.
British West Indies, including all the island, British Guiana and British Honduras, September 1, 1921.
The Barbadoes (British), July 1, 1921.
British Togoland (Africa), July 20, 1921.
Fiji Islands (British), November 11, 1921.
British Honduras, March 31, 1922.
Switzerland, May 24, 1921.
France, July 14, 1919; November 7, 1919; March 20, 1921.
Italy, July 1, 1921.
Czechoslovakia, March 19, 1920; August 6, 1921.
Yugoslavia, July 10, 1921.
Poland, August 11, 1921.
Ecuador, September 25, 1921.
Argentina, July 6, 1920.
Chile, February 23, 1921.
Peru, December 29, 1921.
Belgium, June 10, 1920; March 31, 1921; November 7, 1921; February 6, 1922.
Finland, January 1, 1922.
Mexico, January 1, 1922.
Sweden, June, 1921; March 27, 1922.
Denmark, November 26, 1921.
Hungary, November 23, 1921.
Spain, February 16, 1921.

Rumania, July, 1921.
Bulgaria, April 1, 1922.
Austria, July 16, 1921.
Japan, March 30, 1922.

BEING OUT OF JOB HIGHEST COST OF LIVING

The companion piece of free-trade fiction to the argument that protective tariff destroys our foreign markets is the argument that protective tariff increases the cost of living. This is a charge which can not be substantiated. The cost of living is determined neither by the income solely nor the outgo solely, but by the amount of money left in the pay envelope after all the expenses of the household have been met. Under a protective tariff this amount has always been greater than the amount under free trade. There can not possibly be any higher cost of living than that of being out of a job. It little matters to the workingman how cheaply he may buy commodities if he has no money wherewith to buy. President Harding in his first message to Congress assembled in special session April, 1921, touched upon this point, saying:

One who values American prosperity and maintained standards of wage and living can have no sympathy with the proposal that easy entry and the flood of imports will cheapen our cost of living. It is more likely to destroy our capacity to buy.

The proof that protective tariff does not increase the cost of living is furnished in the record of savings banks during the periods, respectively, of free trade and protective tariff. Deposits in savings banks increase under a protective tariff. They decrease under free trade. This clearly shows that under a protective tariff the workingman is able to live and to lay by something, while under free trade he must draw upon his savings in order to keep starvation from the door.

WHOLESALE PRICES DECLINE UNDER PROTECTIVE TARIFF

The Fordney-McCumber tariff furnished apt illustrations of the falsity of the argument that such a tariff increases the cost of living. The tariff became effective in September, 1922. The United States Department of Labor periodically issues a report on the average wholesale price of over 400 standard commodities, including the general classifications of farm products, foods of all kinds; metals and metal products; clothing of all kinds—children's, men's, and women's—including boots and shoes; all kinds of cotton textile, hosiery, sheeting, thread, yarn; all kinds of woolen goods and silk; coal, coke, gasoline, petroleum; building materials of all kinds, including lumber, brick, cement, gravel, tiling, roofing, glass, paints, copper, and so forth; chemicals and drugs; all kinds of household furnishing goods; and a list of miscellaneous articles, such as cattle feed, leather goods, rope, rubber, soap, starch, tobacco, and so forth.

The report of the United States Department of Labor showed that the average price of these 400 standard commodities was lower in September, 1923, a year after the Fordney-McCumber tariff had been in operation, than it was in September, 1922, when the law became effective. Each successive report of the United States Bureau of Labor Statistics shows decrease in the average wholesale prices of these 400 commodities.

In other words, wholesale prices of manufactured goods have steadily decreased since the Fordney-McCumber tariff became a law. This conclusively proves the tariff is not responsible for any increase in prices which may have taken place since it became a law. The only force there is to the Democratic argument that a tariff increases prices is the implied charge that American manufacturers protected by a tariff take advantage of it to boost prices and rob the consumer. But the American manufacturer sells to the wholesaler and the jobber, and if the manufacturer boosts prices the first place this would be in evidence would be in the wholesale price. The fact that wholesale prices have decreased since the Fordney-McCumber tariff clearly exonerates the American manufacturer from taking unfair advantage of the tariff to boost his prices and clearly disproves the charge that any increase in price to the consumer is attributable to the tariff.

INCREASE IN LIVING COST ON ARTICLES ADMITTED FREE

This is disproved in another manner. Two of the most important items of expenditure in the ordinary household are fuel and rent. These two items have increased more in the last year than all other household expenses, yet all fuel and fuel substitutes are on the free list, therefore the tariff can not be charged with any increase in the price of fuel. The following building material is on the free list: Building brick, cement, stone, shingles, timber of all kinds used for building purposes. Therefore, rents, in so far as they are attributable to those cost of building material, can not be said to have increased because of the tariff. Another large item of household expenditure is that of furniture, but the fact that all timber and lumber of all kinds which is used in the manuture of furniture is on the free list eliminates the charge that the high cost of furniture can be attributed in any way to the tariff. Boots and shoes and all other articles made from leather are on the free list. Therefore, any increase in the cost of these articles can not be charged to the tariff. Any increase in the cost of clothing can not be charged to the tariff. Wool is protected, yet the cost of woolen textiles to the jobber and wholesaler has not increased since the Fordney-McCumber tariff became effective. On February 1 the textile-trade publications made the following official announcement:

The opening of initial lines of goods by the American Woolen Co.—the largest clothing textile manufacturers in the United States—at prices substantially on a par with prices a year ago has been a matter of surprise to most of the trade.

On February 7, this year, the textile-trade publications contained the statement that the American Woolen Co. at its initial openings quoted standard serges at $2.67½, the same as a year ago, and compared with $2.87½ for the price of similar lines opened in the fall of 1923. This price is quoted in the face of an advance of 12½ per cent in wages.

HARD FOR DEMOCRATS TO EXPLAIN THIS FACT

On the other hand, the price of cotton goods is from 25 to 30 per cent higher now than a year ago, but cotton is on the free list. It is going to be very embarrassing for our Democratic and free-trade orators in the coming campaign to reconcile their arguments with the fact that manufacturers' prices of woolen goods made from material highly protected have not increased, while cotton goods, made from material on the free list, have increased 30 per cent.

It is being alleged by Democratic newspapers and speakers that the Fordney-McCumber tariff bill has so boosted prices as to bring about a buyers' strike. This assertion has repeatedly appeared in Democratic National Committee literature, in literature put out by the so-called Fair Tariff League, and has been repeated on the floor of both the House and the Senate within the last few months.

The commercial agencies of Dun and Bradstreet, the Federal reserve bank, and the newspaper columns are all authority for the statement that the year 1923 was the greatest year ever known in the history of American retail business. The mail-order houses showed the greatest sales in their history, and on the whole their sales were 28 per cent greater than in 1922.

The department stores of Boston, New York, Chicago, Kansas City, St. Louis, Pittsburgh, Philadelphia, all reported the largest business in their history, showing the year 1923 to have been from 12 per cent to 22 per cent greater than 1922.

The 5 and 10 cent stores show their sales for 1923 to have been 18 per cent greater than in 1922.

Chain stores show their business in 1923 to have been on the average 27 per cent greater than in 1922. A report of business done by chain stores for the first three months this year shows they have increased their business over the corresponding months last year by about 10 per cent.

The National Cloak & Suit Co., which does the largest business of its kind of any group of concerns in the United States, shows its business for 1923 to have been 23 per cent greater than 1922.

Without exception the several Federal reserve bank districts report retail business for 1923 in their respective territory to have been greater than 1922.

"BUNK" ABOUT THE FARMERS' FOREIGN MARKET

The greatest piece of political "bunk" of modern times is the Democratic free-traders' reiteration that the prosperity of the American farmer is dependent upon his "foreign markets," coupled with the assertion that a protective tariff "isolates" the United States and causes the American farmer to lose his foreign markets. In point of fact neither the prices of American farm products nor the prosperity of American agriculture is dependent upon farm exports. This is not a statement of an opinion, but a statement of fact based upon official records.

The most exhaustive and accurate survey which has ever been made of agricultural interests of this country is that completed by the joint commission of agricultural inquiry, a commission composed of 10 Members of the United States Congress representing both political parties and States with large agricultural affairs. The work of this commission was absolutely nonpartisan. Its whole purpose was to collect, digest, compile,

and present in an understandable form all data relative to the agricultural industry and its relation to other industry.

The first section of the report of this commission is devoted largely to the discussion of the relation between farm prices, domestic consumption, exports, and imports. The research of the commission extended back to 1890, and tables are presented covering 30 years from that year which substantiate every conclusion reached by the commission.

FARM PRICES NOT DEPENDENT ON EXPORTS

The commission's report emphasizes over and over, and the tables bear out its conclusion, that the prices of farm products bear a very intimate relation to the domestic consumption of those products, and on the other hand are affected scarcely at all by exports. For example, wheat. The report states:

The price of wheat has not borne a very consistent relation to exports. The greatest rise in the price of wheat did not take place until 1917, during which year exports of wheat were relatively low.

In connection with the table showing production of wheat together with export of wheat, per capita domestic consumption, and prices covering the period of 30 years, the report says:

It is notable that per capita consumption of wheat has shown a marked tendency to decrease in periods of industrial depression, such as existed in the period of 1893 to 1896, and during the latter part of 1920. * * * The table seems to indicate that domestic consumption is probably the largest factor in determining the price.

In general the price of wheat has decreased in years of low domestic consumption and increased in periods of high consumption. * * *

Perhaps the most notable fact shown by this table is the tremendous drop in the price of wheat during 1920, notwithstanding an increase in exports. It seems that this drop can be attributed almost wholly to the falling off of domestic consumption which in 1920 was only 4.6 bushels per capita, and the beginning and continuance of industrial depression.

Upon the subject of meat products the report states in connection with voluminous tables to prove its conclusion:

The consumption of beef bears a very close relation to urban employment or unemployment and declines rapidly in periods of industrial depression.

HOME MARKET IS FARMERS' NEED

The conclusions set forth in this report are the same which have been reached by all students of economics. No less an authority upon prices and international trade than Secretary Hoover, of the Department of Commerce, emphasizes the fact that the hope of the American farmer for prosperity and profitable prices rests in his home market rather than in foreign markets. Secretary Hoover voiced this sentiment most emphatically in a statement before the Interstate Commerce Commission relative to the policy of rehabilitation of the transportation system. Secretary Hoover in this connection said that a general program of construction needed by the transportation world would give employment to many thousands, enable them to increase their standards of living—

and thus give increased market to the produce of our farms. Our farmers, who look to foreign markets for their surplus, should stop to consider that our home consumption of meat decreased nearly 7 pounds per capita in 1921, mostly owing to unemployment. If this decrease could be overcome, it would be worth more than 35 per cent increase in exports. We talk glibly of giving credits to foreign countries to increase our farm exports, but I wish to state, with all responsibility for the statement, that a billion dollars spent upon American railways will give more employment to our people, more advance to our industries, and more assistance to our farmers than twice that sum expended outside the frontiers of the United States.

YEAR OF BIGGEST EXPORTS FARMERS WENT "BROKE"

Proof that the "foreign market" means comparatively little to the American farmer compared with his home market is furnished by his experience in the latter part of 1920 and during 1921. If there were anything to the argument that foreign markets mean prosperity to the farmer, he should have prospered in an unprecedented degree during that period. Exports of American farm products for the year 1921 were the greatest ever known in American history. The total exports of American grains—wheat, corn, rice, rye, barley, and oats—during the year 1921 were higher than any year prior to the World War. The export of wheat during the year 1921 was five times that of the five-year period, 1909–1913. The export of corn in 1921 was 129,000,000 bushels, against a five-year average of only 41,000,000 bushels for the pre-war period of 1909–1913. The exports of meat products in 1921 were 80 per cent greater than for the five-year period, 1909–1913. The exports of dairy products for 1921 were eleven times that of any year prior to the World War.

Yet in 1921 the American farmer went "dead broke" because of low prices.

The reason of this is found in the conditions which prevailed in his home market. During the period he was "dead broke" although he enjoyed the greatest quantity of agricultural exports ever known, there were over 5,000,000 American wage earners out of a job. Their buying power was stopped. They had to economize in their consumption of food. That was the cause of the low prices of American farm products during that year. The case was accurately stated by Milo D. Campbell, president of the National Milk Producers' Association, who said:

When millions of factory employees are idle they wear old clothes and fill their stomachs with roughage. The big thing that should interest the farmer is a market where buyers have enough money to pay him a fair price for his products—and that market is right here at home. Unless we have a protective tariff there will be no work for the factories, no employment for the workingman, and no market for the farmer.

COTTON MARKET CONTRADICTS FREE TRADERS

Democratic free traders who argue that foreign markets are essential to good prices for American farm products find their argument completely riddled by the cotton market. We are exporting less cotton than during the pre-war period, but the price of cotton to-day is over double what it was during the pre-war period. During the year ended May 15, 1914, we exported 8,557,148 bales of cotton and the average price of cotton during that year was 12 cents. During the year ended May 16, 1924, we exported only 5,217,458 bales of cotton, but the average price of cotton throughout that period was above 20 cents.

Take another illustration, that of hogs and exports of pork. Our exports of fresh pork in 1922 amounted to 27,000,000 pounds; ham and shoulders, 389,000,000 pounds; bacon, 341,000,000 pounds; and the average price of hogs on the Chicago market for that year was $9.22. Our exports of pork products in 1923 were double that for 1922 and many times the pork exports during the pre-war period, but every farmer who sells hogs knows that prices for hogs slumped in 1923. Notwithstanding our pork exports are maintaining their increase, the price of hogs to-day on the Chicago market is $2 lower than the average for 1922.

These illustrations could be multiplied to show that there is absolutely no relation between the quantity of exports of farm products and prices for farm products.

AMERICA'S "ISOLATION"

Furthermore, there is even less truth in the Democratic argument that under protective tariff the United States has become isolated to the extent that the world no longer is able to sell to us, and we therefore are no longer able to sell to the world. Our imports—or what the world sold to us—for the calendar year 1923, all of which was under the Fordney-McCumber tariff, amounted to $3,788,882,215. This is practically twice our imports of any year of the pre-war five-year period. Tabulated it is as follows:

*Total imports*

| | |
|---|---|
| 1923 (calendar year) | $3,788,882,215 |
| 1914 (fiscal year ending June 30) | 1,893,925,657 |
| 1913 (fiscal year ending June 30) | 1,813,008,234 |
| 1912 (fiscal year ending June 30) | 1,653,264,934 |
| 1911 (fiscal year ending June 30) | 1,527,226,105 |
| 1910 (fiscal year ending June 30) | 1,556,947,430 |

From these figures it is apparent that the world is selling us twice as much under our protective tariff as it did in normal times prior to the World War.

There is a lot of loose uninformed talk about its being necessary for a change in our foreign and domestic policy in order to relieve the farmer by "restoring" his foreign markets. Just what is meant by restoring the farmer's foreign markets? He is enjoying greater export trade to-day than he did at any period prior to the outbreak of the World War when conditions were normal and his foreign markets were normal. That fact is abundantly proved by figures taken from the United States Bureau of Foreign Commerce and the United States Department of Agriculture. The following is a table showing a comparison of the quantity of exports of leading agricultural products for the five-year period immediately preceding the World War and for the calendar year 1923. The figures for the five-year period are taken from the Yearbook of the United States Department of Agriculture for the year 1922; the figures for the calendar year 1923 are taken from the report of the United States Bureau of Foreign Commerce.

*Agricultural exports by quantity for periods indicated*

| | Annual average 5-year period 1910-1914, fiscal years ending June 30 | 1923, calendar year ending Dec. 31 |
|---|---|---|
| Wheat (bushels) | 59,913,228 | 98,524,405 |
| Wheat flour (barrels) | 10,678,635 | 16,309,856 |
| Oats (bushels) | 8,304,203 | 3,226,764 |
| Rye (bushels) | 854,765 | 30,856,189 |
| Barley (bushels) | 7,895,521 | 11,983,177 |
| Corn (bushels) | 39,809,690 | 42,187,732 |
| Dairy products (pounds) | 24,967,357 | 310,878,573 |
| Fresh beef (pounds) | 29,452,302 | 3,385,978 |
| Fresh pork (pounds) | 2,023,911 | 54,691,196 |
| Bacon (pounds) | 182,474,092 | 456,797,497 |
| Hams and shoulders (pounds) | 166,813,134 | 372,092,656 |
| Lards (pounds) | 474,354,914 | 1,035,381,571 |

Expressed in another form the contrast is still more striking. The following table gives the valuation of all kinds of agricultural exports for the periods indicated, the figures in this table being taken from the reports of the United States Bureau of Foreign Trade:

*Valuation of all exports of foodstuffs, prepared and unprepared, for periods indicated*

| | |
|---|---|
| 1909 | $438,248,000 |
| 1910 | 369,088,000 |
| 1911 | 385,419,000 |
| 1912 | 418,737,000 |
| 1913 | 503,111,000 |
| 1923 | 840,844,000 |

These tables clearly show that as compared with pre-war normal peace conditions the American farmer to-day is exporting tremendously in excess of that period. Of course, he is not exporting in the quantity he did during the years immediately following the armistice. During those first two or three years agriculture in Europe was at its lowest ebb and the necessity of importing foodstuffs pushed American agricultural exports to their peak. The year 1921 was the banner year for agricultural exports. It was also the year of the American farmer's nearest approach to absolute bankruptcy because of low prices, which proves incidentally that he can not find prosperity in foreign markets.

EUROPEAN MARKET GONE FOREVER FOR OUR FARMERS

The more nearly Europe recovers and approaches a normal productive basis the less foodstuffs Europe will import. Even though this were not true, the agricultural producer in the United States can never again hope to sell to Europe the quantities he sold following the World War. This is due to the fact that agricultural competitive countries are underselling farm producers in the markets of the world. Argentine, Australia, New Zealand, Russia, British India, Canada, and other agricultural producing countries have cheaper land, cheaper transportation, pay less wages for farm help, and are therefore enabled to undersell the American farmer with his high-priced land, high wages, high freight rates, and other high productive costs. In commenting upon this tendency the United States Department of Commerce, under date of January 28, 1924, said:

The decrease in grain exports (as compared with 1922) as a natural response to the increasing production of Europe, which is now almost back to pre-war production for most of the countries, and also is partly due to the fact that some of the newer producing countries with cheap land and production at low cost have been offering grain at lower prices than the United States exporters could meet. The latter situation is particularly due to the world-wide agricultural exploitation of virgin lands occasioned by the tremendous demands of the war reconstruction period.

In confirmation of this opinion a bulletin of the Foodstuffs Division of the Department of Commerce, under date of March 13, 1924, in discussing the grain trade in Europe states:

At Rotterdam, which is one of the important index markets for central Europe, the American grain has met very strong competition from both Argentine and Russia.

An Associated Press Dispatch of May 13, 1924, out of Berlin states:

American grain has been virtually driven out of the Baltic states and Finland through Russian competition and is rapidly disappearing from the Scandinavian, German, and Dutch markets before Russian grain.

BRITISH COMPETITION TO AMERICAN CATTLE BUSINESS

The above table of quantity exports shows striking decrease in the quantity of exports of fresh beef in 1923 as compared with the pre-war period. One reason for this is found in the fact that British interests have turned to the Argentine for their beef, because they can procure it there from one-half to one-third what they would have to pay in the United States.

An insight as to what is going on in that direction is furnished by a report made by our Government representatives in the Argentine. The largest cattle-buying, meat-packing, and warehousing system in South America, if not the world, is that of the Vestey group, composed of Lord William Vestey and British associates. This group owns ranches, packing plants, cold-storage warehouses in the Argentine, and ocean steamship lines plying between the Argentine and Europe. In England and on the continent it owns wholesale meat establishments, and in the United Kingdom it owns and operates more than 2,500 retail meat shops. This is the kind of competition which the American livestock interests and the American packing interests are meeting in Europe since the war. It is hopeless to expect that in the face of this the American livestock interests can hold their foreign trade.

A bulletin issued by the Department of Agriculture in the month of March sets forth the fact that Argentina is duplicating in her production and exportation of corn her record in the production and exportation of beef and wheat. The bulletin stated that Argentina is now the world's leading corn exporter and as such has become the most important competitor of the United States in world markets. According to the bulletin "exports of corn from Argentina have averaged 132,000,000 bushels annually in the three-year period 1920–1922, as compared with 116,000,000 bushels from the United States. Argentine exports average 71 per cent of its crop." This tremendously high percentage of exportation compared to the total crop is due to the fact that Argentina is sparsely settled and can consume but a comparatively small amount of its tremendous production. This also is true of other agricultural producing countries which are competitors of the United States.

HOPE OF AMERICAN FARMER IS HIS HOME MARKET

From all this it is perfectly clear that there is no such a thing as the "restoration" of the American farmer's foreign market.

The hope of the American farmer is in his home market, with the well-paid, constantly employed wage earner for his customer. He can not expect in any circumstances under peaceful conditions to compete in Europe for European markets with the products raised by the Russian moujik and the peasants of southeastern Europe. He can not hope to compete in the European markets with the products of South America raised on vast tracts of cheap land with cheap labor, shipped to Europe by European-owned steamship lines, and laid down at European ports for less money than it costs him to lay down his products at the nearest railway station.

The hope of the American farmer in the future, as in the past, is in maintaining his home market. That the protective tariff has enabled him to do this is conclusively demonstrated in the fact that since the enactment of the farmer's tariff in 1921 and its embodiment in the Fordney-McCumber Act, Minneapolis and Kansas City have consistently paid more for wheat than Winnipeg; Boston has consistently paid more for potatoes than Montreal; Chicago has consistently paid more for all classes of cattle than Winnipeg and Buenos Aires and more for sheep and lambs than Toronto, Winnipeg, and the primary markets in New Zealand; New York has consistently paid more for butter than Copenhagen, Denmark, or Wellington, New Zealand.

DEMOCRATS TALK SCANDAL

It is predicted by Democratic wiseacres that the "looting of the public domain" is going to be one of the issues in the approaching campaign. If that prediction proves true, the reputations of a great many Democratic leaders are going to be badly damaged before the polls close in November.

The leasing act under which all of the oil reserves, both within and without the naval reserves, were leased to private interests was fathered by Senator WALSH, of Montana, who has devoted the better part of a year in a vain endeavor to fasten some guilt on some member of the Republican administration in connection with the naval oil reserves. The leasing act became a law in February, 1920. Senator WALSH, of Montana was one of its most active advocates, as the pages of the CONGRESSIONAL RECORD abundantly testify. During the debate of the bill he boasted of the fact that he was the originator of the policy of leasing public oil lands to private interests, stating he had drawn up the first bill of that character in 1913, with the assistance of the Democratic Secretary of the Interior, Franklin K. Lane. The records of Congress also show that in 1917 Senator WALSH introduced a leasing bill which gave to the Secretary of the Interior practically unlimited authority to handle the public oil lands, even permitting him to lease them without competitive bids.

DANIELS WANTED AUTOCRATIC POWER

Within two weeks after the leasing act became a law, Secretary of the Navy Josephus Daniels addressed identical letters to Hon. Carroll S. Page, chairman of the Senate Naval Committee, and Hon. THOMAS S. BUTLER, chairman of the House Naval Committee, suggesting that the leasing act be amended so as to give him, the Secretary of the Navy, absolute power over all naval oil reserves. Secretary Daniels urged this be done for the following reasons, as set forth in his letter of March 1, 1920, to Representative BUTLER, and March 29, 1920, to Senator Page:

Some of these tracts (the naval oil reserves) are drilled to such an extent that it will be necessary for the Government to drill offset wells unless oil to the value of millions of dollars is to be drawn from under the Government lands by private owners. * * * It therefore becomes imperative, even when viewed from an economic standpoint only, that machinery be provided against drainage from adjacent lands. That crude oil, whether from Navy-owned wells, royalties from naval reserves, or royalty oil purchased, may be exchanged for refined products, and that excess oil from protective wells may be sold or storage provided if considered advisable.

Secretary Daniels suggested that in order that his ideas might be carried out the naval leasing act be amended in the following language:

*Provided*, That the Secretary of the Navy is directed to take possession of all properties within the naval petroleum reserves as are or may become vested in the United States; to conserve, develop, use, and operate the same, in his discretion, directly or by contract, lease or otherwise, and to use, store, exchange, refine, sell, or otherwise dispose of the oil and gas products thereof and those from all royalty oil. * * *

DANIELS ADMITTED DRAINAGE

Secretary Daniel's letter and the amendment he proposed clearly proves he knew the naval oil reserves were being drained by private interests and that the only way to stop this drainage and save the naval oil supply was for the Government itself to start taking oil from the naval reserves. Secretary Daniels and other Democrats have been attempting in the past few weeks to make it appear that he and they were not in favor of tapping the naval oil reserves and that their consistent policy concerning naval oil reserves has been, to quote Secretary Daniels, "to keep the oil in the ground."

The falsity of such statements is clearly indicated by Secretary Daniel's own letter. He wanted the leasing act amended so as to give him absolute power, to be used in his own discretion, over all naval oil reserves. He wanted this power in order to take the oil out of the ground. He needed no power to leave it in the ground, where it had been for centuries. He asked for power not only to take naval oil out of the ground but to sell it, to exchange it, to put it in storage, even to go into the refining business and, as if this were not enough, he asked for power to "otherwise dispose of the gas and oil products" of the naval oil reserves. Without a dissenting vote both branches of Congress granted his request, with the exception of the power to go into the oil-refining business and the broad power to "otherwise dispose" of the oil. Senator WALSH was on the floor of the Senate when this amendment came to a vote, and he neither protested against it nor voted against it, nor did any other Democrat in the Senate or in the House.

Nor can it be argued that although Secretary Daniels wanted this power he did not avail himself of it. The records of the Navy Department and the Department of the Interior furnish documentary proof that no sooner had he obtained power to take oil from naval reserves by contract with private parties through the leasing system than he availed himself of it. Secretary Daniels then did exactly what Secretary Denby subsequently did, namely, acted in conjunction with the Secretary of the Interior in approving leases to private oil corporations to take oil from the naval reserves.

DANIELS AND PAYNE LEASE NAVAL OIL RESERVES

The private oil corporations which were given leases to take oil from naval reserve No. 2, in California, by agreement with Secretary Daniels and Secretary Payne, were:

The Boston-Pacific Oil Co., July 1, 1920, to drill 5 new wells in section 32 of naval oil reserve No. 2; the Associated Oil Co., July 29, 1920, leases for 2 wells in section 20, 7 wells in section 22, 12 wells in section 26, 8 wells in section 24 of naval oil reserve No. 2; Union Oil Co., August 2, 1920, 4 wells in section 24; Buena Vista Oil Co., August 23, 1920, 2 wells in section 32; Caribou Oil Mining Co., August 24, 1920, 3 wells in section 28; General Petroleum Co., August 24, 1920, 3 wells in section 32; Record Oil Co., August 24, 1920, 4 wells in section 28; United Oil Co., August 24, 1920, 1 well in section 28; Consolidated Mutual Oil Co., February 16, 1921, two tracts of 280 acres each in section 28, naval reserve No. 2; Murvale Oil Co., February 1, 1921, to operate in section 12 and in section 22.

All of these leases to private corporations to take oil from the naval oil reserves were granted during the time Secretary Daniels and Secretary Payne were at the head of the Navy and Interior Departments, respectively.

Furthermore, despite the fact that Secretary Daniels publicly stated that the naval oil reserves were being drained by private corporations with leases to drill wells on public land immediately adjacent to naval oil reserves, and despite the fact that every oil man in the United States knew this to be true, Secretary John Barton Payne went right ahead granting leases to private interests to drill on public oil lands adjacent to naval oil reserves.

PAYNE LEASED TO "DRAINERS"

Mr. Payne came into office March 15, 1920, following the resignation of Franklin K. Lane, who resigned to accept a $50,000-a-year job with Mr. E. L. Doheny. Mr. Payne's term automatically expired March 4, 1921. Within that brief period of less than a year, during all of which time Secretary Daniels was at the head of the Navy Department and knew that naval oil reserves were drained by private corporations drilling on public land adjacent to them, and with these two Democratic Cabinet officials acting in closest harmony in connection with the disposition of our oil resources, Secretary Payne approved of approximately 150 leases to private corporations and interests, giving them the right to drill for oil in public lands immediately adjacent to the Teapot Dome naval reserve No. 3. The amount of public oil lands which he thus leased to private interests aggregated 14,000 acres, which is 5,000 acres greater in extent than the Teapot Dome naval reserve itself. One of the principal beneficiaries of these leases was the Wyoming Associated Oil Corporation. Of the 14,000 acres leased by Secretary Payne, this company received about 4,200 acres. Its president was John T. Barnett, of Denver, Democratic national committeeman at that time.

DANIELS AND PAYNE LEASED WITHOUT BIDS OR RESTRICTION

The official records of the Navy Department and the Department of the Interior also disclose the fact that Secretary Daniels and Secretary Payne leased naval oil reserve to private corporations without public advertising and also without any restriction whatever as to the number of wells that might be drilled. The files of those departments show that the lease made to the Boston-Pacific Oil Co. to operate on section 32 of the naval oil reserve No. 2 was made at a private conference between the representatives of the oil company and the Navy Department. The records show that the maximum royalty obtained out of this lease was 25 per cent, as against a maximum royalty obtained by the Republican administration of 35 per cent from the Doheny lease.

The files of the Navy Department also show that Secretary of the Navy Daniels and Secretary of the Interior Payne in January, 1921, leased 120 acres of section 28 of the naval oil reserve No. 2 to the Consolidated Mutual Oil Co., and that this land was leased without restriction to the number of wells that might be drilled by that corporation. The files also show that the maximum royalty provided under this lease was 25 per cent, as against 35 per cent under the Doheny lease.

In contrast to this, the Teapot Dome lease to Mr. Sinclair was made after competitive bidding. The records of the Department of the Interior and the records of the hearings before the Senate Committee on Public Lands show that five companies were invited to bid on the naval oil reserve No. 1, namely, the Standard Oil Co. of California, the Associated Oil Co., the Pan-American Petroleum & Transport Co., the General Petroleum Co., and the Pacific Oil Co. Three of these companies invited to bid submitted bids, namely, the Standard Oil Co., the Associated Oil Co., and the Pan-American Petroleum & Transport Co. The bids of these three companies are on file in the Department of the Interior.

When these facts were first set forth in answer to the libelous charges being made before the Senate Committee on Public Lands, known as the Walsh committee, they were denied in the public press by Mr. Daniels and Mr. Payne, as well as by Democratic leaders in both branches of Congress and elsewhere. As the records began to be cited and photostatic copies of them began to be circulated both Mr. Daniels and Mr. Payne admitted the facts which they had first denied, but explained their action by saying they gave no leases to private corporations except where it was necessary to protect the interests of the Navy and to stop drainage of naval reserves by private corporations.

That is a fact. Their action was perfectly justified, but the point is that Secretary Denby, in granting leases on naval oil reserves, had the same justification and did so for the same reason.

OIL GONE WHEN DENBY CAME IN OFFICE

There is, however, this difference: When Secretary Daniels came into office and the Department of the Interior was under Secretary Lane the drainage of the naval oil reserves was not serious, although it had commenced. This is proved by an identical letter which Secretary Lane wrote on August 1, 1917, to Secretary of the Navy Daniels, Secretary of War Baker, Secretary of Labor Wilson, Secretary of Commerce Redfield, and Secretary of Agriculture Houston, pointing out that the naval oil reserves were beginning to be drained by private oil wells and suggesting that to stop this the naval reserves should be leased. Notwithstanding this documentary proof that the Cabinet of the Democratic administration knew of the menace of drainage of naval oil reserves, Secretary Lane and Secretary Payne, with the knowledge and the consent of Secretary Daniels, went ahead increasing the number of leases to private corporations to drill wells that would necessarily drain the naval reserves.

As a result of this action of the Democratic administration, Secretary Denby entered office to find that 60 per cent of naval oil reserve No. 2 was privately owned and drilled, that no part of naval oil reserve No. 1 was over 2 miles from private wells busy draining it, and that 70 per cent of the oil in Teapot Dome Reserve was being drained by private corporations. Therefore, if, as was the case, Secretary Daniels and Secretary Payne found it necessary to lease naval oil reserves to private corporations in order to stop drainage, how much more necessary was it for Secretary Denby to do so when he came into office finding those reserves jeopardized by the liberality and prodigality of his predecessors in the matter of making private leases!

WALSH COMMITTEE ADMITS FALSITY OF CHARGES

In passing, it should be noted that in the closing days of the last session of Congress, Senator WALSH of Montana, member of the Public Lands Committee of the Senate, and all of his Democratic associates on that committee, and Senator LADD of that committee, elected to the Senate on a nonpartisan ticket, submitted to the Senate a report of the conclusions of the Public Lands Committee, which had been holding public hearings for nearly a year. It was this committee, known as the WALSH committee, which endeavored to the utmost to entangle the Republican administration in scandal in connection with the leasing of the public oil domains.

It was this committee, under the direction of Senator WALSH, which permitted itself to be made a medium through which the testimony of ex-convicts, train robbers, and other disreputable personages was introduced into the official hearings of the committee regardless of the recognized libel and utter falsity of the utterances.

It was this committee which rummaged the files of telegraph companies in an endeavor to find something to besmirch not only the occupant of the White House, but the office of the Chief Executive of the United States.

It was this committee which carefully introduced innuendo and slander against the former Secretary of the Navy, Edwin Denby, and it was Senator WALSH and other members of this committee who led the fight on the floor of the Senate to pass a resolution demanding that Secretary Denby resign.

It was this committee which spent thousands of dollars of the taxpayers' money to bring disreputable witnesses to Washington at the expense of the Government in order to listen to wild stories to the effect that the Republican National Convention of 1920 was controlled by corrupt oil interests and that the nomination of our late and beloved President was purchased like a piece of cheap merchandise.

Throughout the winter this committee played up to the sensational headliners and professional scandal-mongers of the country in an endeavor to make the people believe that the Republican administration and that the officials of the Government were corrupt and were betraying the public interests.

It is of especial significance, then, that when the conclusions of the Democratic members of this committee were ready to be filed that they did not dare sign their names to an official report giving any credence or countenance to any of the slander and innuendo which they had permitted to stalk through the pages of their committee's record. The report, notwithstanding they had hounded Secretary Denby from office, completely exonerated him, and also completely exonerated Assistant Secretary Roosevelt of any wrongdoing in connection with any naval oil leasing. It completely exonerated all public officials connected with this Republican administration of any wrong connection or dealings in relation to the oil leases. It admitted that there was not the slightest ground for the charge that there was corruption in connection with the Republican National Convention of 1920 and the nomination of Warren G. Harding as the Republican candidate for President. It even admitted that there was no proof that the money Doheny paid to former Secretary Fall was paid to him in the form of a bribe. About the only prominent personage this report did not exonerate of the charges made against him before the committee was William G. McAdoo, whom the facts prove to have been on the pay roll of Mr. Doheny, selling his political influence as a son-in-law of a former President and a former Cabinet officer, and that he remained on the pay roll of Mr. Doheny until his exposure before this committee compelled him to resign for fear that his continuation with Mr. Doheny would injure his chances as the Democratic candidate for the nomination for President. So much for the "scandal" which the Democratic Party says it will make one of the issues of the approaching campaign.

PEOPLE HAVE FAITH IN COOLIDGE'S INTEGRITY

As to the guilt or innocence of parties connected with the leasing of public oil lands, the American people will agree with the statement of President Coolidge that "the determination of criminal guilt is a function of the courts." The people of the country have confidence in President Coolidge to enforce the law, to protect public interests, and to carry out his pledges made in a public statement January 27:

> If there has been any crime, it must be prosecuted. If there has been any property of the United States illegally transferred or leased, it must be recovered. I feel the public is entitled to know that in the conduct of such action no one is shielded for any party, political, or other reason. * * * If there is any guilt, it will be punished; if there is any civil liability, it will be enforced; if there is any fraud, it will be revealed; and if there are any contracts which are illegal, they will be canceled. Every law will be enforced and every right of the people and the Government will be protected.

No other nation in the world has so liberally provided for its defenders as has the United States. Up to July 1, 1924, the Federal Government has expended for pensions, exclusive of any aid, compensation, or insurance to World War veterans, the sum of $6,841,356,621. Of this sum, Civil War veterans have received over $6,000,000,000 and Spanish-American War veterans, under pension laws passed by the Republican Congress in 1922, have received over $110,000,000. More pensions have been paid each year of the last five fiscal years under legislation enacted by Republican Congresses than in any previous year in the history of the United States. The disbursements of pensions during the last five fiscal years, exclusive of aid, compensation, or insurance to World War veterans, have been as follows:

| | |
|---|---|
| 1920 | $213,295,311 |
| 1921 | 258,715,842 |
| 1922 | 253,807,583 |
| 1923 | 263,012,500 |
| 1924 | 235,000,000 |

The veterans of no other war engaged in by the United States Government were ever provided for as liberally as the veterans of the World War are being provided for by the Republican Party.

The Republicans came into control of Congress November, 1918. The first session of the Republican Congress then elected began May, 1919. From that time dates practically all Federal appropriations and legislation in behalf of World War ex-service men of the United States. Since that time—a period of a little over five years—the Republicans in Congress have appropriated more money for the relief of the World War veterans than was ever appropriated in any previous 15-year period for pensions and relief of all kinds for the veterans (their families, widows, or dependents) of all previous wars (including the Civil War) engaged in by the United States.

BILLIONS FOR WORLD WAR VETERANS

Up to July 1, 1924, there have been congressional appropriations for ex-service men of the World War in the sum of $2,774,370,240. This sum does not include any of the money which will be expended under the provisions of the "soldiers' bonus" or adjusted compensation act, enacted in May, 1924. The appropriations are itemized as follows:

| | |
|---|---|
| Compensation claims (to ex-service men and their dependents) | $758,600,000 |
| Vocational training | 678,866,370 |
| Hospitalization | 315,233,112 |
| Hospital construction | 48,895,000 |
| Allowances and allotments (to ex-service men) | 298,615,000 |
| Insurance | 214,235,000 |
| Bonus allowance (act passed February 24, 1919, voting $60 to every enlisted man) | 237,979,340 |
| Administration | 196,946,418 |
| Payment of claims | 25,000 |
| Total | 2,774,370,240 |

Of this amount, $2,253,220,439 has been appropriated since the Republican Party came into control of Congress May 19, 1919. It includes the appropriation of $349,065,000 made by the Congress, just adjourned, for the Veterans' Bureau during the fiscal year beginning July 1, 1924. With the single exception of the items of interest on the public debt and the sinking fund for reduction of the public debt, this is the largest single appropriation made by the Congress for any department or function of the United States Government.

REPUBLICAN CONGRESS LIBERALIZES VETERAN LAWS

In addition, the first session of the Sixty-eighth Congress, just adjourned, authorized the expenditure of $8,000,000 for new hospital construction, $350,000 for the establishment of a school for blind ex-service men, and $548,000 for the erection of permanent stone crosses in overseas cemeteries.

It enacted the Reed-Johnson bill, bearing the name of Senator REED, Republican, of Pennsylvania, and Representative JOHNSON, Republican, of South Dakota, liberalizing the laws affecting disabled World War veterans and their dependents. By the terms of this last act increased benefits will accrue to over 118,000 disabled World War veterans and their dependents at an increased cost of approximately $30,000,000 a year to the Government. The act provides that free hospital treatment will be given any veteran who has seen service since April, 1917—this includes all Spanish-American War veterans—regardless of whether his sickness or disability was contracted while in service or not. It also extends the time from three to six years in which ex-service men exhibiting tubercular symptoms or neuropsychiatric trouble may be presumed to have contracted the same while in service and entitled to hospital treatment and compensation. The act also provides a special compensation of $150 a month for loss of both eyes and $200 per month for loss of both eyes and a limb, and provides that the loss of the use of limbs be declared equivalent to the actual loss of limbs, which entitles the patient to a permanent disability classification.

In addition, the Congress just adjourned enacted the "soldiers' bonus" or adjusted compensation act, which provides compensation for all World War veterans and for their dependents in certain cases in the basic amount of $1 a day for every day of home service and $1.25 for every day of overseas service. A maximum of 500 days is allowed in computing compensation due under this act. The bonus applies to all World War veterans up to and including the rank of captain in the Army and Marine Corps and lieutenant in the Navy. It also includes women who served as yeomen in the Navy and Marine Corps. The law provides that veterans whose compensation at the above rate amounts to $50 or less will be paid in cash, but the cash payments will not be distributed until after March 1, 1925. Dependents of deceased veterans whose compensation would have amounted to $50 or less likewise will be paid in cash. Ex-service men whose compensation is in excess of $50 will be given a 20-year endowment paid-up life insurance policy.

The value of this policy will be the equivalent of what the amount of the adjusted-compensation credit, plus 25 per cent, will purchase at regular insurance rates, based on 4 per cent interest compounded annually. All policies will be dated as of January 1, 1925. After two years from the date of the issuance of the policy the holder may borrow up to 90 per cent of its current face value. The loans on these policies may be made at any National or State bank. It is estimated the total cost of compensation under this act, together with the cost of administering it, will not be less than $3,500,000,000.

An appropriation amounting to $131,000,000 to pay for the first year's administration of the adjusted compensation act and the payment of the cash bonuses of $50 or less, as provided in the act, was carried in the second deficiency appropriation bill, which failed of passage in the closing hours of the last session of the Congress by reason of a filibuster conducted by Senator PITTMAN, Democrat, of Nevada.

PRESIDENT COOLIDGE PROVIDES FOR ADMINISTRATION OF BONUS LAW

Under the regular procedure this failure of the Congress to provide funds to carry into effect the bonus act would have resulted in a suspension of all activities in that direction until after the next session of the Congress convenes next December. Although the act was passed over his protest President Coolidge believed that it, like every other law, should be executed in good faith without delay. He accordingly issued orders for emergency use of existing appropriations to carry out the provisions of the act. His Executive orders to this effect were contained in a letter dated June 13, 1924, which he addressed to General Hines, Director of the Veterans' Bureau; Secretary Weeks, of the War Department; and Secretary Wilbur, of the Navy Department, the three departments which have charge of the work preparatory to paying the bonus. The letter follows:

DEAR MR. SECRETARY: On May 19, 1924, Congress enacted into law the World War adjusted compensation act. Following the enactment of this law I submitted to Congress estimates for the funds necessary to meet the cost of its administration. These estimates were considered by Congress in framing the second deficiency bill, but this bill was not passed before the adjournment of Congress.

No funds have therefore been appropriated by Congress to enable you to do those things which the World War adjusted compensation act directs you to do.

The World War adjusted compensation act became a law over my protest. I am not willing, however, to let the administration of this law remain practically in abeyance until Congress again convenes simply because I would be justified under existing conditions in so doing.

Rather do I regard this law as imposing certain obligations upon the executive branch of the Government which do not permit of delay in performance.

If this law is to be carried into effect so as to permit of the cash payments being made within a reasonable time after March 1, 1925, as contemplated by it, and if the other provisions of the law are to be given reasonably prompt administrative action, it is essential that the application forms and instructions pertaining thereto be placed in the hands of the veterans and dependents without delay. Arrangements have previously been made for the printing of these forms and they are now ready for distribution.

It is equally as essential that when the completed applications are received from the beneficiaries of the law they be given the administrative action which the law prescribes. Otherwise your department will become the storehouse of millions of applications which can receive little or no attention until Congress convenes next December and makes an appropriation of the funds necessary to give them administrative action. The same situation, though to a modified degree, will obtain in the Navy Department.

Action has already been taken to give you sufficient additional personnel with which to distribute the application and instruction forms and to meet the administrative action which will be required in the completed applications which may be received from the beneficiaries of the law during the remainder of this fiscal year.

This leaves for consideration the matter of meeting the administrative requirements of the law for the first six months of the next fiscal year, which involves not only your department but the Navy Department and the United States Veterans' Bureau.

To meet these requirements I am to-day instructing the Director of the Veterans' Bureau to apportion his appropriation for salaries and expenses and his appropriation for printing and binding, fiscal year 1925, so as to make available for the six months commencing July 1, 1924, the following amounts for the administration of the World War adjusted compensation act, namely, War Department, salaries and expenses, $1,800,000, and printing and binding, $14,000; Navy Department, salaries and expenses, $250,000, and printing and binding, $7,700.

Your requisition for personnel, supplies and equipment, and printing and binding will be forwarded to the Director of the United States Veterans' Bureau, who will honor it to the extent of the amount herein mentioned.

It is my desire that your requisitions be kept to a minimum consistent with efficient and proper administration, and that so far as possible your requirements for supplies and equipment be obtained from the surplus stocks of the General Supply Committee and from any available War Department stocks. I am to-day advising the Secretary of the Navy of the arrangement set forth in this letter.

Sincerely yours,

CALVIN COOLIDGE.

REPUBLICANS CREATE VETERANS' BUREAU

The Republican Party has done far more for the ex-service men than merely appropriating money to be expended in their behalf. Of vastly greater importance than the appropriation of money was the coordination, under the Sweet Act, of all the Federal agencies dealing with the ex-service men into one organization known as the Veterans' Bureau. Following the creation of the Veterans' Bureau there was a gradual reform in the manner of handling of matters relating to ex-service men which has resulted in making easy, expeditious, and inexpensive the dealings of an ex-service man with his Federal Government.

That this is being done economically under the present management of the Veterans' Bureau and that money appropriated by the Congress for relief of ex-service men is being used for the purposes appropriated is proved by the following analysis of the distribution of the money appropriated by the Congress

for the Veterans' Bureau. Every dollar appropriated is distributed as follows:

| | Cents |
|---|---|
| Vocational training | 28 |
| Compensation | 26 |
| Insurance | 25 |
| Medical and hospital services | 12 |
| Salaries (including those of 27,000 employees of the Veterans' Bureau) | 6 |
| Rentals and other administrative expense | 3 |

To sum it up, the program of Federal aid to ex-service men, all of which has been put into effect by the Republican Party, the money for which has been appropriated by Republican Congresses, and which is under the direction of the present Republican administration, may be stated as follows:

(1) Over 400,000 ex-service men have received hospital treatment, 23,000 ex-service men are now receiving hospital treatment, over 1,000,000 ex-service men have been called for examination in order to ascertain if they are entitled to hospital or medical treatment.

(2) Over 173,000 ex-service men have entered vocational training; approximately 54,392 are now receiving such training, and 150,000 more have been declared eligible to receive such training.

(3) Over 100,000 medical examinations are being made free every month in order to ascertain the physical and mental treatment needed by afflicted ex-service men.

(4) Disbursements direct to disabled ex-service men or their dependents are being paid out at the rate of in excess of $800,000 in cash every day of the year, including Sundays.

(5) Free medical treatment is being given 20,000 ex-service men every month outside of hospitals in cases where confinement in a hospital is not necessary for proper medical treatment.

(6) Over 200 new claims are being handled every day by the Veterans' Bureau, and all work in that bureau is being conducted practically up to date at a minimum loss of time to all parties concerned and at a minimum expense both to the Government and to the ex-service men.

(7) An insurance business for over 561,000 ex-service men is being conducted by the Government without any cost of administration to the ex-service men at premium rates far below those which private companies charge for like policies.

The Republicans since they have come in control of Congress in April, 1919, have appropriated $364,128,000 for hospital work and hospital construction for ex-service men. As a result of these appropriations and the program of hospitalization carried out under the Republican administration since March, 1921, the United States to-day has the most up-to-date, scientific, and humanitarian system of hospitalization in existence. According to the records of the United States Veterans' Bureau as of April 24, 1924, there were 18,137 former ex-service men in hospitals under control of the United States Government, and there were 5,156 occupying beds in civil and State hospitals. The Veterans' Bureau operates three classes of hospitals—general, tuberculosis, and neuropsychiatric. The following is a list of hospitals owned and operated by the Veterans' Bureau, together with the location, classification, and capacity of each:

*United States Veterans' Bureau hospitals*

| Location | Beds available | | | |
|---|---|---|---|---|
| | General | Tuberculosis | Neuropsychiatric | Total |
| West Roxbury, Mass | | | 248 | 248 |
| Rutland, Mass | | 127 | | 127 |
| Northampton, Mass | | | 621 | 621 |
| New Haven, Conn | | 483 | | 483 |
| Bronx, New York, N. Y | | | 707 | 707 |
| Tupper Lake, N. Y | | 358 | | 358 |
| Philadelphia, Pa | | | 162 | 162 |
| Washington, D. C | 116 | 52 | 32 | 200 |
| Federal Park, Md | | | 599 | 599 |
| Greenville, S. C | | 400 | | 400 |
| Atlanta, Ga | 106 | 18 | 10 | 134 |
| Oteen, N. C | | 1,233 | | 1,233 |
| Augusta, Ga | | | 324 | 324 |
| Lake City, Fla | 241 | 3 | 5 | 249 |
| Memphis, Tenn | 118 | 30 | 15 | 163 |
| Alexandria, La | 1 | 249 | | 250 |
| Gulfport, Miss | | | 465 | 465 |
| New Orleans, La | 151 | 12 | 38 | 201 |
| Tuskegee, Ala | | 302 | 297 | 599 |
| Fort Thomas, Ky | 72 | 20 | 54 | 146 |
| Dawsonsprings, Ky | | 418 | | 418 |
| Chillicothe, Ohio | | | 452 | 452 |
| Waukesha, Wis | | | 273 | 273 |
| Dwight, Ill | 215 | 7 | 1 | 223 |

*United States Veterans' Bureau hospitals*—Continued

| Location | Beds available | | | |
|---|---|---|---|---|
| | General | Tuberculosis | Neuropsychiatric | Total |
| Maywood, Ill | 465 | 222 | 217 | 904 |
| Battle Creek, Mich | | | 527 | 527 |
| Knoxville, Iowa | | | 456 | 456 |
| Kansas City, Mo | 63 | | 23 | 122 |
| Jefferson Barracks, Mo | 207 | 76 | 53 | 336 |
| Excelsior Springs, Mo | | 125 | | 125 |
| St. Paul, Minn | 230 | 63 | 66 | 359 |
| Minneapolis, Minn | | 271 | | 271 |
| St. Cloud, Minn. (86 per cent complete) | | | 262 | 262 |
| Helena, Mont | 59 | 214 | 25 | 298 |
| Fort Bayard, N. Mex | 4 | 988 | | 992 |
| Las Animas, Colo | 1 | 498 | | 499 |
| Fort McKenzie, Wyo | 1 | | 314 | 315 |
| Palo Alto, Calif | | 234 | 539 | 773 |
| Prescott, Ariz | | 903 | | 903 |
| Tucson, Ariz | | 287 | | 287 |
| Arrowhead Springs, Calif | 164 | | 10 | 174 |
| Camp Kearney, Calif | | 525 | | 525 |
| Boise, Idaho | 144 | 74 | 31 | 249 |
| Tacoma, Wash | 80 | 107 | 122 | 309 |
| Portland, Oreg | 102 | 14 | 6 | 122 |
| Walla Walla, Wash | | 208 | | 208 |
| American Lake, Wash | | | 306 | 306 |
| North Little Rock, Ark | | | 273 | 273 |
| Muskogee, Okla | 261 | 40 | 26 | 327 |
| Legion, Tex | | 393 | | 393 |

In addition to the above hospitals operated by the Veterans' Bureau are the beds which have been made available for ex-service men by the War Department, the Navy Department, and the national soldiers' homes, as mentioned above.

Construction of additional hospitals by the United States Veterans' Bureau is under way at several points. A 400-bed tuberculosis hospital is being constructed at Chelsea, N. Y.; a 268-bed tuberculosis hospital at Livermore, Calif.; and a 200-bed tuberculosis hospital at San Fernando, Calif. The neuropsychiatric hospital listed above at North Little Rock is being enlarged by 327 beds, and the hospitals listed above at Augusta, Ga., and New Orleans, La., are being enlarged by 290 beds and 160 beds, respectively. The site has been purchased for a 165-bed general hospital at Memphis, Tenn.

During the last year these various hospitals under the direction of the Veterans' Bureau handled a total of 78,014 patients. In addition they operated dispensaries and outpatient clinics, giving 89,517 treatments and 55,000 examinations.

FINEST SYSTEM OF REHABILITATION IN THE WORLD

The termination of the World War left a most serious problem for our Government to solve. Thousands of soldiers who before the war were capable of caring for themselves were left incapacitated. The task of rehabilitating these disabled ex-service men has been assigned to the Veterans' Bureau. It has built up the finest system of vocational education and training in the world.

The bureau has made use of the best educational facilities available to every section of the country and in addition has established schools and training facilities of its own. In still other cases it has cooperated with local authorities to modify courses in institutions not under its control. Unlike older vocational methods, the bureau's system aims at a specific employment for a specific man, instead of training men blindly, hoping that they may fit into some niche in the working world. The bureau provides such facilities as will most fully meet the requirements of the disabled man. It determines how much and what knowledge he already possesses. It then provides him with additional information and skill to enable him to do well the particular work for which he is to be trained. This may include training in State universities, colleges, technical institutions, trade schools, or commercial schools. In any event each disabled ex-service man is given individual attention and intensive individual training.

So little of this work was done under the Democratic administration that it may be truthfully stated all of the vocational training and rehabilitation work now being carried on in behalf of ex-service men is solely the product of the Republican policy.

The original bill creating vocational training facilities for ex-service men was introduced by Representative FESS, Republican, of Ohio, now United States Senator from that State, while the Democratic Party was still in control of Congress. Beyond the passage of the bill, the Democratic Congress did nothing. The Republican Congress, elected in November, 1918, appropriated $127,000,000 for vocational and rehabilitation work.

Up to July 1, 1921, only 5,050 men had been given training and discharged as rehabilitated. Since that time, a period of three years, the vocational and rehabilitation agencies of the Government, under Republican administration, have trained and discharged as rehabilitated 63,514 men, at the rate of 21,000 a year.

To April 1, 1924, 644,242 former service men had applied for vocational training. Of this number 329,659 were declared eligible. Of these 172,763 have entered training. Of this number 68,624 have completed their training and 57,511 are undergoing training. Of those in training 26,076 are in schools and colleges, 24,539 are in placement training, 4,264 in project training, and 2,632 are in the Veterans' Bureau vocational schools. Analyzed as to their training, 13,745 are pursuing courses, 24,850 trades and industries, 7,640 agricultural courses, 10,635 professional courses, and 641 fundamental courses. Resident vocational schools are being operated by the Veterans' Bureau at Evergreen, Md.; Pascagoula, Miss.; San Antonio, Tex.; Pocono, Pa.; Bellevue, Nebr.; Chillicothe, Ohio; Chicak Springs, S. C.; and Federal Park, Md. During the course of his training, which is at the Government's expense, the ex-service man is also allowed a monthly salary to provide for his living until he has completed his course.

EMPLOYMENT SERVICE OF VOCATIONAL TRAINING BUREAU

The Veterans' Bureau is now graduating these men at the rate of 3,000 a month. It feels that it is quite as much a part of its task to find employment for the rehabilitated ex-service men as it is to give them training. Very positive progress has been made in the employment phase of the rehabilitation work, especially during the past year. On March 31, 1924, after a total of 53,103 case had been referred to the employment service of the Veterans' Bureau there were but 1,102 rehabilitated men who were classified as "not in employment." It should be noted that under this classification are included those who "do not desire employment," and those who are sick.

Finding a position for a rehabilitated ex-service man is not an idle phrase or a gesture with the Veterans' Bureau. It does not consist merely in finding him a job and then leaving him to work out his own salvation. The employment service of the bureau maintains a follow-up system whereby a man is not listed as "employed" until he has shown for a period of four months that he is able to fill a position. The figures for employment, then, are bona fide figures, and not merely the number of men for whom "jobs have been found."

As to the practical value of the vocational training for ex-service men, statistical studies made of "unpicked" 38,000 rehabilitated ex-service men now employed show that they are earning more than they did before they received their disabilities or handicaps in service for their country. This is a remarkable tribute to the efficiency of the vocational and rehabilitation work carried on by the Government under the policies and the administration of the Republican Party.

The Veterans' Bureau, under its present administration, gives to every person disabled to a degree of 10 per cent or more in military service medical or surgical attention made necessary by the disability; also every person who, in the opinion of the bureau, has suffered a vocational handicap because of his disability is automatically placed in the list of those entitled to receive vocational education. Under the administration of Director Hines of the Veterans' Bureau, a rule has been made giving to ex-service men having temporary partial disability the rating of a permanent partial disability. The effect of this order has been to reduce the number of medical examinations required of ex-service men, thus relieving them from needless trouble and expense. It has also reduced the personnel required in the bureau for constant reexamination and rerating of partially disabled ex-service men. Under the ruling, the permanent rating is permitted to stand without further change for a period of two years unless the claimant, of his own volition, requests a reexamination.

In addition to legislation in connection with the Veterans' Bureau, the Republican Congresses since the armistice have enacted other laws in behalf of the ex-service man. Some of these are as follows:

Granting of preferred rights to ex-service men in homestead interests; authorization permitting absence at homestead entries of all ex-service men who are being treated by the Government for disability incurred in line of duty; appropriation of approximately $50,000,000 for bringing home from France the remains of ex-service men; the provision for transportation home from Europe of ex-service men who were discharged in Europe and who have since become destitute; creation of a committee to revise and codify all World War veteran legislation; authorization of a survey of all hospitals, homes, and institutions utilized for and by ex-service men of all previous wars; Federal incorporation of blind veterans of the World War.

ADMINISTRATIVE ACTS FAVORING EX-SERVICE MEN

In addition the Republican administration has continually exhibited a keen and abiding interest in seeing that all ex-service men are given preference in the Federal employment. President Harding set the example by issuing an Executive order providing for the addition of 5 points to the grade of any ex-service man who took examination for appointment in civil service. He also issued an Executive order prohibiting the dismissal from Government employment of any ex-service man whose record as a Government employee is good. This order enables ex-service men to hold their positions in the various Federal departments and bureaus while thousands of other civilian employees are being dismissed in the process of reducing the Government pay rolls to a peace basis.

The personnel of the Veterans' Bureau furnishes a striking illustration of the effect of this policy. Fifty-two per cent of the male employees in the central office of the Veterans' Bureau are ex-service men. The percentage of ex-service men in other Federal departments at Washington is not as high as that of the Veterans' Bureau, but, due to the preference shown the World War veterans, the percentage is constantly increasing. In the Post Office Department there have been 2,102 presidential postmasters named from the ranks of ex-service men since March 4, 1921.

Turning to State legislation one finds the record of the Republican and Democratic Parties in dealing with ex-service men forming as great a contrast as their record in connection with Federal administration and legislation. Since the armistice the legislatures of 22 States have definitely provided for the payment of cash bonuses to ex-service men. Those legislatures were Republican and the States are known as Republican States. The following is a tabulation of State bonuses authorized by the State legislatures, together with the basis of the computation:

| | |
|---|---|
| Illinois: Fifty cents for each day of military services, with a maximum of $300 | $55,000,000 |
| Iowa: Fifty cents for each day of service, with a maximum of $350 | 22,000,000 |
| Kansas: One dollar for each day of military service | 25,000,000 |
| Maine: Provides for payment of $100 for each ex-service man | 3,000,000 |
| Massachusetts: Paid a cash bonus of $100 to each ex-service man; also a bonus of $10 a month was paid for service from Feb. 3, 1917, to Jan. 15, 1918 | 32,000,000 |
| Michigan: Fifteen dollars for each month of military service | 30,000,000 |
| Minnesota: Fifteen dollars for each month of military service | 23,000,000 |
| Missouri: Ten dollars for each month of military service | 15,000,000 |
| New Hampshire: A flat payment of $100 to each ex-service man | 1,500,000 |
| New Jersey: Bonus of $10 for each month of military service, with a maximum of $100 | 12,000,000 |
| New York | 45,000,000 |
| North Dakota: Paid $25 for each month of service, to be used for certain definite purposes | 11,000,000 |
| Ohio: Ten dollars for each month, with a maximum of $250 | 32,5000,000 |
| Oregon: Fifteen dollars a month for each month of service, with a maximum of $500 | 30,600,000 |
| Rhode Island: Cash bonus of $100 to each ex-service man | 2,500,000 |
| South Dakota: Basis of pay $15 for each month of service, with a maximum of $400 | 6,000,000 |
| Vermont: Ten dollars for each month of service, with a maximum of $120 | 1,500,000 |
| Washington: Fifteen dollars for each month of service | 12,500,000 |
| Wisconsin: Ten dollars for each month of service, with a minimum of $50; in lieu of bonus, veterans may choose educational benefits of larger amounts | 2,000,000 |
| Grand total | 380,600,000 |

In the following States the legislatures have provided for bonus for ex-service men, which legislative provision has been submitted to a referendum:

Colorado, $8,000,000.
Pennsylvania, $35,000,000.

The Montana Legislature enacted a bonus law carrying an appropriation and bond issue of $4,500,000. It was declared unconstitutional by the Montana courts. The succeeding legislature enacted a resolution to amend the constitution so as to provide for a bonus. The amendment is now before the State to be voted upon at the next general election.

REPUBLICAN STATES TAKE CARE OF THEIR EX-SERVICE MEN

In the above list of States providing for a bonus New York is included. The New York Legislature voted $45,000,000 and authorized a bond issue. The New York courts declared it unconstitutional. The legislature then provided for a referendum on an amendment to the constitution to permit a bonus, and the voters passed favorably upon the amendment.

This makes a total of $427,000,000 in cash bonuses which have been voted ex-service men by Republican legislatures of Republican States. In addition, the Republican Legislature of the Republican State of California provided for the issuance of $10,000,000 in bonds to be administered by the Veterans' Welfare Finance Commission. The money is to be expended for ex-service men and their dependents, providing educational and vocational aid and financial assistance for the purchase of farms and homes.

But the voting of cash bonuses is not the only or even the most important legislation enacted by the Republican State legislatures for the benefit of ex-service men. According to data compiled from the American Legion Weekly and from the annual report submitted to the convention of the American Legion at San Francisco, the following State aid—exclusive of any State bonus—has been extended ex-service men by the several States:

Twenty-one Republican States have by law granted ex-service men preference in public employment. These northern Republican States are California, Colorado, Connecticut, Illinois, Indiana, Iowa, Kansas, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nevada, New Jersey, New York, Oregon, Rhode Island, South Dakota, Washington, and Wisconsin. No southern Democratic State has enacted such a law.

Eleven northern Republican States have enacted legislation exempting ex-service men from poll and property taxes. They are Connecticut, Iowa, Maine, Massachusetts, Oregon, New Hampshire, New Jersey, New Mexico, North Dakota, South Dakota, and Wyoming. Only three southern Democratic States—Oklahoma, Texas, and South Carolina—have enacted such legislation.

Fourteen northern Republican States have provided for educational aid for ex-service men. They are California, Colorado, Illinois, Indiana, Iowa, Maine, Minnesota, Nebraska, New York, Ohio, Oregon, South Dakota, Utah, and Wisconsin. Only three southern Democratic States have made such provision—Kentucky, South Carolina, and Tennessee.

Four northern Republican States have enacted laws which provide for financial assistance to ex-service men wishing to buy homes. They are Arizona, California, Oregon, and South Dakota. No Democratic State has made such a provision.

Ten Republican States have enacted legislation providing financial assistance to ex-service men wishing to settle on land, to buy and equip farms. They are Arizona, California, Colorado, Idaho, Minnesota, New Mexico, Oregon, South Dakota, Washington, and Wyoming. One Democratic State—North Carolina—has such a provision.

Sixteen northern Republican States have made provision for State relief for needy ex-service men and their dependents. This is exclusive of any bonus legislation. They are Connecticut, Idaho, Maine, Massachusetts, Minnesota, Montana, Nebraska, New Hampshire, New York, Ohio, Oregon, Rhode Island, South Dakota, Washington, West Virginia, and Wisconsin. Two southern States—Oklahoma and Tennessee—make such a provision.

Eight northern Republican States make provision for assisting ex-service men to find employment. They are Illinois, Indiana, Massachusetts, Missouri, Nebraska, Nevada, New Jersey, and Washington. Only one southern Democratic State—North Carolina—makes such a provision.

Ten northern Republican States have established welfare commissions or boards to assist ex-service men and their dependents in many ways. They are California, Idaho, Iowa, Minnesota, Montana, Nebraska, Oregon, Rhode Island, Washington, and Wisconsin. Two Democratic States—Georgia and Oklahoma—have made such provision.

Eighteen northern Republican States have by legislation provided for the admission of ex-service men to State or public hospitals with free treatment. They are Arizona, California, Connecticut, Illinois, Indiana, Iowa, Massachusetts, Michigan, Minnesota, Montana, Nebraska, New York, Ohio, Oregon, Pennsylvania, Utah, Washington, and Wyoming. Only three southern Democratic States—Maryland, Oklahoma, and Texas—make such provision.

Three northern Republican States make provision for loaning funds to needy ex-service men. They are Oregon, South Dakota, and Washington. No southern Democratic State makes such provision.

Two northern Republican States, in addition to providing a bonus for all ex-service men and State aid to needy ex-service men and their dependents, also provide a State pension for ex-service men made blind by reason of their service. These two States are New York and New Jersey.

DEMOCRATIC SOLID SOUTH DOES NOTHING FOR EX-SERVICE MEN

It will be noted that with rare exceptions no State in the Democratic "solid South" has enacted any legislation lending any material assistance to ex-service men or according them any recognition or preference in public employment. The four Democratic States of Alabama, Arkansas, Georgia, and Mississippi have done nothing for the ex-service men. The only legislation of any character which Alabama, represented in the Senate by Senators HEFLIN and UNDERWOOD and in the House by such leaders as HUDDLESTON, has enacted has been to exempt ex-service men from having to pay a license in order to practice medicine. The State of Arkansas is represented in the Senate by JOSEPH T. ROBINSON, floor leader of the Democratic minority, and THADDEUS CARAWAY. This State has done nothing for the aid, relief, or recognition of its ex-service men. The State of Georgia has exempted ex-service men from having to pay a license to peddle. Mississippi, represented by PAT HARRISON, the keynoter of the Democratic National Convention, has made but one provision for its World War veterans: it records their discharge papers without any charge. Yet in each of these States there have been at least two regular sessions of the State legislature since the close of the war, and in all but two there have been three sessions.

While the need of the World War veterans have naturally been emphasized since the armistice, legislation affecting other veterans of the United States has not been neglected. The Republican Congress elected in 1918 enacted a law May 1, 1920, revising and equalizing pension rates to veterans of the Civil War and previous wars, together with their dependents, widows, and orphans. This legislation greatly liberalized the Civil War pension act. One of its provisions granted $72 a month to Civil War veterans helpless or blind or so nearly helpless as to require regular personal attendants. During the first year this amendment was in effect 39,000 Civil War veterans applied for the $72 rate. The administration of this Republican law was handicapped by the Democratic pension officials in that they ruled that the $72 pension should be granted only from date of the certificate of medical examination by the regular board of surgeons. The effect of this was to penalize Civil War veterans because of the slowness of the Pension Bureau in making medical examinations. As soon as the Republican administration came into power March, 1921, this ruling was set aside under an order of the Secretary of the Interior dated April 25, 1921. This new ruling provided that all Civil War veterans entitled to a $72 rate under the law should have their pension paid from the date of their application for the increased rate.

REPUBLICANS PROVIDE SPANISH-AMERICAN WAR PENSIONS

The Republican Congress elected in 1918 also enacted June 5, 1920, the first Spanish-American War pension act, known as the Sells bill, because it was introduced by Representative Sells—Republican—of Tennessee. This provided a pension of not less than $12 nor more than $30 a month to all persons who had served 90 days or more in the military or naval service of the United States during the war with Spain, the Philippine insurrection, or the Boxer revolution. The Sixty-seventh Congress, under the act of September 1, 1922, liberalized the Spanish-American War pension by including pensions to widows and minor orphans of deceased Spanish-American War veterans as well as their dependent parents.

On May 3, 1922, the Sixty-seventh Congress enacted legislation which provided that all pensions should be paid monthly after September 4, 1922, instead of quarterly, as heretofore. The Pension Bureau, under the administration of Secretary Work, has still further liberalized this law, issuing an order which does away with the necessity of the execution of vouchers preliminary to the issuance of pension checks. The cost of having to prepare these vouchers in many cases amounted to a full month's pension. In addition a great many widows and disabled veterans found it practically impossible to comply with the regulations, as it frequently necessitated monthly travels of considerable distance. Under the present ruling vouchers are required only where the pension is to be paid to some other than the pensioner. The Pension Bureau under the present administration has also been so reorganized as to speed up the mailing of the 520,000 monthly pension checks, with the result that pensioners are receiving their checks from 24 hours to 1 week sooner than previously.

PENSION RULINGS LIBERALIZED

During the past two years of the Republican administration the Pension Bureau, under the orders of the Secretary of the Interior, has made several important modifications in practices and rulings, with the result that pensionable rights have been conferred upon hundreds of veterans who formerly had been

denied pensions through narrow and technical construction of the laws. Criticisms of the Pension Bureau which existed throughout the Democratic administration because of the narrow, restricted, and technical interpretations of pension laws which worked to the injury of the soldiers of the Civil and Spanish-American Wars and their widows have given way to a feeling of confidence in the Pension Bureau among all those with whom it deals.

THAT "DO-NOTHING CONGRESS" PIECE OF FICTION

Our Democratic critics are still reiterating the falsehood that the Republicans in Congress have done nothing under this administration. The following is an enumeration of some of the principal laws enacted by the Republicans in Congress since the inauguration of the Republican administration in March, 1921, the Congress being called in special session in April, that year. The record will bear out the statement that no American Congress in times of peace ever enacted so much helpful, fundamental, constructive legislation. First in importance and almost first from the standpoint of chronology was the enactment of the Budget law, which created the Budget Bureau and armed it with authority to do what it has done. In view of the fact that the bulletin put out by the Democratic National Committee for Democratic Women's Clubs has claimed that the Budget system now in operation is of Democratic origin, it might not come amiss to state in a few words the facts regarding the Budget system.

The first concrete proposition for a Federal budget system was made by the Taft Commission on Efficiency and Economy. It was submitted to the Democratic Congress during the closing months of President Taft's administration. Its proposal was received by the Democrats in both the Senate and the House with violent denunciation. Not satisfied with denouncing the proposal for a Federal budget, Democratic House leaders inserted a paragraph in appropriation bills denouncing the Budget system and providing that none of the money appropriated by the Democratic Congress should be expended under the direction of such a system.

DEMOCRATS FOUGHT BUDGET SYSTEM

On March 4, 1913, President Wilson was inaugurated, and for six years the Democrats had control of both branches of Congress and all the executive offices of the Federal Government. During that period no attempt was made by the Democratic Congress to enact a budget law, and no effort was made by the Democratic Executive to install a budget system in the handling of their finances.

A Republican Congress was elected in 1918. That Congress enacted a Federal budget law practically identical with the Budget which is now on the books and in successful operation. President Wilson vetoed it.

There were 191 Democrats in the House at that time. Of this number only 36 votes in favor of the Budget and to override President Wilson's veto. Fifty-five refused to vote, and thus refused to go on record in favor of the Budget system. Among them were Representative THOMAS HEFLIN, of Alabama, now in the Senate, and Representative T. H. CARAWAY, of Arkansas, now in the Senate. An even 100 Democrats voted to sustain the President's veto and thereby put themselves directly on record as against the Budget. Among them was Champ Clark, of Missouri, Democratic leader at that time, and CORDELL HULL, of Tennessee, now chairman of the Democratic National Committee.

LIST OF ACTS OF "DO NOTHING" CONGRESS

To continue the list of laws enacted by the Republicans in Congress since March, 1921:

Created a foreign debt funding commission which has already closed an agreement with Great Britain for the payment of her debt of $4,800,000,000, which amounts to about 35 per cent of the total foreign loans.

Revised the War Finance Corporation and increased its power so that it could make loans to agricultural and livestock interests and provided it with a billion dollar revolving fund; twice extended the life of this reconstructed organization.

Created the Veterans' Bureau, which consolidated all governmental agencies dealing with ex-service men; appropriated over $1,000,000,000 for the use of this bureau; appropriated $17,000,000 for a hospitalization program; enacted a series of minor laws extending relief to ex-service men, such as giving them a longer time in which to file claims, and so forth.

Gave the Federal Government power over all foreign cable landings on American territory as a protection to American commercial interests.

Revised the Federal highway act and appropriated $75,000,000 for expenditure on public highways.

Passed an act regulating trading in grain futures which was declared unconstitutional; enacted a second law of this character, eliminating the unconstitutional features of the first act.

Passed a seed loan act for relief of farmers in drought-stricken areas in the Northwest.

Passed a resolution declaring an end to the state of war between Germany, Austria, and Hungary.

Voted an appropriation of $10,000,000 for the purchase of food to be sent to Russia for the relief of destitute.

Passed a series of laws giving leeway on payments due from those who had settled on irrigated or reclamation projects, who had purchased Indian lands, and who were using Government lands for grazing purposes.

Restrictive immigration act.

Emergency or farmers' tariff.

Maternity and infancy act.

Reduction of United States Regular Army to 125,000 men and reduction of United States Navy to 86,000 enlisted personnel.

Reorganized the Indian Bureau.

Reorganized Philippine fiscal conditions; extended to the Philippine government millions of extra credit and borrowing power in order to save the islands from complete bankruptcy due to maladministration under Democratic régime.

Edge Act, which facilitated organization of corporations wishing to engage in foreign trade.

Increased available funds of Federal farm loan bank by $25,000,000 and amended law regulating sale of Federal farm loan bank bonds so as to facilitate their marketing.

The Volstead Act, providing for enforcement of Federal prohibition amendment.

Packers and stockyards act, regulating handling of livestock in interstate commerce.

Fordney-McCumber permanent protective tariff.

An act authorizing the Interstate Commerce Commission to issue order providing for sale of highway mileage books at 20 per cent less than rates for single tickets.

Special appropriation to enable Department of Justice to prosecute war graft and frauds.

Legalized the formation of cooperative marketing associations on the part of producers.

Increased the Federal judiciary by 24 judges and provided for transfer of judges to relieve congestion in Federal courts.

Filled milk act.

Rural credits act.

Created a coal fact-finding commission.

Soldiers' bonus or adjusted compensation act.

Created commission to codify all laws pertaining to World War veterans.

Increased United States Coast Guard equipment and personnel for purpose of more rigidly enforcing the laws, particularly the prohibition laws, by stopping rum running or the smuggling of liquor into the United States.

Created a dairy bureau in the United States Department of Agriculture.

Provided for compensation of United States employees who are injured in line of duty.

Approved agreements reached by United States Foreign Debt Funding Commission with the Governments of Finland and Hungary.

Provided for the reorganization of Consular and Diplomatic Service.

Authorized the official participation of the United States in an international conference for the purpose of suppressing the opium and narcotic traffic.

Passed a joint resolution providing for an amendment to the Federal Constitution giving Congress the right and power to enact legislation prohibiting and regulating child labor.

In addition to the above, the United States Senate, as the coordinate treaty-making body of the United States, has made a record in respect to handling foreign treaties. It ratified peace treaties, formally bringing to a close the state of war between the United States, Germany, Austria, and Hungary. It ratified in less than 40 days the seven treaties formulated at the Washington Conference for Limitation of Armaments. All told, the United States Senate has since March, 1921, ratified 49 treaties which have been entered into between this Government and foreign powers.

AMERICANS HAVE PROGRESSED LONG WAY SINCE 1921

The American people have traveled a long way forward since March, 1921. During the last year, in striking contrast to the general depression which prevailed in all lines of activities three years ago, our industries were producing more than ever before in any period of peace, our mercantile interests were selling more, our railroads were transporting more, our industrial

workers were getting better wages and living better, the American people as a whole were enjoying more luxuries, buying more insurance, and putting more money in the savings banks than in any previous period since this Republic was founded.

This marvelous transformation has taken place under the Republican Party and because of its policies and administration. It has taken place because during the major portion of that time there was the utmost cooperation between the executive and the legislative branch of the Government, both under complete control of Republicans commissioned by the people in 1920 to take charge of the Government and put into effect Republican policies. The only time since 1921 when there appeared to be a recession of general prosperity and a slackening of public confidence in the future has been during the last few months, when due to a Democratic radical coalition in Congress that legislative body began to thwart the constructive program of the Republican administration. There can be no doubt that the election of a Congress hostile to the executive branch of our Government would be disastrous to the prosperity of the country and inimical to the welfare of the people. There can be no doubt that the election of a Democratic President as well as a Democratic radical Congress would bring about national disaster. It would be taken to mean, and it would mean, the return of all the evil and destructive policies and practices that prevailed under the last Democratic administration, all the evil policies and practices which have prevailed under each Democratic administration since the Civil War. It would mean extravagance and profligacy instead of economy and thrift in public affairs. It would mean a return to destructive interference with legitimate business which under the Wilson administration resulted so disastrously, not so much to the commercial interests of the country as to the agricultural and industrial interests, to the impoverishment of the farmer and the wage earner. It would mean a renewal of national flirtation with cheap and fantastic systems of currency and credit, for Democracy has always been tainted with greenbackism, populism, and free silverism. It has always sought to cure economic evils by increasing the coinage of the country instead of increasing the productive capacity of our mills and farms and railroads and other enterprises upon which our national prosperity and progress depends.

MERE THOUGHT OF DEMOCRATIC VICTORY FRIGHTENS COUNTRY

The mere fear of the possibility of a return of Democratic administration or the election of a Democratic-radical Congress has already laid its dead hand upon the activities of our myriad interests. Business men, manufacturers, farmers, men with investments everywhere, know that the history of the United States since the Civil War records the indelible and unvarying fact that inauguration of a Democratic administration is followed by a panic. The Democratic Party has never exhibited the capacity to govern wisely and in accordance with the fundamentals of political economy. It lacks utterly the ability to vision the affairs and needs of the American people as a Nation. This is because the Democratic Party is sectional—it is lopsided in its control by a few States with rotten boroughs.

It is incredible to believe that after the American people have taken an invoice of their national administration, have heard the accounting of their public servants placed in power by the Republican Party, and review the progress of the last three years of Republican rule that they will not go to the polls and by an overwhelming vote commission the party which has brought about this improvement to continue the work so well begun.

PEOPLE WILL KEEP COOLIDGE AND ELECT REPUBLICAN CONGRESS

The American people have always proved their wisdom when presented with the facts. They will prove their wisdom in November by electing the presidential ticket nominated at Cleveland with a unanimity never before equaled in any political convention and by electing a loyal, reliable, old-fashioned Republican majority in both branches of Congress to work with and cooperate with the Republican executives. The Republican Party goes before the people in this campaign confident of their verdict in November, because it is able to present to the people a record of three years of hard work, wise administration, constructive legislation, rigid economy, reduction of taxes, revival of industrial activity, relief for agriculture, prosperity for the wage earner, recognition of womanhood, protection of childhood, unstinted aid for ex-service men, stability for business, encouragement of private enterprise, promotion of world peace, and a general economic improvement which has made America prosper and progress to a degree never before equaled by it and its people.

NAVY OIL RESERVE LEASES

Mr. WINTER. Mr. Speaker, since addressing the House on March 17 and April 17, 1924, on the subject of the naval oil reserve leases, in which addresses I attempted to place the full facts as to the merits of the leases before the country, there have appeared in the CONGRESSIONAL RECORD two contributions on the subject neither of which controverted or attempted to controvert the facts, figures, documents, records, arguments, and conclusions of those addresses.

The first of the contributions I have referred to furnishes an interesting and illuminating side light on the question whether the attacks upon the leases were and are sincere, in good faith, and in the public interest, or whether partisan political purposes were the impelling motive. It is found on page 7003 of the CONGRESSIONAL RECORD of April 21, 1924, and needs but to be read to disclose that the foremost prosecutor of the oil committee was moved by party zeal and so blinded to the facts by his prejudice that a great mistake was nearly made and a deception of the people nearly consummated in respect to a very important phase of the leasing matters. It was an attempt to deny the truth of statements of Republican speakers and writers that the leases granted under the Republican administration actually returned higher royalties to the Government than the leases made under the preceding Democratic administration, accompanied by the statement that he desired to save the public from being imposed upon. The press reporting the address spoke of it as a denunciation of a Republican plot to deceive the American people. The record demonstrates beyond the shadow of a doubt that such original statements were absolutely correct, and that the charge of attempted deception of the people recoils upon the head of the author of this record.

I quote from the record:

Prior to March 4, 1921, there were leased upon competitive bidding all of the lands adjacent to naval reserve No. 3 within the Salt Creek field, and those leases all carried a royalty—bear in mind, the immediately adjacent territory—of 33⅓ per cent flat, with a large bonus in the case of many of them and some bonus in the case of practically every one of them. The story about that is as follows:

Direction was given under the statute to offer that territory to competitive bidding on a basis of 25 per cent royalty with a bonus. Secretary Payne approved the letter, but struck out 25 and inserted 33⅓ per cent, and the territory was leased under that arrangement—33⅓ per cent for the inside tracts and 30 per cent for the outside tracts, but they were secured upon bidding bonuses as follows:

"For the first lease a bonus of $26,700 was secured on a flat royalty of 25 per cent cent."

On the next lease a bonus of $279,000 was secured upon a flat royalty of 33⅓ per cent.

On the next lease a bonus of $2,000 was secured upon a flat royalty of 25 per cent.

On another lease a bonus of $226,000 was secured upon a flat royalty of 33⅓ per cent.

The lands adjacent to the Teapot Dome were thus leased under an arrangement for competitive bidding by which the Government secured a total bonus of $1,680,000 and an average royalty of 28.76 per cent.

These are the facts about the matter as disclosed in the testimony. Now former Secretary Denby is going about the country, after having told us before the committee that he did not know anything at all about the matter, detailing facts such as these to which I have directed the attention of the Senate. For instance, in a speech reported in the papers on Saturday last he tells us, as follows:

"Meanwhile the hundreds of oil wells upon private lands within and adjoining the reserve were draining the oil from under the Government lands in the reserves, the total number of these wells, as stated by the bureau of mines March 4, 1921, being 785."

That means there were 785 wells up in the Salt Creek field, the total number of wells there.

Mr. KENDRICK. Will the Senator yield again?

Mr. WALSH of Montana. I yield.

Mr. KENDRICK. Can the Senator tell us whether or not the territory adjoining or contiguous to the oil structure, the naval reserve, was leased after Secretary Fall became Secretary of the Interior?

Mr. WALSH of Montana. Some were leased afterwards and some before.

Mr. KENDRICK. But those wells on the territory between Salt Creek, we may say, and the naval reserve, were actually leased by Secretary Fall himself?

Mr. WALSH of Montana. I think that is so; but the proceedings were instituted, as I have indicated, under the administration of Secretary Payne.

Thus it appears that the distinguished Member was engaged, apparently, in an attempt to do that with which he had charged ex-Secretary Denby and Hon. Leslie Shaw. The whole

structure thus carefully built up with the announced purpose of exposing the duplicity of Republicans collapsed upon the crucial point as to which administration had made the 22 very advantageous leases for the Government of 44 160-acre tracts on the east, southeast, and south parts of the Salt Creek field adjacent to the Teapot Dome. All that was presented in this record, except minor inaccuracies, was true as to the favorable features of the leases from the Government standpoint as to high royalties and bonuses, but in an unguarded moment, wittingly or unwittingly, as the truth has a habit of emerging at times, his colleague disclosed the very important fact that those valuable leases for the Nation were made by Secretary Fall. They were auctioned off and the bonuses secured under the direction of Secretary Fall on behalf of the Government, June 15, 1921, three months and a half after the Democratic administration had ended. All the credit, therefore, the speaker attempted to claim for his party must be given, under his own facts and figures, as to their great merit, to the Republican administration. Once more the cloud is removed and the light of the truth emerges and another political, partisan, prejudiced misrepresentation is dispelled. The speaker showed beyond a doubt that the leases he enumerated called for the highest flat royalty and brought the highest bonuses of any leases made by and on behalf of the Government. Thus the claims made by the Republican speakers he criticized for the Republican administration as to the highest returns netted by the Government were absolutely true. Yet he was willing and apparently anxious to leave Congress and the people under the false impression created by him in this record, which was headlined in the press of the country the day the speech was made that these leases had been let by the Democratic administration. The truth was curiously enough disclosed by the two simple questions of fact of his Democratic colleague.

This record is characteristic and typical of the whole proceedings of investigation into the Navy oil reserve leases, presenting a mass of inferences, misrepresentations, wild charges, and false conclusions, and omitting facts and conditions which were essential to a true judgment.

In notable contrast to this record of April 21, 1924, and to the record of January 29, 1924, which contains the first statement and denunciation of the spokesman and prosecutor of the oil committee against the leases, which resulted in the resolution of Congress to have court actions brought in an attempt to have the leases canceled, is the report now made on behalf of the majority of the Senate Public Lands Committee which carries on the oil investigation, which report is found on pages 11041 to 11053, inclusive, of the CONGRESSIONAL RECORD of June 6, 1924, and to which I now desire to direct your close attention.

This final report following the conclusion of the taking of vast volumes of evidence, drawn and presented by the lawyer and the judge rather than the party advocate, prosecutor, and politician, is, in its recitals of fact, an acquittal of Secretaries Fall and Denby, a confession of false charges, a withdrawal of the early indictments, and an exoneration so far as the merits of the naval leases and the interests of the Government are concerned.

It must be borne in mind that the representative of the oil committee in this final report properly and judiciously leaves, as we have contended should be done, the matter of gifts or loans of money by Doheny and Sinclair to the courts, as also the effect upon the validity of the leases, if the court shall find criminal guilt. This majority report in its recital of facts, as distinguished from inferences, opinions, and conclusions, discloses no detriment to the Government in these leases and frees from the charge of wrongdoing entirely every Navy and Interior Department official, excepting only the case of Mr. Fall in regard to money transactions.

The only questions left under this report of the Senate Public Lands Committee are two direct questions of law and fact, on which it is clear there could be and were honest, justifiable differences of opinion. Each view was and is sustained by respectible expert advice and reasoning. The whole matter has been reduced by this report to a question of correct judgment or incorrect judgment, of right opinion or wrong opinion, of proper conclusions or improper conclusions, as is demonstrated by the following excerpts from an editorial in the Christian Science Monitor:

> The report of Senator WALSH of Montana, chairman of the committee which investigated the naval oil leases, does credit to him as a lawyer, though it will doubtless be disappointing to the eager Democratic partisans who had hoped to make of it an essential document in the coming presidential campaign. * * * But these charges are not of a kind of which campaign ammunition can be readily made. It would not be difficult to argue from the report of the Senate committee that former Secretary Denby and Assistant Secretary Roosevelt had been martyred by public clamor at the time of the investigation, for the report completely exonerates both from having had any part in the negotiations which led up to the transfer of the oil fields to Doheny and Sinclair. * * * Politicians hoping to make a major issue in the pending campaign will undoubtedly deprecate the sense of judicial responsibility which has led Senator WALSH to refrain from any apparent partisan effort to make his report a campaign document. * * * It will be better that this contest between the parties for the control of the Federal Government should be waged upon economic and industrial issues rather than carried on upon the plane of mud slinging and mutual recrimination. There were eminent Democrats just as there were eminent Republicans tainted somewhat with the touch of oil.

I agree with that editorial that the report of the committee is toned down immeasurably from the first denunciations, and it is so because the cold, hard facts finally appeared out of the muck and ruck of partisan charges, and they did not support the lurid headlines of the early days of the investigation or the rabid utterances of politicians and demagogues anxious to spread the slime of scandal, who were disappointed because it did not reach into the grave or the executive chamber. But so far as the terms of the leases are concerned and the actions of the Secretaries in making them, there was and is no taint of oil. The leases and contracts were, as I have maintained and, as I believe, conclusively shown in my previous addresses, good leases and contracts on behalf of the Government and had to be made to protect the oil resources of the Nation from depletion.

The question of fact is: Was there such drainage or danger of drainage of the oil of the naval reserves as made it necessary and wise to enter into leases for the purpose of extracting the oil?

The committee report itself now admits the fact of actual drainage going on at the time the leases were made, that it would continue, and that it was necessary that something be done to protect the Government's oil.

I quote from the report:

> It developed in the hearings, however, and was otherwise revealed that drainage was taking place, particularly in naval reserve No. 2, and perhaps at the eastern extremity of naval reserve No. 1, to arrest or minimize the effect of which it was desirable to clothe some one with the authority to provide for the drilling of offset wells or line wells, or otherwise to meet the situation.

Nos. 1 and 2 were the California reserves. No. 2 was leased first by Mr. Daniels; No. 1 by Mr. Fall. As to No. 3, the Teapot Dome in Wyoming, the report states as to drainage:

> The reports of the geologists—the committee's experts—confirmed the view that drainage was actually taking place and that loss was being suffered not only by the actual migration of oil but by the reduction of the gas pressure within the reserve area, affecting the amount of oil which could eventually be recovered. There seems never to have been any sound reason for the contention that it was geologically impossible to drain the reserve to some extent at least through the wells in the Salt Creek field.

Thus the fact of actual, substantial drainage from each of the naval reserves is settled beyond the question of a doubt. The report further shows that the Bureau of Mines estimated the loss which actually occurred by delay in leasing reserve No. 2 by Mr. Daniels up to March 4, 1921, was 6,800,000 barrels, valued at $8,000,000. This loss was directly due to Mr. Daniels "obdurately," as the committee says, refusing to lease, despite the conclusive evidence of loss constantly going on. Under the theory of the committee, based on the evidence of Geologist Fred G. Clapp, one of its experts, it is admitted that had no lease been granted on the Teapot Dome 4,000,000 barrels would have been lost. If they had taken the evidence of the other committee expert—James O. Lewis—and the Bureau of Mines, they would have had to admit a loss in time of many more millions of barrels, and if they had accepted the opinions of other disinterested geologists they would have admitted a probable loss of 16,000,000 barrels, or from 60 to 70 per cent of the total content of the field which was finally determined, after drilling had given the necessary data for certainty, at 26,000,000 barrels.

The report advances the view that perhaps the drainage could be guarded against by leases for merely offset wells across the lines from privately owned wells rather than by leases for the entire structures, but it is forced to admit again that such was not the view of Geologist Lewis and the Bureau of Mines, the practical instrument of the Government in actual charge of the Government's interests on the ground. The complete ex-

haustive report of Mr. Lewis holds that drainage would effect the entire Teapot field and that it was the part of wisdom and in the Government's best interest that the whole structure be leased to some one financially strong enough to drill the whole field simultaneously, thus securing a comprehensive, complete, and economical development. The opposite theory subjected the Government to the danger of losing practically all the oil, as it depended upon gas wells and oil wells paraffining and sealing themselves up. Mr. Fall and Mr. Denby came to the conclusion that they could not and would not take such enormous risk for the Government in addition to the absolute certainty of many millions of barrels of oil which it is admitted were lost and many more millions that would be lost if leases were not made. Let it be remembered that the Denby-Fall plan was comprehensive; that it included the exchange of royalty nonfuel oil for fuel oil of Navy specifications delivered in steel storage tanks on the coasts and the Hawaiian Islands, available for instant use for defense in time of war. And let it be further remembered that these leases called for much higher royalties to the Government than most of the leases of reserve No. 2 entered into by Mr. Daniels. The rates of royalty for the Nation were recognized very high, running from 12½ per cent on wells of 50 barrels capacity to 50 per cent on wells running 1,000 barrels.

The report would leave the impression that all the Government received from the Teapot Dome production was 6 per cent of the oil and gas. The fact is that the actual royalty paid, in more than a year's operation, was 17 per cent, and that had the wells been of greater capacity, a matter beyond anyone's knowledge or control, it might have been as high as 50 per cent. Eleven per cent of the royalty oil was paid for the tankage and approaches thereto, which were erected and provided at actual cost by the lessees under the contracts. Every interest of the Government was carefully provided for in the drawing up of these leases, as is apparent upon a reading of them. The report further concedes that the leases were drawn after conference by the Secretaries with the highest officials of the Bureau of Mines.

The law question involved is, Does the act of June 4, 1920, which empowered the Secretary of the Navy to—

> conserve, develop, use, and operate the same in his discretion, directly or by contract, lease, or otherwise, and to use, store, exchange, or sell the oil and gas products thereof, and those from all royalty oil from lands from the naval reserves for the benefit of the United States—

authorize him to lease and contract as he did, including the exchange of royalty oil for tankage and approaches to the tanks, as well as the exchange for other fuel oil or their products, which is admitted?

In my former addresses I went into this phase in detail and showed that there was no limitation in the act: the Secretary had the right to rely on the plain language of the act and did not exceed his authority; that his authority was derived directly and fully for all the provisions of the leases and contracts from the said act of June 4, 1920, which, as we have seen, was passed at the request of Mr. Daniels, then Secretary of the Navy under President Wilson, and with Mr. Wilson's sanction and complete approval, as well as the approval of Congress, which passed the act without debate.

It is not necessary to enter into further argument to show all this. It is obviated by the report of the committee itself, which, while still denying in theory, admits in fact that the Secretary was given this complete authority to do all that was done with respect to these leases and contracts, when it recommends, as it does, that the act be amended. I quote:

> In view of what has transpired, it [the act] should be made plain—
>
> 1. That no lease or other contract authorizing or providing for the extraction of oil or gas from the reserves should be entered into except upon competitive bids, for which proposals should be duly advertised.
>
> 2. That no such lease or contract should be entered into for any purpose, except to protect the reserves from drainage and for such limited areas as should be drilled to that end, unless in the case of an emergency, to be proclaimed by the President of the United States.
>
> 3. That every such lease or contract should be submitted to and approved by the Comptroller General before taking effect.
>
> 4. That the authority conferred by the act of June 4, 1920, to exchange is restricted to the exchange of crude oil or gas for fuel oil or other products or derivatives of oil or gas.

All laymen as well as lawyers will understand at once that if the law does not now prohibit these things then Secretaries Denby and Fall did not violate the law. If they did violate the law, then no amendment is necessary.

It is nevertheless contended that it was the province of Congress to say whether Navy oil was to be exchanged for tanks and approaches and to appropriate money for the purpose, and the report further says there was disclosed some evidence of glee that Congress was outwitted in the course pursued. But what are the facts, and what does the undisputed evidence show in this regard? At a hearing held before the Subcommittee on Appropriations of the United States Senate on May 4, 1922, within a month after the first leases and agreements with the Mammoth Oil Co. and with the Pan-American Petroleum Co. were made, and long before the Pan-American Co.'s lease, dated December 11, 1922, in reply to questions by various members of the committee, Secretary Denby stated:

> Now we are planning to get the war reserve oil above ground because we can not keep it below ground. * * * The oil was being drained off. * * * The contractors build the tanks at points designated by the department, points along the Atlantic coast, on the Pacific coast, and in Hawaii. * * * The tanks are to be built out of the royalty to be paid to the Government. They are a part of the contract. * * * This was a matter that the Department of the Interior would know about very much better than we, but as soon as it was discovered (referring to the loss of oil by drainage) that such was the situation, I asked the Secretary of the Interior to handle it for the Navy thereafter and we went to the President and secured the executive order transferring the naval oil reserves to the Secretary of the Interior, to administer in trust for the Navy, the Secretary being a party to the policy but not to the actual administrative work. For instance, I signed the Teapot lease agreeing that it should be opened, because we discovered that that also was being drained off.

The hearing from which the above quotations are made is contained on pages 180–188 of the hearing of the House and Senate naval appropriation bill, 1923, Sixty-seventh Congress, second session, March–June, 1922. Can anyone say with reason in the face of that record that Congress was "outwitted"? Here it is disclosed that Congress had full knowledge of the acts and intentions of the Secretary of the Navy to proceed with the exchange of oil for tankage to store the remaining royalty oil. This was before any operation had been started on the Sinclair Teapot lease and many months before the main Doheny lease for Elk Hills No. 1 reserve. Yet Congress, knowing, did not differ, did not dissent, did not question, did not claim such exchange was not authorized and did nothing to prevent operation under the Sinclair lease and made no objection to the proposed similar later lease to Doheny. This is conclusive that Congress was not "outwitted" nor attempted to be "outwitted"; that Congress had the same view of the act of June 4, 1920, as had Secretaries Denby and Fall; that they were right in their interpretation of the act and acted with due authority. This makes plain as day the fact that criticisms of the leases made a year later were an afterthought, the motive of which could be only political.

For a year the investigating committee took testimony and had elicited all this evidence as to the terms of the leases and the necessity for making the leases, on all of which it had the above information a year before, without the committee on naval appropriation, or the investigating committee, or the newspapers attributing enough importance to all these facts to be even noticed in the press of the country. The first headlines concerning these leases in the general press appeared in October, 1923, and they were to the effect that the committee's expert geologists employed to examine and report on the Teapot Dome had made their report, which was that Teapot Dome was being drained. Nothing further appeared in the press until the evidence regarding the Fall ranch purchases and loans of money came out. All this but proves that there was nothing wrong with the leases.

But the Fall transactions gave the political assassins, the character destroyers, the court-usurpers, the political knife throwers, the party ghost dancers, the scandal mongers, the reputation killers, the fact jugglers, the office-holding mountebanks, the ambitious office seekers, the shrewd and unscrupulous political managers an opportunity to turn loose their poison gas, to raise a hue and cry that the Navy had been robbed of its oil, that the public interests had been betrayed, that a vast political plot had been laid in the Republican national convention of 1920 to exploit the public domain, and that our natural resources had been stolen. They made the most of the opportunity while it lasted. But gradually the real facts became known, prominent Democrats were found to have accepted great sums of money for their influence with the Democratic administration from which they had resigned to enter the employ of these same oil companies. And now we have the final report of the oil committee itself toning the whole matter down to a valid, justifiable difference of opinion. Would that it could receive the same publicity, notwithstanding its unwarranted inferences and expressions of opinion and judgment,

that the original charges were given. Will the truth overtake the broadcasted misrepresentations and false accusations? We can only hope that it will.

The report of the committee practically—indeed, it absolutely—removes the question of facts as to whether there was drainage of oil from the reserves necessitating the leases. It clearly admits that the reserves were being drained and had to be protected by producing the oil. The report of the committee practically removes the question of law as to whether the act of June 4, 1920, authorized the making of the leases and contracts and all the provisions thereof, because it recommends that the act be amended in order to prevent further leases with the same provisions. The only thing remaining in the entire matter under the report of the committee being these two questions, and they being determined in favor of the leases and contracts and acts of Secretaries Denby and Fall, there is no other conclusion possible than that they were justified in making them and that these were and are meritorious leases; and, as I have heretofore stated on April 17, 1924, in this body, they should not be canceled; they should be enforced.

Finally, the committee states that diligent inquiry into reports of official speculation in the stocks of the oil companies revealed no facts of sufficient importance to report. It further states that the evidence failed to establish the existence of a conspiracy between oil operators and others at the Republican National Convention of 1920.

Let me reiterate, now that the committee of investigation has reported, the naval oil reserves of the Nation have not been "given away"; the country has not "lost them" or the oil in them; there was no "wanton waste of $1,000,000,000 worth of oil"; the public domain has not been "looted"; the people of this country have not been "deprived of the means of national defense"; the Navy is not "without adequate oil for Navy fuel to meet any war emergency," and would not be and will not be if these leases continue in operation; the leases were not illegally entered into without authority; and there was not by these leases a change of policy with regard to the naval oil reserves except as authorized by Congress.

I maintain again that these were fair, reasonable, and good contracts for the Government and that it was necessary to make these or similar contracts and leases with some one in order to carry out the Government's policy of preserving oil in its public lands within oil naval reserves for the future use of the Navy; that the method of preservation in the ground had ceased to be possible and preservation on the surface became the only other alternative; that this being the alternative, it was a wise provision of the leases, I repeat, to build permanent storage tanks at such points as were designated by the Navy officers as the best and most strategic locations for fuel oil; and that the exchange features in the leases were wise and beneficial for the reason that the Teapot oil is a paraffin-base oil, with a large gasoline, kerosene, and wax content impossible to be used and unprofitable to refine for use for fuel oil in our ships. I further contend that even had it been possible to have retained this oil in the ground that it could never have been extracted or refined or exchanged, 2,000 miles from the Atlantic and 1,000 miles from the Pacific, for proper fuel oil in time to meet a war emergency.

I reiterate that as the matter now stands if the Teapot lease is enforced by the Government, the titles are cleared, production is conserving the oil otherwise draining away by private wells; the Government is surely and rapidly securing under a contract and lease providing in its terms the highest of royalties a good proportion of the oil. It is further securing by exchange a fair, large, and adequate supply of accessible Navy fuel oil, safely and permanently conserved at the proper places on the coasts for our Navy defense and future safety.

The Government is getting the benefit of an expenditure of $40,000,000. The great pipe line, 715 miles in length, connecting the field with the mid-continent and eastern markets, is built and the program of tank building and filling is proceeding according to contract. The Nation is getting 40 per cent more for its Teapot and Salt Creek royalty oils than it would have received without this lease. What more can we reasonably expect from any lessee? Experience has shown that Government operation would not bring as good results. Much time and litigation would be required to place the Government in possession, even though the courts should cancel the lease, if it could ever be done. Some of the mining claims on the structure, the committee report says, "unquestionably had some merit." Hence complete repossession by the Government, so as to prevent production entirely, is practically impossible. During all the litigation production would be going on and drainage continuing. Even now, with receivers appointed by the court in charge of the field, it is not practical to cease operations, and production is going on because it must. This is simply a continuation of the conditions which made the lease necessary in the first instance and is the most emphatic admission and confirmation that the oil can not safely be retained in the ground.

Shall we not take a second thought? Even if voidable, the Government should enforce the Teapot naval reserve No. 3 lease and consider the same course as to the Doheny naval reserve No. 1 lease. It is fortunate that the Congress refused to accept the offer of Mr. Doheny to surrender his lease on the repayment of his expenditures, and fortunate that no such offer was considered as to the Sinclair lease. On neither reserve will the Government be able to secure as good leases in the Government's interests as those now in force.

Let the people be not alarmed. Let there be no anxiety. There has been no breaking down of government. The guilt of one man, if proven, can not affect the stability of this great country. It does not change the integrity, the power, and the genius of this great Government of the United States. No guilty person will be shielded. No party wants any criminal protected. At the same time the fairness and common sense of the American people, under the steady guidance of the President, will secure even-handed justice for all. The interests of the people on the one hand and constitutional rights of individuals on the other hand will both be held safe. Let the people continue to hold and have faith in their President, in the Congress, in their courts, in their Government, which under either party, through all the years of the past, has proven its virtue and honesty, to the benefit and glory of the Republic and all its people. The past, with its great achievements and its great figures, is the infallible guaranty to the people for the future. "The Government at Washington," the best and strongest on earth, "still lives." The United States of America and its officials are sound and safe and still hold to the "righteousness which exalteth a nation."

### FEDERAL WATER POWER ACT SHOULD BE AMENDED

Mr. McDUFFIE. Mr. Speaker, in addressing the House on June 3, with reference to the status of the legislative program for the development of rivers and harbors, I made brief reference to a provision in the bill proposed by the Rivers and Harbors Committee for the completion of the survey of the Tennessee River, and I also made reference to the Federal Water Power Commission and stated that some people believed that the act creating the Federal Water Power Commission was a wonderful piece of legislation, and I made the following comment on the Federal water power act:

> While many believe that the act creating the Federal Water Power Commission was a wonderful piece of legislation, I want to say to you that it says more and means less than any act of Congress I have ever read.

I believe the Federal Power Commission has established more rules and regulations than perhaps any bureau in the history of the Government, which contributes so little or nothing in protecting public welfare, and the act ought to be amended, and I believe at the next session of Congress will be.

I was interested, Mr. Speaker, to find that very soon after the Rivers and Harbors Committee finished its hearings and the chairman of our committee reported the bill (H. R. 8914) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, Mr. Merrill, secretary of the power commission, on May 16 addressed a letter to Senator RANSDELL of Louisiana, and in the letter to the Senator on the subject of a bill which the Senator introduced into the Senate (S. 3328) for the development of water resources for electric power, agriculture, flood control, navigation, and other purposes, Secretary Merrill of the power commission, in part says:

> Of all our major national resources we know less about our water-power resources than any other. We have made extensive examinations of our coal, oil, and gas fields, have plotted their location, and have estimated the total resources available. We have done similarly with respect to other of our important mineral resources. We have made a fairly careful estimate of our total timber resources, both those upon public lands and those upon private lands, and we can predict fairly closely the extent to which we can use these resources if we are to maintain a continuous supply.

Again, Mr. Merrill, in his letter to Senator RANSDELL says:

> On only a few streams in the United States have studies been carried to the point where reasonably complete information is available on which to draw the general plan of river development, not only for purposes of water power but for such other related uses as navigation, irrigation, public water supply, and flood control.

And then he refers to the survey of the upper Tennessee River. In his letter to Senator RANSDELL, Mr. Merrill further says:

Section 4 of the Federal water power act authorizes the commission "to make investigation and to collect and record data concerning the utilization of the water resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to market of power sites"; that is, the commission has the authority to conduct adequate investigations on any stream of the United States where the question of water power is involved. The conduct of such surveys is, therefore, contemplated as one of the items in the administration of the Federal water power act.

It is conceivable, Mr. Speaker, that the bill introduced by Senator RANSDELL into the Senate (S. 3328) was satisfactory to Mr. Merrill, secretary of the Federal Power Commission, and I call the attention of the House to Mr. Merrill's letter to Senator RANSDELL and the bill introduced by Senator RANSDELL in order to make clear to the House that there is a head-on collision between the activities proposed by the Federal Power Commission through its secretary and surveys proposed in the river and harbor bill (H. R. 8914) reported to the House April 26 by Mr. DEMPSEY, chairman of the Rivers and Harbors Committee. In that bill I call the attention of the Members of the House to two provisions, one of them as follows:

Tennessee River and tributaries, North Carolina, Tennessee, Alabama, and Kentucky: The completion of the survey recommended in House Document No. 319, Sixty-seventh Congress, second session, is hereby authorized at a cost not to exceed $315,800 in addition to the amount authorized in the river and harbor act approved September 22, 1922.

And the other provision reads as follows:

The Secretary of War is hereby authorized and directed to cause to be made by the Corps of Engineers, United States Army, such investigations as may be necessary for the preparation of a general plan for the most effective navigation improvement in combination with the most efficient development of the potential water power on those navigable streams of the United States and their tributaries where such power development appears feasible and practicable, together with an estimate and report of the cost of conducting such investigations as to all such streams and tributaries, at a cost not to exceed $500,000, with recommendation that $250,000 be immediately appropriated.

In the bill (S. 3328)) introduced in the Senate by Senator RANSDELL we find in part the following:

*Be it enacted, etc.*, That in pursuance of the authority conferred upon it by section 4 of the Federal water power act the Federal Power Commission is hereby authorized and empowered to prepare a comprehensive plan of development of the water resources of the United States for the purpose of providing electric power for farms, rural communities, cities, and industries, of promoting navigation, of controlling floods, and of securing other beneficial public uses of such resources. In the preparation of such a plan the commission shall utilize all data available in the records of the various departments, bureaus, and other agencies of the Federal, State, and municipal governments or obtainable from other sources or by examinations or surveys.

SEC. 2. The commission is authorized to bring into coordination so far as practicable the data and work of the engineering, scientific, and construction services, bureaus, boards, and commissions of the several governmental departments of the United States that relate to the study, development, or control of rivers and their tributaries, and of lakes, swamps, and other bodies of water, and to utilize the personnel of said services, bureaus, boards, and commissions with a view to unity of method and economy of service in the investigation, development, and control of rivers and river systems in the United States in the interest of navigation and protection from floods, and with particular reference to the most complete and efficient development and use of the waters thereof for hydroelectric power and to the coordinated operation of hydroelectric and fuel-electric plants in interconnected systems of the widest scope that may be found physically and economically practicable.

Mr. Speaker, when Members of the House compare the two provisions which I have quoted from the bill introduced in the House by the chairman of the Rivers and Harbors Committee with the extracts I have made from the bill introduced by Senator RANSDELL it will be most obvious that Congress ought to amend the Federal water power act with respect to those provisions in the act which conflict in the administration of the act by the power commission with laws which authorize, direct, and control the surveys on our navigable streams, wisely carried on now by the United States engineers.

It can no longer be a matter of controversy, debate, or doubt that there is conflict, confusion, and duplication of organized effort between the power commission and the United States engineers. It is imperative. There is a demand of no uncertain sort calling on Congress to cause the Corps of Engineers of the United States Army to make such surveys of our navigable streams and their tributaries as will disclose the most effective navigation improvement in combination with the most efficient development of potential water power on the navigable streams and their tributaries in the United States.

We can not ignore the conflict between the Federal Power Commission and its activities and its administration and the activities and work of the United States Engineer Corps on our navigable rivers. Neither can we shut our eyes to the litigation now of record between the States and the Federal Government as shown by the suit of the State of New York against the Federal Power Commission, in which suit other States have joined.

Mr. Speaker, I have drawn the attention of Members of the House to this important subject and indicated not as clearly and definitely as I hope to some time in the future that it is a duty resting upon the House to pass legislation which will remove the conflict, confusion, and duplication of work and effort which now exists between the administration of the Federal water power act and the work of the United States Engineer Corps on our navigable streams.

In connection with this wonderfully important subject I ask each Member of the House this question: What are the undeveloped water-power resources of the United States? Shall the Federal Water Power Commission make the investigations and secure the facts to answer this question, or shall the United States Engineers make the surveys and investigations and answer this question?

WHAT ARE THE UNDEVELOPED WATER-POWER RESOURCES OF THE UNITED STATES?

The water powers of the United States which are capable of economic development constitute one of the most inexhaustible of this country's resources. Wherever 12½ cubic feet of water per second falls through a height of 1 foot it is capable of developing 1 horsepower in a hydroelectric plant having machinery which is 70 per cent efficient.

It is evident, then, that in order to determine how much undeveloped water power there is in the United States which is capable of economical development we must know the flow of each river and how much it falls. We must also know that there is a suitable site for a dam and its appurtenances that can be built without too great expense, and that there is a market for the power within reasonable distance at a rate that will make the enterprise reasonably profitable to the investor.

To make an estimate of the commercially feasible undeveloped water powers of the United States is not an easy task. Consider first the question of the flow of the stream. This, of course, varies from day to day and from month to month, and a record over a period of years is very desirable in order to determine just how low the water really gets at times, for it is the low-water flow of the stream which must form the basis of all calculations. This low-water flow can frequently be built up by means of storage, but the feasibility of such storage depends upon the topography of the country, and this in turn calls for a survey of the river itself.

The United States Geological Survey has been carrying on systematic stream measurements all over the country since 1899. On account of the small appropriations, however, the work has been seriously handicapped, and there are but few streams which have been continuously measured during this period. Most of the information consists of fragmentary records extending over a period of two or three years. The report of the Secretary of the Interior for the fiscal year ended June 30, 1922, showed that 11,000 measurements of stream flow had been made that year in 41 States and in Hawaii, and that 1,540 gauging stations were being maintained. "In this work," he says, "31 States and Hawaii have cooperated by contributing $217,010, and several Government bureaus have contributed largely to the flow of particular streams." Probably the bureaus which have cooperated most extensively are the Corps of Engineers and the United States Weather Bureau.

The Geological Survey investigates ore deposits in mining districts, studies present and possible oil and gas fields, investigates coal fields and deposits of other useful minerals, makes explorations for potash, researches paleontology, studies geochemistry and geophysics, compiles State and National statistics of mineral production, prepares statistics and makes studies of water resources both on the surface and under ground,

classifies the public lands, as coal land, phosphate land, oil land, and so forth, and is continuing the work of making a general topographic and geological map of the United States. For all of this work the appropriations for the Geological Survey amounted in 1922 to $1,754,340, but a proper study of our water powers in a country the size of the United States would call for at least this amount for stream measurement alone. Such investigations would lead to a far greater development of our water powers and would be the best money we could spend, for water power developed is the creation of economic wealth and taxable values.

Knowing the flow of the stream, the next question is the fall; and to determine the fall of the stream and to locate suitable sites for dams and also to determine the possibilities for storage which is economically feasible without flooding too much land—these are considerations which call for a careful survey on the ground.

The first estimate of our water powers from a national viewpoint was made by M. O. Leighton, then of the Geological Survey, who prepared a report on the undeveloped water powers of the United States for the National Conservation Commission, created by Theodore Roosevelt in 1908. This estimate was based upon such Geological Survey records as were available, certain river surveys made for navigation purposes by the United States Engineer Corps, railroad surveys, and miscellaneous maps and reports of various State and other organizations. From this assortment of data Mr. Leighton, having no appropriations or time for field work, prepared an office study, and concluded that without storage the minimum undeveloped water power of the United States was 36,916,250 horsepower, while his estimated maximum was 66,518,500 horsepower, without storage. By considering storage he estimated that the total was some 212,000,000 horsepower by one method of figuring and 230,800,000 horsepower by another method.

In 1912 the commissioner of corporations, an officer in the Department of Commerce and Labor at that time, reviewed the Geological Survey's estimate of 1908 and called attention to the statement of the Geological Survey to the effect that—

> The surveys and examinations necessary to a thorough and accurate report of the water-power resources of the United States have never been completed. In certain parts of the country the facts are sufficiently well known to make it possible to present a tolerably accurate statement. In other parts the information is fragmentary and, therefore, power estimates must be considered approximate.

The commissioner emphasized these facts and stated that—

> each water-power development is a distinct problem by itself. Preliminary estimates, while usually based in part on available records of stream flow, rainfall, and run-off, are almost always supplemented by additional specific data obtained by engineers. In other words, the preliminary estimate on a specific project is almost certain to be much more accurate than any general estimate for the entire basin in which the project is located. Yet many financial houses identified with hydraulic developments—several of which have their own engineers—state that experience has led them to consider preliminary estimates of power only after dividing by two. * * * Various estimates of potential water power in the United States have been made, but, with the exception of that of the United States Geological Survey above referred to, they are practically mere guesses.

The commissioner of corporations reviewed the report of the Geological Survey of 1908 and revised its estimates downward for reasons which he gave, and concluded that without storage the minimum potential water power in the United States was 26,736,000 and that the maximum was 51,398,000 horsepower. In discussing the question of storage the commissioner said:

> Various estimates have been made as to the total water-power possibilities of the United States, including storage, but none of them has been based upon sufficiently reliable data to warrant unquestioned acceptance. The difficulties of estimating the possible power development of a stream are multiplied when an attempt is made to estimate the supplementary reserve force that can be put into it by storage. * * * Different authorities show a wide variation for comparatively limited areas. For instance, one authority allots to California 11,400,000 horsepower, while another allows only 5,000,000 horsepower. One authority gives Oregon nearly 9,000,000 horsepower; another allows only 3,300,000. One gives New York, Maine, California, and Washington a total of 34,000,000 horsepower, while other authorities give these States a total of only 17,000,000 horsepower. There are comparatively few distinctive storage developments in the United States. Any estimate including storage therefore must be mainly theoretical. * * * In the light of the foregoing considerations this bureau is unwilling to suggest any estimate as to the extent to which the water-power possibilities of the country may ultimately be increased by storage or even to cite such estimates as others have made.

Summing up his observations on the undeveloped water powers of the United States the commissioner says:

> In view of the actual conditions and in the light of facts that have been developed during the course of this investigation, it is evidently but little better than pure speculation to estimate what may be the ultimate water-power development of this country.

The only other estimate of the potential water powers of the United States which is generally known is that of the Electrical World, which from time to time publishes revised estimates of the undeveloped water powers of more than 10,000 horsepower classified according to their various drainage basins. This estimate, given in the Electrical World for July 30, 1921, showed a total maximum undeveloped water power of 52,829,500 horsepower.

As an example of how far wrong these estimates are likely to be, the Geological Survey estimate of 1908 for the Tennessee River and tributaries in Kentucky, Tennessee, Mississippi, Alabama, Georgia, North Carolina, and Virginia was a maximum of 1,950,000 horsepower. This was before Muscle Shoals or Hales Bar was even surveyed. Deducting 850,000 maximum at Muscle Shoals and 54,000 maximum at Hales Bar, leaves 1,046,000 horsepower for all other developments in the Tennessee River and its tributaries.

Major Fiske has testified before the Rivers and Harbors Committee that as a result of the survey he is making of the Tennessee Valley he has found 52 dam sites outside of Muscle Shoals, and in estimating their power possibilities he said:

> Outside of Muscle Shoals the rest of the Tennessee River, including all the tributaries, 3,000,000 horsepower is a fair estimate at this stage of the proceedings.

The commissioner of corporations published a map in which he undertook to show the power section of the various streams in the United States. As an example of the inadequacy of his information, consider that this map which represents the best available data on the subject from a national standpoint in general does not show the navigable streams as having any power possibilities at all. For example, the map shows no power on the Cumberland River and yet the district engineer has shown that there is a possibility of developing 100,000 horsepower between Nashville, Tenn., and Burnside, Ky., and the Commonwealth-Edison Co. interests of Chicago have recently been granted a permit for three dams in the Cumberland River at and above Burnside, having a total capacity of 200,000 horsepower. One of the best power streams tributary to the Tennessee River is the Hiwassee, which is hardly shown at all, and its branch, the Ocoee, on which 45,000 horsepower has been developed, is not shown. The facts are that no one knows what the undeveloped power possibilities of the United States are, and until the United States Government will make the investment which is necessary in order to determine the extent of these resources we will never know what they are.

One thing is certain, that the present rush to develop water power under the terms of the Federal water power act on a hit-or-miss basis without having any general survey of the river valley in which the new development is being made is certain to result in an unnecessary limitation of the total amount of power developed, for after full information has been obtained we may expect to find that the locations and height of dams and other features of present developments now being made will prevent the full utilization of the power of the stream in the future. This is no reflection upon the Federal Power Commission, who have never been in position to get this information, nor upon the power companies, whose business it is to secure the most for their money rather than to conserve the undeveloped water powers of the United States.

It should be remembered that the water of these streams belongs to the States, and that aside from navigation the State is the authority which has the power to make rules and regulations regarding the use of the water. For, to quote from the report of the subcommittee on the power of the Federal Government over the development and use of water power in its report to the Committee on the Judiciary of the Senate in 1916:

> Except as the owner of riparian lands and except for the purpose of regulating interstate commerce, the United States has no property in or sovereignty over the streams or water courses within the boundaries of the several States. The sovereignty and ultimate control is in the State * * *.

Therefore any action by the United States to be constitutional must be based upon the right of the Federal Government to regulate navigation. As to the question of what constitutes a navigable stream, Supreme Court decisions have been quoted in the reference stated above in support of the statement that—

the question of navigability is one of fact in each case. If a stream can be used for commerce or trade in any form to any substantial extent, even for the floating of rafts or logs, or lumber, it is held to be a navigable stream.

This subcommittee further concludes:

For the purpose of promoting and regulating foreign and interstate commerce Congress is given plenary power over all the navigable waters of the United States, to the end of improving and maintaining their navigability; and this power is not limited to the navigable sections of streams, but extends to the tributaries and feeders of the same, for without the control of these the power over the navigable sections might become wholly impotent. (United States v. Rio Grande Co., 174 U. S. 690.)

Since the only constitutional control that can be exercised by the Federal Government over the improvement of our streams is the control of navigation, the only Federal authority having constitutional jurisdiction is the Chief of Engineers, and he must approve every license for power development not only on every navigable stream, but on every tributary of a navigable stream.

Such data will not hinder the development of water power under the Federal water power act, but will give a tremendous impetus to it. With this information at hand the Government will know from its own records what should be done and will not have to depend upon information furnished by interested individuals and companies which is the case at present.

Such a study will undoubtedly disclose thousands of feasible power sites not at present recognized and to judge by the competition to develop the sites disclosed by the survey of the Tennessee River, the result will be the conservation of our water powers by their early and rapid development.

PERMISSION TO ADDRESS THE HOUSE

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. HOWARD] have two minutes in which to address the House.

The SPEAKER. The gentleman from South Carolina asks unanimous consent that the gentleman from Nebraska may address the House for two minutes. Is there objection?

Mr. TINCHER. I object. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

Mr. SCHAFER. Mr. Speaker, I object.

The SPEAKER. The Chair will state that, of course, no more business can now be transacted. But it is likely various bills will come over for the Speaker's signature. The Chair will sit here, and the Chair——

Mr. SNELL. Mr. Speaker, would it be in order to move to take a recess for a few minutes.

Mr. LONGWORTH. Mr. Speaker, under the circumstances, I ask unanimous consent that the House stand in recess until one minute of 7 o'clock.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the House stand in recess until one minute to 7. Is there objection? [After a pause.] The Chair hears none.

AFTER RECESS

The recess having expired at 6 o'clock and 59 minutes p. m., the House was called to order by the Speaker.

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent to occupy the one minute between now and 7 o'clock.

The SPEAKER. The gentleman from Ohio asks unanimous consent to occupy the one minute between now and 7 o'clock. Is there objection? [After a pause.] The Chair hears none.

Mr. LONGWORTH. Mr. Speaker, a most successful and useful session of this Congress has been marred by what has occurred within the last few minutes in another body. The great deficiency appropriation bill, which contains among other things the bonus for the soldiers of the late war amounting to $136,000,000, and the payments to the dependents of soldiers who died in the late war, amounting to something like $25,000,000, has gone by the board.

This bill has failed through the selfishness of a few men who insisted on killing this bill because, forsooth, the House would not permit them to put in a certain reclamation project of at least doubtful value. Since then the House has passed a resolution by unanimous vote providing for the amount necessary to pay these soldiers. [Applause.] This has just been defeated in the Senate by the same influence. There is nothing now left to do except to adjourn.

ADJOURNMENT SINE DIE

The SPEAKER. The hour of 7 o'clock having arrived, the Chair wishes all Members a safe journey home, a pleasant vacation, and declares this session adjourned sine die.

EXECUTIVE COMMUNICATIONS, ETC.

555. Under clause 2 of Rule XXIV, a letter from the Acting Secretary of War, transmitting with a letter from the Chief of Engineers report on preliminary examination and survey of Crisfield Harbor, Md. (H. Doc. No. 355); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. H. R. 8879. A bill for the refund of customs duties paid by the Canadian Car & Foundry Co. (Ltd.), on materials imported into the United States to be further manufactured for shipment abroad and which materials were destroyed by fire after such manufacture and before such shipment; with amendments (Rept. No. 1020). Referred to the Committee of the Whole House.

Mr. HAUGEN: Committee on Agriculture. H. R. 9362. A bill to provide for the establishment of a dairying and livestock experiment station at Dalhart, Tex.; without amendment (Rept. No. 1029). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 9398. A bill to provide for the establishment of a dairying and livestock experiment station at Columbia, S. C.; with amendments (Rept. No. 1030). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT: Committee on Public Buildings and Grounds. H. R. 8588. A bill authorizing the Secretary of the Treasury to sell the United States marine hospital reservation and improvements thereon at Detroit, Mich., and to acquire a suitable site in the same locality and to erect thereon a modern hospital for the treatment of the beneficiaries of the United States Public Health Service, and for other purposes; without amendment (Rept. No. 1022). Referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of South Dakota: Committee on World War Veterans' Legislation. H. R. 7845. A bill to amend section 210 of the war risk insurance act; without amendment (Rept. No. 1028). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ASWELL: A bill (H. R. 9761) to regulate the transmission in interstate commerce and through the mails of pistols and revolvers; to the Committee on the Judiciary.

By Mr. WINTER: A bill (H. R. 9762) to add certain lands to the Medicine Bow National Forest, Wyo.; to the Committee on the Public Lands.

By Mr. STEPHENS: A bill (H. R. 9763) to provide that certain fees may be used for the purchase, repair, and rebinding of law books for the libraries of the United States district courts and the United States court of appeals; to the Committee on the Judiciary.

By Mr. GREENE of Massachusetts: A bill (H. R. 9764) to amend section 4492 of the Revised Statutes of the United States; to the Committee on the Merchant Marine and Fisheries.

By Mr. SANDLIN: A bill (H. R. 9765) granting to certain claimants the preference right to purchase unappropriated public lands; to the Committee on the Public Lands.

By Mr. JOHNSON of Washington: A bill (H. R. 9766) to provide for the revenue of the Government and to protect and maintain the cedar-shingle industry of the United States; to the Committee on Ways and Means.

By Mr. CANNON: A bill (H. R. 9767) providing for the purchase of a site and erection of a public building at Union, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. THOMAS of Oklahoma: A bill (H. R. 9768) to amend section 10 of the Federal reserve act approved December 23, 1913, and amended June 3, 1922; to the Committee on Banking and Currency.

By Mr. REECE: A bill (H. R. 9769) to amend an act entitled "An act to establish a Veterans' Bureau and to improve the

facilities and service of such bureau, and further to amend and modify the war risk insurance act," approved June 9, 1921, and amendments thereto; to the Committee on World War Veterans' Legislation.

By Mr. UPSHAW: A bill (H. R. 9770) to establish State engineering experiment stations in the States and Territories in connection with institutions of higher technical education for the promotion of engineering and industrial research as a measure of industrial, commercial, military, and naval progress and preparedness in times of peace or war; to the Committee on Education.

By Mr. PORTER: A bill (H. R. 9771) to authorize the payment of an indemnity to the Government of China on account of the killing of two of her nationals by members of American military forces; to the Committee on Foreign Affairs.

By Mr. TINCHER: A bill (H. R. 9772) to authorize the Secretary of Agriculture to advise and assist cooperative associations of producers of agricultural products and others by the promotion of sound business practices, establishing uniform standards of classification, providing for the registering of cooperative associations, inspection of agricultural products, a market news service, and for other purposes; to the Committee on Agriculture.

By Mr. SNYDER: A bill (H. R. 9773) to amend section 26 of the interstate commerce act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. LARSEN of Georgia: A bill (H. R. 9774) providing for the American cotton growers' commission, and for other purposes; to the Committee on Agriculture.

By Mr. KELLY: A bill (H. R. 9775) creating and defining the duties of a commission on an immigration policy; to the Committee on Immigration and Naturalization.

By Mr. LOWREY: Joint resolution (H. J. Res. 292) to create a body corporate for the exportation of agricultural products; to the Committee on Agriculture.

By Mr. SWEET: Joint resolution (H. J. Res. 293) directing the Chief of the Board of Engineers of the Army to reestimate the cost of constructing a 30-foot depth ship canal from the Hudson River to Lake Ontario, based upon present-day figures; to the Committee on Interstate and Foreign Commerce.

By Mr. PORTER: Joint resolution (H. J. Res. 294) extending the sovereignty of the United States over Swains Island and making the island a part of American Samoa; to the Committee on Foreign Affairs.

By Mr. MADDEN: Joint resolution (H. J. Res. 295) providing appropriations for administrative expenses of the World War adjusted compensation act; to the Committee on Appropriations.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAVEY: A bill (H. R. 9776) for the relief of Fred Sauler; to the Committee on War Claims.

By Mr. DOWELL: A bill (H. R. 9777) granting a pension to Nellie L. Brackett; to the Committee on Invalid Pensions.

By Mr. FREDERICKS: A bill (H. R. 9778) granting a pension to Rebecca Backman; to the Committee on Invalid Pensions.

By Mr. GARDNER of Indiana: A bill (H. R. 9779) granting an increase of pension to Carrie Hurt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9780) granting an increase of pension to Minervie Thralls; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9781) granting a pension to Eliza J. Rawlings; to the Committee on Invalid Pensions.

By Mr. GLATFELTER: A bill (H. R. 9782) granting an increase of pension to Maggie Sponsler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9783) granting an increase of pension to Catherine Bupp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9784) granting an increase of pension to Louisa Stough; to the Committee on Invalid Pensions.

By Mr. LANGLEY: A bill (H. R. 9785) granting an increase of pension to Mitchell Johnson; to the Committee on Pensions.

Also, a bill (H. R. 9786) to restore to the pension roll the name of Nancy Hoskins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9787) granting a pension to Joseph Wilder; to the Committee on Pensions.

Also, a bill (H. R. 9788) granting an increase of pension to John Salyer; to the Committee on Pensions.

By Mr. LEA of California: A bill (H. R. 9789) for the relief of Charles O. Dunbar; to the Committee on Claims.

By Mr. LINEBERGER: A bill (H. R. 9790) granting a pension to William J. Finley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9791) granting a pension to William W. Shoch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9792) granting a pension to Mary L. Kinsey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9793) granting a pension to Sarah A. Morgan; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 9794) granting an increase of pension to Martha E. Lowery; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 9795) granting an increase of pension to Mary Louise Playfoot; to the Committee on Invalid Pensions.

By Mr. NEWTON of Minnesota: A bill (H. R. 9796) for the relief of Robert E. Towey; to the Committee on Military Affairs.

Also, a bill (H. R. 9797) for the relief of Enza A. Zeller; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 9798) granting a pension to Lizzie McDaniel; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 9799) granting an increase of pension to Rachel Woggerman; to the Committee on Invalid Pensions.

By Mr. WILSON of Indiana: A bill (H. R. 9800) granting an increase of pension to Susan M. Capehart; to the Committee on Invalid Pensions.

By Mr. WOLFF: A bill (H. R. 9801) granting a pension to Charles A. Sheets; to the Committee on Pensions.

By Mr. WOODRUFF: A bill (H. R. 9802) granting a pension to Vernie Pope; to the Committee on Invalid Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3031. By the SPEAKER (by request): Petition of president and members of the board of trustees of the village of Depue, Ill., protesting against the use of the Illinois River by the city of Chicago for sewage disposal; to the Committee on Rivers and Harbors.

3032. Also (by request): Petition of president and members of the board of trustees of the village of North Utica, Utica, Ill., protesting against the use of the Illinois River by the city of Chicago for sewage disposal; to the Committee on Rivers and Harbors.

3033. By Mr. MONTAGUE: Petition of sundry citizens of Richmond and Norfolk, Va., requesting the Congress of the United States to pass the equal rights amendment; to the Committee on the Judiciary.

3034. By Mr. WINGO: Petition of the First Baptist Church, Fort Smith, Ark., of 1,100 members, in support of the constitutional amendment to prohibit sectarian appropriations (H. J. Res. 159); to the Committee on the Judiciary.